No. 340-IT-A-04/2004-IT

GOVERNMENT OF ORISSA

DEPARTMENT OF INFORMATION TECHNOLOGY

RESOLUTION

The 10th February 2004

SUBJECT – Information & Communication Technology (ICT) Policy, 2004

1. VISION

The Government of Orissa will strive to develop a well planned, robust and futuristic IT architecture in the State which will bring about positive changes in all walks of life and society, resulting in ease and convenience in transaction, augmenting employment opportunities to the educated youth and ushering higher economic growth in a definite time frame. Government will help IT reach the common citizen so as to narrow down the Digital Divide. Widespread applications of IT would establish a system where the citizens will receive good governance ensuring speed of decisions from a transparent Government through an effective e-Governance System. It will offer a hassle free, business friendly environment to the ICT entrepreneurs by framing an attractive policy package and financial incentives. It will be the endeavour to attract investments from outside into the State. A detailed document on the IT Vision of the State is available at http://www.ocac.in/ITPromotion.

2. OBJECTIVES

The Policy will provide :

- Inexpensive access to Information
- Transparency in governance practice
- Door step delivery of host of services
- Increased employment
- High export turnover and economic growth

3. AGENCIES

- **State Information Technology Services Board (SITSB)** has been constituted to oversee the ICT sector in the State. This is the apex policy making body.
- **Department of Information Technology** will be the administrative department in Government of Orissa in the matters of IT, ITES and Communication.

- **Orissa Computer Application Centre (OCAC)** has been designated as the Directorate of the Information Technology Department. It will co-ordinate and implement the ICT Policy and power the growth of IT in Government and semi-government sectors.
- **Software Technology Parks of India (STPI), Bhubaneswar** under the Ministry of Information Technology and Communication, Government of India is responsible for promotion of Export Oriented IT Units in the State.

4. STRATEGIES

4.1 E-Governance

4.1.1 E-readiness in Government

Government is convinced that the gap between the rich and the poor, between the more developed and the less developed, between the urban and rural population can be bridged by empowering the less privileged sections of society by providing equality of opportunity to access information and services. To this end, Government procedures in all Departments shall be re-engineered to use the ICT tools for attaining speed, transparency and effectiveness in implementing Government decisions and reaching them to the people. All the Departments and important administrative set-ups of the Government shall be connected to the Secretariat Local Area Network (LAN). Computerisation of District and field level offices of all Departments shall be taken up expeditiously. Departments connected with important public services and utilities shall be automated in their functioning and suitable public interface will be designed to provide the services.

4.1.2 Access to Information

Government information such as various Cabinet Decisions, Forms, Procedures, Programs, Projects, Schemes, Tenders, Quotation Calls, and Notice etc will be displayed in the State Portal for reference and use by the public. Designated Information Officers in individual Departments and offices shall be responsible to provide all information needs to the Government and public.

4.1.3 Citizen Services

Various citizen services such as Payment of Utility Bills like Electricity Bills, Water & Sewerage Bills, Telephone Bills, Holding Tax, Filing CST Returns, Exam Fees for School Final, Exam Fees for JEEs, Filing IT Returns, Registration of birth and death and getting related certificates, getting various permits and licenses, downloading of Forms and Government Orders etc will be designed to be made available to the public through State Government Portal. These services will be available to the public from the information kiosks.

4.2 Human Resource Development

4.2.1 E-Literacy

(i) All employees in the Government will be trained on different aspects of computer usage and its applications. The existing in-house capacities available with the Information Technology Department will be suitably augmented by outsourcing the service.

(ii) Recruitment Rules in the Government will be suitably amended to ensure that future appointments in the Government will require a minimum entry level of knowledge on computer applications.

(iii) Government employees will be permitted to take up courses on skill development in the IT related fields leading to award of Diplomas and Degrees from recognized educational / training institutions. Respective Departments will reimburse course fees paid by the employee after passing qualifying examinations and on production of relevant certificates to the authorities.

(iv) Computer Centres and Kiosks will be extended to the village level users. Wherever necessary, Village Panchayat offices will be equipped with a community computer and Internet connectivity. The village level users will be trained on various aspects of computer usage such as accessing the Internet, browsing the Government website and availing of e-Services provided by the Government from time to time.

(v) Use of local language interface in using computers and offering of e-Services through the State Government website will be made available to the users for convenience. Government will provide aides at selected access points to guide citizens with user convenience.

4.2.2 **Education & Training**

(i) **Computer Education at Schools**

Starting from the primary school level, all the school children in the State will be covered under computer training program through appropriate initiatives. The existing coverage of 400 schools will be suitably extended in the coming years. English would be in the school curricula from Class-I.

(ii) **Teachers' Training**

Training will be imparted to all school teachers on computer usage and IT applications and special training will be given to teachers-in-charge of computer education under multiple schemes. Regular training programs will be held for the teachers to keep their knowledge base at most current level.

(iii) **Networked Universities and Colleges**

All Universities and colleges in the State shall be connected through a Wide Area Network and with Internet connectivity. Student related services and facilities such as online education, career counseling, online selections and interviews etc can be made available through this network.

(iv) **Industry friendly curriculum**

Industry friendly curriculum will be devised for all kinds of IT education and training offered by institutions and training houses in the State in consultation with experts drawn from Industry and Academia. EDP will be included in the school and college curricula. This will ensure the compatibility of the young graduates and professionals to the requirement of industry and commerce for getting suitable jobs.

(v) **IT Manpower Planning**

Manpower is the lifeline for sustenance of IT activities in the State. Therefore, manpower planning for the IT sector shall be done on a continuous basis. Government will keep a tab on the existing capacities available with various technical institutions in the State on IT related subjects.

4.2.3 **Capacity Building**

Senior and middle level officers and executives will undergo necessary training programs organised through IT Department in the areas of their interest and intended applications. This will be organized through OCAC. Services of reputed training organisations in the private sector shall be outsourced to augment the existing capacities with Government. Junior executives and official staff shall be given adequate training on various office automation tools and procedures for use in their day-to-day job.

4.3 Infrastructure Building

4.3.1 More IT Parks will be established at suitable locations in the State, preferably in tier-II townships to disperse the IT development uniformly envisaging local area development. For this, private investments will be encouraged.

4.3.2 Data Centres will be developed at District levels, connecting offices of District Collectorates. Varieties of information and primary data related to the land and people such as income group, health and education status,

land holding and usage, soil characteristics, weather reports, rainfall data, agricultural produce, business and commerce, consumption of commodities etc shall be stored in the computers of these data centres for future reference. Video Conferencing facility will be provided to all District Collectors so that the District Administration and State Secretariat can interact at all times. Vital information of the Government and important establishments may also be stored in a State level Disaster Recovery Centre in OCAC to safeguard them from possible damage or loss in case of any natural calamities.

4.3.3 **High Speed Data Corridors**

All important IT infrastructure such as the State Secretariat, Infocity, Fortune Tower, District Data Centres etc will be linked through broad band connectivity for sharing common server space wherever necessary. All major Internet Service Providers, National Long Distance Operators and International Long Distance Operators will be encouraged to set up their point of Presence (POP) for providing readily available connectivity to the IT units.

4.3.4 **Networking**

The Secretariat LAN will be connected to a Statewide Wide Area Network with adequate connectivity through an Optical Fiber Cable back bone at District level and VSAT links at Block level, for information interchange with District and Block Level offices. Video conferencing facilities will be provided between the State and District administration.

4.3.5 **Information Kiosks**

Four thousand Information Kiosks will be set up through self-employment scheme in suitable urban and semi-urban locations in the first phase to offer access to Government information portal and citizen services. Government will provide suitable incentives and free training for this important IT infrastructure in the private sector. A number of e-services targeted for citizens' use will keep these kiosks commercially viable.

4.3.6 **City Infrastructure**

Adequate civic amenities like high quality accommodation, high-class education, health care facilities, amusement parks, entertainment facilities, public gardens and lawns, playgrounds, swimming pools, food plazas, gymnasiums, auditoriums, mini stadiums, children parks etc shall be created in the State Capital and in tier-II townships. This will create a rich ambience required for the growth and concentration of IT activities. All Government Departments will be obliged to allocate 3% of their Annual Budget under the head 'IT Budget' for procurement of hardware and software and 5% for building up the IT infrastructure by their own initiative or in conjunction with combined budget allocation of two or more Departments.

4.3.7 **Communication Infrastructure**

(i)   Orissa Statewide Wide Area Network (OSWAN) will be implemented connecting the Secretariat to the District Head Quarters through broad band connectivity and from district to blocks through minimum 64 kbps data link. Additional connectivity to the blocks will be available through a VSAT network.

(ii)   Government will encourage National Long Distance Operators (NLDOs) for building up a robust fiber optic network in the State connecting District Head Quarters and major towns.

(iii)   Free Right of Way will be granted by IT Department to ISPs and NLDOs for laying of their cables in the State against negotiated/agreed upon band width and allied services to Government for use in the Government Network.

(iv)   Government will encourage private participation for setting up international Fiber Landing Station at Paradip or Gopalpur Port to make connectivity abundantly available.

4.3.8 **IT for Health Sector**

    (a) Telemedicine facility will be expanded to all hospitals up to the level of Public Health Centres located in the Block level.

    (b) All District hospitals and the Medical Colleges in the State will be connected through a Wide Area Network / Video conferencing Network for information interchange and skill sharing.

4.4 Technology Support

4.4.1 Strategic Alliances with Technology leaders like Microsoft, Oracle, Sun Micro Systems, IBM etc shall be encouraged in the Government and private sector. Officers of various Government Departments shall be trained with skill levels and domain knowledge related to their responsibilities.

4.4.2 Initiatives will be taken to establish national level institutes in areas like e-governance, e-commerce, networking, multimedia and animation.

4.5 Community Building

4.5.1 **Industry Associations**

    Government of Orissa shall interact regularly with industry associations like NASSCOM and CII and various Chambers of Commerce and Industry and Industry Associations for sharing and forming views and opinions.

4.5.2 An IT Think-Tank has been informally constituted with members and participants from local IT industry, Academia and IT users with encouragement from the Government in IT Department. This group meets to discuss on various policy issues and gives advisory feed backs.

4.5.3 CIOs' Forum is the formal body of Chief Information Officers of the Departments and Institutions of the State Government, constituting Secretaries/ CEO's of Departments and Organisations as members who are the content owners of the State Portal. Secretary, Information Technology Department is the Chairman of the Forum. Information content of Government web pages and their updation are being effected through regular interaction in the Forum.

5. GOVERNMENT INCENTIVES

5.1 Incentives those are available automatically

5.1.1 IT and ITES units are declared as Public Utility Services under the provisions of the Industrial Disputes Act, 1947. They are allowed to work in three shifts as continuous processing units.

5.1.2 IT / ITES units are exempted from the clearance and routine inspections of the controlling and regulatory authorities of the State Government such as Labour Commissioner, Director of Employment, State Pollution Control Board, Inspectorate of Factories & Boilers and are eligible for self certification to the Labour, ESI and EPF Authorities under the Provisions of the following Central and State Government Acts -

The Factories Act, 1948

Contract Labour (Regulation & Abolition) Act, 1970

Employees' State Insurance Act, 1948

Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959

Industrial Employment (Standing Orders) Act, 1946

Maternity Benefit Act, 1961

Minimum Wages Act, 1948

Payment of Wages Act, 1936

Orissa Shops & Establishments Act, 1946

Equal Remunerations Act, 1976

Employees Provident Fund & Miscellaneous Provision Act, 1952

5.1.3 All IT / ITES industries will be exempted from the payment of Sales Tax for a period of five years from the date of their first billing.

5.1.4 Important IT building infrastructure such as IT Parks, STPI Complex shall be free from power cuts.

5.1.5 IT/ITES units will be exempted from the payment of electricity duty as per the provisions of Industrial Policy of the Government.

5.1.6 IT/ITES units will be exempted from clearance from Electrical Inspector for approving Contract Demand of Load and appliances to be fitted in an IT unit.

5.2 Incentives that are available on application

5.2.1 **Facilitation of ICT Industries-**

A combined application form to obtain clearances would be developed to centralize statutory / non-statutory clearances and time bound clearances with provision of deemed clearances would be created for ICT industries, OCAC will be the nodal agency which will be the single window facilitator. In this regard details will be developed after formulation of Orissa Industries Facilitation Act.

5.2.2 **Interest Subsidy on Loans from Financial Institutions / Banks**

New units in IT / ITES sector will be entitled to interest subsidy @5% per annum for a period of five years from the date of commercial production subject to a maximum of Rs.20 lakhs, on term loans availed from recognized Financial Institutions / Banks in the same manner available to industrial units under Industrial Policy of Orissa, 2001.

5.2.3 **Energy charges at Industrial Tariff for IT / ITES units**

Electrical energy consumption by IT / ITES units shall be charged at industrial rate subject to approval of OERC.

5.2.4 **Stamp duty Exemption**

No stamp duty will be charged on land allotted by Government to IT / ITES units.

5.2.5 **Mega Projects**

Special package of concessions will be offered to Mega IT Projects involving project cost of Rs.10 Crores and above providing employment opportunities to more than 500 persons within a period of two years. In providing such employment, the low end IT jobs such as data entry operators shall be filled up from local candidates.

5.2.6 Price preference of 10% will be available to local IT units participating in the e-Governance projects of the State Government.

6. ROLE OF OCAC

Orissa Computer Application Centre will continue its role as the agency for computerization of the Government. In addition it will function as the Directorate for Information Technology in the State. Following major functions will be looked after by OCAC :-

(i) Involve, co-ordinate and participate in the Computerisation of all Departments in the Government.

(ii) Provide, organize, outsource and co-ordinate training to new users of computer hardware and software and upgrade the skill level of existing users in the Government, entrepreneurs of identified schemes, teachers and trainers. Necessary funds will be provided by Departments' budget.

(iii) Prepare documents, programs and campaigns to increase the visibility of the State as a Destination of Choice for IT investments from investors.

(iv) Design, host and maintain websites of Government Departments, organizations and institutions and necessary software packages as and when requested.

(v) Design, host and maintain the official Information Portal of the Government.

(vi) Implement, co-ordinate and monitor all Schemes of the State Government in the Information Technology Department pertaining to Information Technology, IT Enabled Services and Communication sector.

(vii) Consult, process, procure and maintain hardware and software resources of all Departments in the Government.

(viii) Plan, and formulate various strategies, visions, policies and projects for the Government to achieve success in its mission to reach the benefits of Information Technology to the people. It will explore these whenever possible on the public private partnership.

(ix) Plan, invest, execute projects to build up adequate IT Infrastructure in the State on the basis of Build-Operate-Transfer (BOT), Build-Own-Operate-Transfer (BOOT) and Build-Own-Operate (BOO).

(x) Outsource technologies and IT services not available in the State and work back to assimilate, absorb and develop the technology for the same in the State.

(xi) Collaborate with Technology Leaders to bring in new technologies to increase the local skill level.

(xii) Promote and establish Institutions of Excellence in the State in the IT, ITES and Communication sector to create world-class facilities for training and education.

7. ITES POLICY

7.1 A range of services including Customer Interaction Services, Financial and Accounting Services, Accounting / Data Entry / Data Conversion, Transcription / Translation / Localization Services, Web Site Services (Content Development, Animation), GIS, Engineering and Design, HR Services, Remote Education / Data Search, Integration and Management / Market Research, Consultancy and Management / Network Consultancy and Management etc. have been identified as IT enabled services (ITES). This sector has the potential of uplifting the SME sector in the State with plentiful employment opportunities.

7.2 Orientation

7.2.1 The State has a sizeable English knowing population with a sound work culture. It has around 38 Engineering Colleges, 42 MCA Institutions and 15 Institutions offering MBA Degree. Added to it, there are over 400 colleges running under six universities producing over a lakh of graduates. Both IT professionals and other graduates with good English and communication skill are assets for the ITES industry. Interaction with international clients and customers is the mainstay of ITES industry. Training facilities will be created for imparting good English education in the State. The existing English language curriculum followed in the primary, secondary and higher secondary school syllabi shall be reviewed and Spoken English will be introduced from the High School level.

7.2.2 **IT Literacy Program in Schools/Colleges**

It is necessary that IT education be introduced right from the primary school level. This establishes the required level of familiarity of job-seekers and makes them employable with the minimum educational background of school final.

7.2.3 Knowledge on general maintenance and repair of IT Hardware and overall knowledge on networking shall be introduced to students at school level.

7.2.4 Courses on ITES related topics shall be introduced in selected graduate colleges for turning out readily employable manpower in local ITES units.

7.3 Training

7.3.1 Most ITES activities involve customer interaction services. Therefore training facilities on e-CRM will be made available in the State from experts in the field.

7.3.2 Training on e-Commerce activities including Sales and Purchases through Internet, Transaction processing, Security issues, web services shall be made available through Government agencies.

7.3.3 Training will be provided free of cost to the entrepreneurs selected for Information Kiosks and BPO Complex units under self employment schemes.

7.4 Infrastructure

7.4.1 Fortune Tower, an important IT building Infrastructure constructed by IDCO at Chandrasekharpur, Bhubaneswar offers about 3 lakh square feet of ready-to-occupy space with all IT infrastructure for new IT units and for expansion programs of large IT/ITES companies of the country.

7.4.2 An IT incubator facility namely, BPO Complex is under implementation on the available IT building infrastructure at Bhubaneswar, for providing help to existing BPO units in SME sector. Floor space of about 15,000 square feet would be made available to ITES units under SME category.

7.4.3 Adequate connectivity for voice and data transmission shall be provided through STPI, BSNL, VSNL and other local ISPs to the ITES units.

7.4.4 For ITES activities to spread into length and breadth of the State, infrastructure development will be undertaken in the Tier-II townships.

7.5 Policy Incentives

7.5.1 All incentives available to IT industries are available to ITES units.

7.5.2 No rent will be charged for space for 3 years to SME units in the BPO Complex set up by Government.

7.5.3 Annual Cash Incentive to ITES units having minimum 128 Kbps data / voice connectivity will be given for creation of more than 50 seats and at least 50% turnover from export market shall be eligible for this incentive.

8.   MISCELLANEOUS

(a) This policy shall remain in force until 5 years or until substituted by another policy, whichever is earlier. The State Government may at any time amend any provision of this policy.

(b) Doubts relating to interpretation of any term and / or dispute relating to the operation of any provision under this policy shall have to be referred to the Department of Information Technology, Government of Orissa for clarification / resolution and the decision of Government in this regard shall be final and binding on all concerned.

(c) Implementation of various provisions covering the incentives, concessions etc. will be subject to the issue of detailed guidelines / statutory notifications, wherever necessary in respect of each item by the concerned Administrative Department.

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ORDER-Ordered that the Resolution be published in the *Orissa Gazette* and copies thereof be forwarded to all Departments of Government, all Heads of Departments, all Public Sector Undertakings.

By order of the Governor

P.K. MOHANTY

Chief Secretary

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