

Foreword

India has made a mark across the world in IT Software Services, and more recently IT enabled Services and Business Process Outsourcing. This has helped transform the way others perceive India. At home, there is a growing awareness that the ICT sector, which contributes more than 3 per cent of the GDP (2002-03), has a vital role to play in economic development. But if the dynamism displayed by this vital sector is to be sustained, we must multiply these IT applications at home, in our industries, in rural areas and in governance.

Our first report 'India: E-Readiness Assessment 2003' was the first attempt at ranking the e-preparedness of States and Central Ministries. It received wide acclaim and was very well accepted. Building upon that experience in this second attempt, we look at new dimensions of e-readiness of States and Union Territories and bring forth the strong correlation between economic development and ICT. Econometric modeling has been used to identify the drivers of Information Technology in the country and state level prioritization of activities for the transformation using ICT.

India's national competitiveness has been studied and documented. The application of ICT to social sectors can improve governance and bring in better fiscal discipline in the provision of public services. In this report, case studies have been used as a tool to highlight the sustainability of e-governance initiatives. In keeping with the essence of second-generation reforms, we bring to light the importance of the involvement of the private sector in making rural development profitable.

The aim of this report is to provide valuable inputs to top-level decision makers in matters of resource allocation and policy formulation. It should also encourage various nodal ministries and departments to borrow or share best practices, put in place effective implementation mechanisms and move up in the realization of value from technology in tune with the opportunities provided. For the investor community at large, the report should act as a pointer to where the gap areas and opportunities lie.

The hard-working and committed team of the Department of Information Technology has worked closely with the National Council of Applied Economic Research (NCAER) to conduct this study. State governments and Union Territories willingly participated in the whole exercise, sharing their insights and field level experiences, which were used to supplement our primary survey in order to reflect the ground realities. Our future endeavors will greatly benefit from the feedback we hope to receive from our discerning readers.

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India: E-Readiness Assessment Report 2004

For States/Union Territories



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