





मंत्री संचार एवं सूचना प्रौद्योगिकी भारत सरकार, इलैक्ट्रॉनिक्स निकंतन, 6, सी.जी.ओ. कॉम्प्लेक्स, नई दिल्ली-110 003 MINISTER COMMUNICATIONS & INFORMATION TECHNOLO

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# **MESSAGE**

Sustained economic growth and substantial poverty reduction require integration of new technologies notably Information Communications Technologies (ICTs) in such a way that the different sections of the society especially the underserved and marginalized sections become more integrated into the ever evolving knowledge society. This requires adoption of policies that encourage and create conducive business environment and proactive learning and usage by all stakeholders.

Keeping in mind the above, the 2006 Report, for the first time has included the Social Accounting Matrix (SAM) that allows study of impacts at disaggregated levels – by sectors and socio-economic groups. It also allows derivation of income multipliers that trace out differential impacts on income generation for different household groups.

The other important feature of this year's Report is the evaluation of readiness of some Central Ministries / Departments that have direct interactions with public and business.

Over the last 4 years in which this Report is being published annually, we have witnessed Leaders such as Tamil Nadu design policies to maintain their leadership position, whereas States in the other categories have demonstrated that effective policy making has made them leaders in specific categories e.g. Maharashtra and Gujarat are leaders in Environment Index.

The team of National Council of Applied Economic Research and the Department of Information Technology worked closely to publish this Report. We hope that the e-Readiness Reports published by the Department of Information Technology play the critical role of a beacon guiding the setting of strategic vision and priorities for States for extending and enhancing the impact of ICTs to and in all sections of society.

(A. RAJA)





# Jainder Singh



## सचिव

संचार एवं सूचना प्रौद्योगिकी मंत्रालय सूचना प्रौद्योगिकी विभाग इलेक्ट्रॉनिक्स निकेतन गै0जी0ओ0 कॉम्पलेक्स, नई दिल्ली–11000

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## <u>Message</u>

Worldwide investments in e-Government are increasing significantly. Information and Communication Technologies (ICTs) are now being incorporated as critical tools for poverty reduction by several countries that are preparing and implementing national e-strategies that emphasize free flow of information to increase voice, accountability, and economic development.

As large amounts of resources are being invested in e-Government projects across the world including India, it becomes imperative that a robust assessment strategy is devised that not only provides valuable understanding on specific parameters such as usage and readiness but also provides assessment of potential linkages to socio-economic development emanating from increased investment into ICTs.

However, achieving the above stated objectives is not easy. For the first time, in the current e-Readiness Report, a Social Accounting Matrix (SAM) has been included that studies such potential impacts at disaggregated levels of socio-economic groups and different sectors of the economy to provide empirical evidence of the benefits that ICT is providing in terms of economic growth and poverty reduction. This will help the different states evolve and fine tune their policies for maximizing the impact of various poverty reduction programmes.

The inclusion of some Central Line Ministries/Departments in this year's report is an attempt to evaluate readiness of these Ministries/Departments that have direct interactions with public and business.

It is our hope that the efforts put into this report by the team of the National Council for Applied Economic Research & Department of Information Technology will contribute towards supporting policy and decision making to determine how best to use ICT for poverty reduction and economic growth in the country.

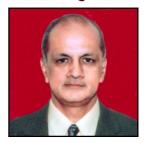
( Jainder Singh )

New Delhi January 30, 2008





आर. चन्द्रशेखर R.Chandrashekhar



## अपर सचिव

संचार एवं सूचना प्रौद्योगिकी मंत्रालय सूचना प्रौद्योगिकी विभाग इलेक्ट्रॉनिक्स निकेतन ६. सी०जी०ओ० कॉम्पलेक्स, नई दिल्ली-११०००३

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### Message

In the last decade, Information and Communication Technology (ICT) related activities have grown significantly and now contribute over 5% towards India's GDP and employ over 1.3 million persons directly and over 3 million indirectly. Also, efforts of numerous government, private as well as civil society organizations have demonstrated that effective use of ICTs can have significant impact on knowledge and skill empowerment especially of rural poor.

Promising as these developments are, India still has significant disparities amongst various states in terms of using ICTs for economic development which are not only a function of mere availability of infrastructure but depends heavily on the readiness of the state, business and individuals therein. In addition, ICTs have different impact on different sectors as well as different socio-economic groups of the society. The Social Accounting Matrix (SAM) analysis may help the states formalize key interventions for increased impact of ICT related investments.

In this context, the current e Readiness Report – the fourth in the series – offers useful insights into how ICTs impact different business sectors and segments of society. As is earlier reports, it ranks the various states according to their levels of e-Readiness. It also provides trend comparisons of ranking of states from 2004-2006. However, it needs to be noted that the movements are relative and not absolute.

In view of the increased focus on the National e-Governance Plan (NeGP), assessment of Readiness of some Central Line Ministries/departments that have direct interactions with public and business is a key milestone. Given the diverse nature of services, while no comparisons are possible, based on the limited data made available, the report does provide key insights into possible areas of focus for optimal use of ICT infrastructure in these organizations.

(R. Chandrashekhar)

New Delhi January 30, 2008.