

**OFFICE MEMORANDUM**

**Subject: Technical Advisory Group for Unique Projects (TAGUP) -- Constitution and Terms of Reference.**

**Preamble**

The Finance Minister in his Budget Speech of 2010-2011 had announced setting up of a Technical Advisory Group for Unique Projects (TAGUP). Para 104 of the Budget speech reads as follows:

*“Technology Advisory Group for Unique Projects (TAGUP)*

*104. An effective tax administration and financial governance system calls for creation of IT projects which are reliable, secure and efficient. IT projects like Tax Information Network, New Pension Scheme, National Treasury Management Agency, Expenditure Information Network, Goods and Service Tax, are in different stages of roll out. To look into various technological and systemic issues, I propose to set up a Technology Advisory Group for Unique Projects under the Chairmanship of Shri Nandan Nilekani”*

2. In recent years, government functioning has come to involve complex system development. Five projects stand out:

- The Tax Information Network (TIN)
- The New Pension Scheme (NPS)
- The National Treasury Management Agency (NTMA)
- The Expenditure Information Network (EIN)
- The Goods and Service Tax (GST)

3. In addition, there are numerous other settings in government like health insurance through Rashtriya Swasthya Bima Yojana and Unique Identification Authority of India (UIDAI), where IT systems are mission critical.

4. These five projects alone – TIN, NPS, NTMA, EIN, GST – have immense transformative power and can change India’s growth trajectory. This justifies special

efforts in increasing the probability of project success. The challenge is to find ways to rapidly roll out these complex systems, to achieve and sustain high levels of reliable performance. Issues of project management for complex IT-intensive systems in the Government need to be addressed on a priority. The constitution of the TAGUP is an effort in this direction.

#### **Constitution :-**

5. In pursuance of this, the Government hereby constitutes the TAGUP consisting of the following members:

1. Shri Nandan Nilekani – Chairman
2. Shri. C. B. Bhave, Chairman SEBI
3. Shri R. Chandrasekhar, Secretary , Department of IT
4. Shri Dhirendra Swarup, Former Chairman PFRDA
5. Shri S.S.Khan , Former Member, CBDT
6. Shri P.R.V Ramanan, Former Member, CBEC
7. Dr. Nachiket Mor , President, ICICI Foundation for Inclusive Growth

#### **Terms of Reference**

6. For effective implementation of the above 5 projects, TAGUP will address the following issues and make appropriate recommendations thereon:

- i. Human resource issues including modifications in government rules and procedures, methods of recruitment, training, performance evaluation, incentives, and promotions.
- ii. Appropriate placement of tasks and allocation of responsibilities within Government, at 'National Information Utilities', and through private vendors.
- iii. Contracting, commercial terms and charges including procedures to be adopted for price discovery and competitive bidding, types of pricing models to be used, and suggestions regarding user charges.
- iv. Road map from startup to going concern for each of these projects with focus on harnessing the early upsurge in usage so as to get the ball rolling in terms of transactions, awareness and economies of scale; and also focus on legal/regulatory change, if any.
- v. Technology architecture including development frameworks, engineering implementations, design process, lifecycle structure of the technology projects and ways for co-ordination between the Centre, States and Local Governments.
- vi. Possibility of introducing Open Protocols, and utilization of open source components being created by other e-government projects worldwide.
- vii. Security challenges of malicious attacks on the system.

- viii. Accountability and self-corrective mechanisms including metrics of performance of these systems and their monitoring processes, transparency framework for users and citizens so as to generate 'crowd-sourcing' mechanisms; research and analysis framework to enable each of the systems to identify its own infirmities and initiate steps for course correction on an ongoing basis.
- ix. Protection of individual's right to privacy with focus on safeguards in the IT systems to protect legal and constitutional rights; evolving a privacy framework with mechanisms that should be put in place for authorized access and use of personal information by Government agencies as well as prevent unauthorized access and use of such information; provision of guidelines for projects under implementation which ensure privacy of individuals and firms, together with procedures for swift settlement of disputes in these areas.

### **Procedure**

7. The TAGUP will devise its own procedure and may utilize the services of such Advisors, institutional consultants and experts, as it may consider necessary for any particular purpose. In particular, it will have the following advisors:

- i. Representative of DOR (AS DOR)
- ii. Representative of the Department of IT (JS –NeGP)
- iii. Representative of DEA (JS Budget)
- iv. Representative of DOE (JS PF II)
- v. Representative of Department of Financial Services
- vi. Key senior person dealing with TIN, DOR
- vii. Key senior person, PFRDA
- viii. Key senior person, Middle Office in DEA
- ix. Key senior person in EIN, DOE
- x. Key senior person dealing with GST, DOR

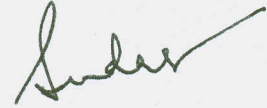
8. It may call for such information as it may consider necessary. Ministries and Departments of the Government of India are requested to furnish such information and documents and other assistance as may be required by the TAGUP.

### **Secretariat**

9. The TAGUP will be housed in the Budget Division, Department of Economic Affairs, Ministry of Finance and will be serviced by it. It will have a fully functional Secretariat. The TAGUP will have its headquarters in Delhi.

10. The TAGUP will make its recommendations within 6 (six) months of the date of its constitution. It may consider, if necessary, sending reports on any of the matters as and when the recommendations are finalized.

This issues with the approval of FM.



(Shaktikanta Das)  
Joint Secretary (Budget)  
Tele : 2309 2804

To

1. Shri Nandan Nilekani – Chairman
2. Shri C. B. Bhavé, Chairman SEBI
3. Shri. R. Chandrasekhar, Secretary , Department of IT
4. Shri Dharendra Swarup, Former Chairman PFRDA
5. Shri S.S.Khan , Former Member, CBDT
6. Shri P.R.V Ramanan, Former Member, CBEC
7. Dr. Nachiket Mor , President, ICICI Foundation for Inclusive Growth

Copy to:

1. The Secretary (Revenue)
2. The Secretary (Expenditure)
3. Joint Secretary (Budget)