

<b>Sector</b>
<b>IT/ITeS Industry</b>
<b>Project Title:</b>
<b>MP e-Portal and Citizen Service Center</b>
<b>Project Description</b>
<p>Although IT has established the might of Indian technical prowess across the world, little use of the technology has been directed towards enhancing the service delivery of Government departments in the Country. IT can be effectively employed to cater to a large base of population across different segments and geographical locations and can substantially increase the scope and area of Government reforms and services.</p> <p>The Government of Madhya Pradesh (GOMP) envisions using IT as a key driver of growth &amp; development and for this purpose the Government has decided to initiate the development of MP e-Portal. The portal would act as a virtual gateway to offer multiple services across a single window. It will redefine the scope and execution of governance and services by augmenting the Government citizen interface. Thus it would enable the State Government to offer convenient, transparent and expedite services to the citizens. The portal would be comprehensive and would encompass all the Government department, services and associated business function. It will facilitate Government to Citizen (G to C), Government to Business (G to B) and Government to Government (G to G) interaction.</p> <p>For the purpose the GOMP wishes to collaborate with a leading software agency of the country.</p> <p>The portal would broadly facilitate:</p> <ol style="list-style-type: none"><li>1. Two way information exchange (interactive services)</li><li>2. Awareness medium (information dissemination)</li><li>3. Service provider (Payment, registration, reservation etc.)</li><li>4. Grievance redressal (feedback service)</li></ol> <p>Further, the Government wishes to open citizen service centers at various locations across the State. These centers would act as information kiosks and would be manned by IT qualified Government professionals. They will provide a range of informational services such as queries related to property registration, filing of tax returns, birth/death registration, taxation etc. Using high-end IT integrated delivery options these would facilitate various online service such as bills payments, forms download and submission etc.</p>

### Project Rationale

IT has the potential to completely transform the Government administrative machinery, redefine the service delivery modules and enhance the Government - citizen interaction. IT integrated approach can be effectively utilized in Government administration to enhance efficiency, productivity and transparency. Further, it can help to streamline communication, reduce cost and can significantly increase the scope and outreach of various services. On the contrary it empowers citizens and provides significant tangible and intangible benefits such as procedural convenience, increased accountability, abridge information gap and reduced corruption.

There is ample scope for the implementation of IT in the State administrative machinery in MP. The State has a rapidly burgeoning economy and it is well poised to be the next investment destination in the country. GOMP has ambitious plans to attract substantial investment especially FDI in the State, the key drivers for which are proactive Government support, single window clearance and efficient administrative machinery. The development of MP portal would facilitate Government to business interaction leading to expedite proposal clearances, enhanced information exchange and convenient service delivery. Thus it would modernize the administrative functioning and increase the investor's confidence by portraying a business like approach.

### Proposed Services

The portal would address the service and information needs of citizens and business in Government transaction. Using integrated approach it will facilitate the virtual interaction of Government, businesses and citizens and would enable unhindered transaction of information and services among them. Through the portal citizen would have round the clock, unlimited access to all the Government departments and services. Further, it would gel the cross functional administrative and legal formalities required to utilize a particular service and save the citizen the trauma of multiple forms, supporting, verification and other such formalities.

The portal will provide following informational services:

Structure and Functions of the department	Tender information
Service offering	Budget
Forms and procedural guidance	Advertisements
Departmental performance	Feedback
Key notifications	Acts and rules
Key contacts	Government orders

These services could be accessed through an internet connection without any geographical hindrance. Further, the envisaged citizen service center would cater to the need of IT incompatible and illiterate population. The center personnel would assist these people in performing various activities such as bill payments, ticket booking etc.

Initially these centers would be opened in key cities such as Indore, Bhopal, Gwalior etc. and later will extend throughout the State. To start with 10 such centers would be established at the discussed locations.

### Market Potential and Demand Dynamics

The Government of Madhya Pradesh is keen to utilize IT towards the socio economic development of masses. The Government wishes to integrate all its functions under one portal to improve service delivery which in turn would lead to increase revenue collection and realization of newer growth avenues.

The joint study conducted by IDC & Dataquest, ranks Madhya Pradesh as the fourth leading State in India in terms of overall perceived improvement of delivery of Government Services through e-governance initiatives.

Perceived Improvement in Delivery of State Government Services to CITIZENS Through E-Governance							
S. No	E-Governance Assisted Service Delivery Area	Highest Score	State Scores				
			Gujarat	Madhya Pradesh	Kerala	Uttar Pradesh	Karnataka
1	Water utility- service delivery & support	91.4	85.0	91.2	82.2	80.0	83.4
2	Municipal taxes- payment & information	89.6	88.6	89.6	84.0	75.6	84.2
3	Applying for birth/ death/ marriage certificates	89.6	89.6	89.6	82.4	76.8	70.8
4	Power utility- service delivery & support	92.4	92.4	88.6	80.0	80.0	85.2
5	Filing of income tax returns	91.4	91.4	87.8	90.0	82.6	80.6

Perceived Improvement in Delivery of State Government Services to CORPORATES Through E-Governance							
S. No	E-Governance Assisted Service Delivery Area	Highest Score	State Scores				
			Andhra Pradesh	Maharashtra	Madhya Pradesh	Gujarat	Karnataka
1	Income tax department- filing of tax returns	94.6	85.6	80.0	92.4	90.4	82.0
2	Registration of land	91.4	88.0	71.2	90.6	83.4	71.6
3	Executing sale/ purchase of land/ property	93.6	93.6	72.8	90.4	80.0	70.0
4	Income tax department- application for PAN number	94.4	84.2	77.2	89.6	90.4	82.2
5	Sales tax/ Service tax- filing of returns	89.6	89.6	74.6	89.6	84.6	75.8

Government of MP has laid great emphasis on computerization of the revenue generating departments and the departments with large public interface. Major e-Governance projects in the State are listed below.

## **TRANSPORT DEPARTMENT**

The department has implemented computerization of its activities viz. issue of driving licenses, vehicle registration, permits etc. With Smart Card interface, on a Build Own Operate (BOO) basis, the project has been operational since January 2002

## **E-KRISHI VIPNAN (EKVI)**

M.P. State Agriculture Marketing Board (Mandi Board) has initiated computerization of all its offices and mandis (around 230) phase wise, to facilitate e-agricultural marketing in MP Private sector company are implementing this project on a BOO Model. Presently a pilot is under implementation.

## **MADHYA PRADESH TAXATION NETWORK**

Commercial Tax Department, the highest revenue earning department of the Government, has implemented an ambitious and comprehensive project to facilitate on line registration and filling of tax returns. Under this project, a database of all tax payers has been created and all 55 locations of the department are networked

## **TREASURY NETWORK**

Department of Finance, which manages Government funds through treasuries and sub treasuries, is also implementing major computerization project to automate and network with the State Headquarters. This aims to facilitate information access on-line and bringing greater transparency and efficient fiscal management of resources. Project will be operational shortly.

## **LANDS RECORD DIGITALIZATION**

Project implemented to computerize the record of ownership of agriculture land of approximately 6.50 million landholders. It has been operational in the entire State for quite sometime now and almost all the records have been digitalized. Copies of the records are made available to the citizens, at Tehsil Offices

## **COMPUTERIZATION OF PROPERTY RECORD REGISTRATION**

Stamps and Registration Department, another major revenue earning department of the Government, is in the process of computerizing its operations. Software for the activity has been developed and a pilot project has also been operational. Now the department is rolling out the pilot in all its offices on BOT model

- *MP is among a few front-ranking Indian States to use e-governance effectively in providing health services and promoting trade, business and industry.*
- *A nation-wide survey by DataQuest magazine ranks MP among leading States like Kerala, Delhi, Gujarat and Goa in the use of e-governance.*
- *The State holds first position in rendering public utility services through e-*

*governance in areas such as municipal corporation, land (revenue), income tax and law. It also stood first in making proper arrangements to provide e-payment facility to the corporate sector.*

### Why MP?

- Conducive environment for industry, package of incentives with investor friendly IT Policy.
- Because of the central location the State is well connected to the major cities in the Country through air, road and railways. Presently the Government is also focusing on strengthening its road transport network. This excellent connectivity of the State is the key to all logistics related issues for the present and the potential upcoming industries.
- Presence of institutes of international repute like IIM (Indore), National Law University (Bhopal), IIITM (Gwalior) and a large number of engineering, management, medical and other professional courses fulfill the needs of high quality education and provide the sources of quality workforce. The cost of professional manpower is comparatively less in MP (10-15% cheaper) as compared to other industrially developed/ developing States.
- Despite the potential, the rate of prime land in the State is among the lowest in the Country, thereby offering an indirect advantage to the potential investors by reducing their capital investments.
- The law and order conditions in the State are among the best in the Country thereby making it a safe place to invest and a better place to live.

### Government Support

The Government would support these services by means of investment and office space for the Citizen Service Center. They would also support the training and development activities.

Special incentives for IT sector in the State are:

The State Government has announced certain **incentives** specific to the IT/ ITeS industry for attracting investors to the State. Following are the incentives for the IT industries in Madhya Pradesh\*:

#### 1) Employment and Land Rate Concessions

- The companies in the State would be eligible for the rebate of USD 556 per job created or;
- A concession on land rate at 25% of the prevalent premium on investment of USD 2.22 million and above based on following schedule:

Project Costs (USD Million)	Maximum land available under concession
2.22 to 4.44	10 acres
4.44 to 11.11	15 acres
11.11 to 22.22	25 acres
22.22 and above	Case to Case basis

## 2) Stamp Duty

- Stamp duty payable by IT companies on mortgage/ hypothecation with banks/ financial institutions in IT investment area will be exempted provided the new unit is certified to be an IT outfit by a designated agency.
- Stamp duty and registration fee exemption will be applicable on- sale/ lease by financial institution/ Government agencies/ private sector who acquire space/ premises in IT investment area for subsequent lease to IT units provided the new unit is certified to be an IT outfit by designated agency.

## 3) Exemption on Tax & Acts

- Exemption from factories act, maternity act, contract labour act, payment of wages act, minimum wages act, ESI act.
- Exemption from the electricity duty tax, entry tax and work contract tax.
- IT units in IT investment area will be exempted from the octroi, entry tax and local bodies tax for all capital goods and raw material purchased by them.
- Rate of property tax in the IT investment area will be at par with residential premises.

## 4) Power Related Incentives

- No prior permission will be required for installation of the captive power plant.
- IT industry shall be provided power through a dedicated feeder.

## 5) Others

- Exemptions upto twice the existing FAR for entire IT investment area
- All facilities and incentives declared in the new Industrial Policy of MP Government are also applicable for IT Industries established on

Government allotted land/ private land with the single window clearance for Government formalities.

### **Proposed Investment**

Substantial amount have to be invested in the development of various facilities and service components. The key capital cost would comprise of the following.

- Consultancy fees
- Hardware cost
- Software cost
- Land cost (service center)
- Manpower cost
- Networking
- Website development

The total cost for the Project is estimated around USD 4 million or INR 20 crores.

### **Returns**

The private player has the opportunity to build and maintain the portal on the basis of BOOT model or it can charge a fixed annual amount from the Government for maintenance.

### **Coordinating Agency**

The main coordinating agencies for the development of MP portal and Citizen Service Centers are listed below.

- Madhya Pradesh Agency For Promotion of Information Technology
- Department of Information Technology
- Government of Madhya Pradesh