

Chhattisgarh

The Emerging IT Destination in India

Chhattisgarh is fast becoming a hot destination for Information Technology (IT) industry in India. The state's growing economy, investor-friendly policies of the government, IT and the e-governance vision are the reasons behind its growing popularity.

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Chhattisgarh, on November 1, 2000, emerged as a state of Indian Union. Earlier, it was a part of Madhya Pradesh. Today, it is one of the fastest growing economies among the newly formed Indian states. The state has abundant natural resources. It has rich biodiversity and rich cultural diversity. Being a newly formed state, its fiscal position is healthy and the government has been kept small. The state occupies ninth position in terms of geographical area. The population of the state is 21 million, of which 79% lives in rural areas. Nearly 44% of the geographical area of the state is under forest cover. The state's resources include minerals such as iron-ore, coal, bauxite, dolomite, limestone, gold and diamonds. It has 49% of the country's diamond deposits. Chhattisgarh is trying to attract investments in the IT industry based on these resources. Chhattisgarh wants to be a state of job-providers rather than a state of job-seekers.

Chhattisgarh's Economy

The government is trying hard to take the leadership role and develop the state economically and socially development over the next few years. The state government is coming up with e-governance, the state's vision for the good governance. The first phase of the e-government roadmap for Chhattisgarh was prepared by the National Institute for Smart Governance (NISG), Hyderabad in association with Administrative Staff College of India (ASCI) located in Hyderabad. Companies such as NMDC, Essar-Steel, Jindal steel, ACC, Birla Cement, and SAIL, etc., are already present in the state and they are helping the state to develop its economy.

Strengths and Opportunities

The major strengths and opportunities of the state of Chhattisgarh are given below.

- i Rich natural resources such as minerals, agricultural land, forests, water resources.
- ii Availability of qualified human resources.
- i Geographical advantage of being in central India.

- i Peaceful industrial relations climate.
- i Being relatively new state and healthy fiscal situation.
- i Korba, the power capital of India, is located here.
- i Has huge coal reserves which can be use for power generation.

Weaknesses and Threats

Chhattisgarh has the following weaknesses and threats.

- i Lack of infrastructure, such as quality road, rail and aviation infrastructure.
- i Majority (80%) of the population depends on agriculture for their livelihood.
 - i Lack of proper healthcare.
- i Lack of skilled manpower.

By making the best use of the available natural resources, the state plans to improve the economy and infrastructure. It plans to improve its competencies in many areas including IT, communication technology and e-governance. The state is working hard to uplift the tribal and weaker sections.

IT Policy

Using Information and Communication Technologies (ICTs), the state would like to be responsive to the requirements of all the stakeholders such as citizens and industries.

IT Vision

Chhattisgarh has identified ICT as the key player in developing the state economically and to improve the quality of life of the people. It would like to provide its citizens with government services in local language and promote its entrepreneurs. Chhattisgarh's ICT policy is designed in such a way that importance is given to the socioeconomic development. This can be achieved by enabling the state.

The objectives of the state's IT policy are:

- i To create job providers rather than job seekers.
- i To establish Chhattisgarh as the leading IT destination in India.
- i To empower citizens and promote public trust in government.
- i To leverage IT in improving governance.
- i To make Internet accessible to masses.
- i To plan and invest for future IT requirements.
- i To use IT for the growth of non-IT industries.

Development Strategies

The state would like to adopt technology-enabled governance and also work towards establishing Software Technology Parks (STP). In this backdrop, an STP is already

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established at Bhilai. There is also a proposal for the establishment of an IT university in the state which would meet the human resources requirement in the IT industry. IT has been identified as the 'Special Trust Sector' and would enjoy the government support in near future.

Action Plan

The State Government as part of its action plan for the growth of IT industry in the state has taken various measures. The action plan includes the following:

- i Chhattisgarh infotech and biotech Promotion Society (CHiPS) has been set up in the state. Its main purpose is to achieve IT growth, socioeconomic development in the state.
- ii CHiPS will work as a high level IT promotion agency in the state.
- iii All the departments of the government have been computerized. Each department will now have an IT working group, a Chief Information Officer (CIO) and a representative from the CHiPS in addition to the IT employees and contractors working for the department.
- iv As part of the action plan, the state would have to improve the telephone density to match the national average.
- v The state already has fiber-optic network. In addition to this, VSAT and microwave links will be provided in a phased manner.
- vi As part of the long-term strategy, the state plans to improve cities like Bilaspur, Jagdalpur, Raigarh, Bhilai, Raipur, Korba and Ambikapur as IT cities in the state.
- vii The state also plans to take certain academic initiatives such as setting up an IT University or Indian Institute of Information Technology (IIIT) with international standard infrastructure.
- viii It also plans to invite national and international universities to establish institutes in the state.

Concessions to the Entrepreneurs

Chhattisgarh is providing concessions to the IT entrepreneurs.

The concessions include:

- i Interest subsidy on term loan and working capital on small, medium and large enterprises.
- ii Fixed capital investment subsidy.
- iii Electricity duty exemption.
- iv Exemption from stamp duty (based on the size of the company).
- v Exemption from entry tax (based on the size of the company).
- vi Concession in the premium of land allotted in the industrial areas.
- vii Project report subsidy.
- viii Interest subsidy on technology upgradation.

E-Governance

E-Governance should meet the developmental and social needs of the state and abide by the basic principles of the governance. This should enhance the efficiency, transparency, accountability and responsiveness of the government agencies and streamline the government processes and systems.

Some of the initiatives taken under e-governance are:

- i The state is in the process of developing Chhattisgarh Online information System for Citizen Empowerment (CHOiCE).
- i The state has developed Geographical Information System (GIS) and has got 37 layers in it.
- i eSimputerí, an indigenously developed handheld device for the Panchayat and Rural development department.
- i The state is leveraging IT for computerization of land records.
- i The state is creating virtual classrooms for government engineering colleges.
- i The state is ready to provide funds for R&D in getting local language solutions.
- i The state encourages implementation of e-procurement in all the departments to keep track of all the purchases made.
- i State-wide video conferencing connecting all the 16 districts is in place.

Vision

Chhattisgarh is planning to employ ICT for improving productivity and efficiency in the areas of agricultural and banking sectors, manufacturing, welfare and services sectors, to ensure the needy are benefited. It also aims to improve the quality of education and health care using electronic delivery channels. Work processes, decision-making and interactions within the government can also be handled better with the help of ICT.

Stakeholders

Six major stakeholders have been identified for the e-governance. They are citizens, businesses, Non-Government Organizations (NGOs), the central government and other state governments, lending and donor agencies and financial institutions. The systems should meet the needs and expectations of these stakeholders while implementing the e-governance vision.

Position of Human Resources in the State

The state suffers from lack of sufficient healthcare professionals. Till recent past, the state had only one medical college. But now it is in the process of setting up another college at Bilaspur. The state's literacy rate is on par with that of the country (65%). In 2001, the male literacy rate was 77.8% and the female literacy rate was 52.4%. Percentage of people below the poverty line was 39. The government plans to bring it down to 19% by 2010. The state plans to meet the increasing human resources needs of the IT industry by setting up more engineering colleges and a IT University.

Conclusion

With systems such as CHiPS, CHOiSE, and *Simputer* in place, the state is creating many avenues for attracting IT investments. The natural resources available in the state, the state's vision, human resources available, the IT strategies and the action plans also play a major role in attracting the IT investments into the state. 

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