EXECUTIVE SUMMARY

More than 50 years of independence have passed but the citizen of rural India still dreams for the promises on rural development to get fulfilled. India has more than 600 thousand villages, housing two third of its people, earning one-fourth of the national income. There are about 47,000 rural Haats in India that exceeds the total number of retail chain stores in the US (35,000) the rural share in both FMCG and durable categories has grown beyond 50% from 25% in eights... the facts on rural market bloom have filled the news. On the contrary, the development marked within this sector makes a shocking insight - whilst the average growth rate of urban India is about 20%, the rural countryside drags at a mere 2-3% per year!

Villages are desperate for appropriate services at affordable cost from education to market access, from telecom to healthcare, from financial intermediation to entertainment. But the non-availability of such services linked to the lack of perceived opportunities in rural areas by the investors creates a dead end for progress.

Peeking deeper, the common village man seems to sacrifice a considerable chunk of his routine for administrative officials. Traveling hundreds of kilometers, he doesn’t fail to donate his valuable time, money and painful efforts towards a redressal, however the below-par working standards within a hauling bureaucratic system only leave him expecting for more, and perhaps much better.

Frustrated and helpless, there is no option but to move to nearby town. Every year lacs of such migrants flood cities for better living standards- which could be as low as just two meals per day! And as a consequence, the erosion of valuable resources from cities as well as villages increases at an alarming pace.

Working against the thrust of many such forces, Drishtee Dot Com Ltd is persistent to reform the socio-political scenario of the Indian village. Incorporated in August 2000, the organization seeks to mark a paradigmatic shift in the delivery of services to rural India by serving villagers directly instead of intermediaries. Contractual arrangements with state governments provide the bedrock upon which Drishtee is able to build a network of sustainable franchises. The local entrepreneurs provide additional customized services to the surrounding villages such as ICT training, regional job postings and even matrimonial services, while the entire network is increasingly utilized as an outlet for commercial services such as insurance, education, and agri-services.

Drishtee’s potential is to serve all of India’s villages through the empowerment and enterprise of local entrepreneurs. Dynamic and committed commercial banks loans a villager to purchase the equipment necessary to open a Kiosk and revenues generated by the delivery of multi-dimensional services allow the owner to pay off the loan and earn a livable income.

Drishtee’s web-based software facilitates transactions and communication within a secure localized intranet between villages and a district center. Consequently, as the network grows, Drishtee is increasingly able to negotiate arrangements with corporations such as insurance companies, financial institutions, health care providers, e-commerce platforms seeking a cost-effective means to serve rural communities.

As services provided through the Drishtee network expand, the incomes of the local entrepreneurs will increase, and this virtuous, self-sustaining cycle will inexorably contribute to the nation’s infrastructure serving the needs of rural India.

Within a span of approximately six years Drishtee has not only been able to create, but also sustain and scale up a diverse network of revenue earning Internet kiosks within Indian villages. And looking back, this has been an achievement at a far bigger rate than the expectations of global corporate pundits!

GENESIS OF DRISHTEE
“Having been imbued with social commitments from the childhood, I have always cherished the memories of rural India where I was brought up. The sense of commitment extended beyond the memories and translated into an action plan. Trained in the field of management and Information Technology, I had set for myself a target of using IT as an enabler for the delivery of products and services to the rural Indians. I have always felt that rural India is more deprived of Information than Prosperity. The true empowerment process of rural India cannot jump the ladder of Information and communication. What Drishtee is doing would help create a platform for the economic and intellectual growth of the Indian villages.”

- Satyan Mishra, CEO

**STORY OF DRISHTEE**

Despite an increased appetite for risk, India is not an entrepreneur-friendly nation. While ample support is available for “proven” business concepts, the majority avoids getting involved in attempts that are truly innovative and therefore, untested.

The majority has chosen to label Drishtee as an “innovative social experiment”, which also bears the burden of being a “big commercial risk”. The majority of Indian IT firms have thrived in Bangalore, a place that comes closest to the famous Silicon Valley in terms of human capital and infrastructure. These firms have gained prominence by achieving “global standards” and “international certifications” in service delivery.

Drishtee, on the other hand, was conceived in Bhopal, a city known more for the disregard of a multinational towards public safety and environment-friendly production practices, than for an innovative group of firms working in the Information Technology domain.

For a firm like Drishtee, any of those tags certifying one, as a "globally competitive" firm does not hold any meaning.

Drishtee, however, chases standards of a different kind. These standards lie undefined in the villages of India and the rest of the developing world. It is expected that they would soon be discovered and documented, for the rest of the world to chase.

With the success of Drishtee should emerge a truly Indian brand. An Indian firm specializing in the task of combining ICT and local resources for creating empowered commercial networks, in low-income markets.

The success and emergence of brands like Drishtee would be directly linked to India’s development in the global neighborhood.

If history hints at the future, one would have to struggle to discover traces of similarity between Cyber Edge, a small “cyber café” in Bhopal, Madhya Pradesh and Drishtee, winner of the DM 2003 at Washington, USA.

A commercial initiative to replicate, on a large scale, what the District Administration of Dhar, a tribal district in Madhya Pradesh, had conceived, Drishtee has traveled a long distance as a “concept” and as an “organization”.

It’s journey as a “concept” has had a major implications on its evolution as an “organization”.

It is because of having started on a “clean sheet” of paper that Drishtee has arrived at a cost and organizational structure suited for commercial replication of a bottom-up business concept. A rare phenomenon, indeed, in the world of business.

The guts to face “great problems” often leads to the joy of discovering “great ideas”.

It is unfortunate that spreadsheet models that usually drive decision-making at business firms are biased towards convention.

The state, fortunately, is still learning the use of computers!
Business has always borrowed a lot from the military. From concepts in corporate strategy to principles in logistics, wars have been great teachers.

It, therefore, does not come as a surprise to note the role of governments, from two different countries, in the development of an advanced communication technology and in the conceptualization of a relevant application for citizens living in the developing world.

Looked at holistically, this effort should qualify as one of the most successful, informal collaboration between the governments of the USA and India – the development of Internet by the US Military and the conceptualization of Gyandoot, the pioneer effort in closing the gap between the government and it’s citizens.

The foundation of Drishtee has been laid on above-mentioned innovations.

Cyber Edge, a small software development outfit, played a critical role in the first round of software development for Gyandoot.

In those days, it comprised of a young team of software developers led by a management graduate from the 1995-97 batch of the Delhi School of Economics.

Having burnt his fingers, in the stock market crash of 1995, and honed his enterprise management skills during the 2-year stay at the Delhi School of Economics, Satyan Mishra was running a budding IT enterprise in one of India’s poorest states.

Cyber Edge had attained the position of a leader within the first 9 months of its operation. It had become the leading Internet and Computer training center in the city of Bhopal.

While the reasons for its success were many, primary among them was “access to the net”. Cyber Edge provided Internet courses bundled with computer fundamentals and web designing. This happened even before the city of Bhopal had the VSNL server.

Event today, it is ”access to the Internet” that gives a competitive edge to fledgling computer training centers running in small towns, across India.

This IT outfit diversified into website development even before completing 1 year of operations. It developed 8 portals within a span of 4 months and the bottom-line looked prettier than ever.

Life would have continued as usual for this small group of IT-savvy youngsters had it not been a phone call from the District Additional Collector of Dhar.

The district administration had conceived of a village IT project they chose to call Gyandoot. The administration wanted to outsource the function of website development and management to a private agency.

DRDA Dhar had hired the services of another software company, based at Indore, for the Intranet software and they expected Cyber Edge to make a website that could explain Gyandoot to the outside world.

Cyber Edge did that within 14 days!

Amidst unprecedented fanfare, the Chief Minister of MP, Mr. Digvijay Singh launched Gyandoot on 13th January, 2000.

Impressed by the project management skills of Cyber Edge, the district administration of Dhar offered the young company the task of taking up the entire project on a maintenance contract from the DRDA Dhar.

This was a new game, which had different rules. The leadership at Cyber Edge was apprehensive for variety of reasons, the least of which was the commercial viability of the model.

Cyber Edge did accept the contract but on the assurance that more services and centers could
be added to increase revenue flow.

The entry of Cyber Edge into this world was marked by its transformation into Drishtee, an organization that shed the start-up mentality and started looking at markets beyond Bhopal.

The Drishtee Team targeted to attain "viability" within 1 year. This meant identifying more services and entrepreneurs.

The golden opportunity to play the state's role, during the implementation stage, gave Drishtee an insight into the lives of the poor. It added to the rich experience its founders already had- none of them had been brought up in a metro. This opportunity defined the DNA of Drishtee - it adopted the concerns of the state, with an eye on profits.

The travels to the interiors of Dhar revealed the market potential for a sustainable, rural ICT concept.

After signing the contract on 26th of February, 2000, Drishtee was able to build in 12 more services including certain private offerings like Gram Daak (village mailing system), Gram Haat (Online auction place), Vaivahiki (Matrimonials) etc. An additional 10 kiosks (all private) came at different locations.

It was in between all these that Drishtee submitted the profile of the project at the Stockholm Challenge award together with the DRDA, Dhar.

It went on to win the first prize in the "Public Services and Democracy" category.

Along with this prize came the reason to move out of Dhar.

Many did not take the limelight on a private agency, for what was a "government" achievement, positively. The reason for its involvement in the project was questioned.

Sensing a change of attitude, among the top brass of the state, Drishtee knew that the time to move had finally come.

By that time it had a dedicated team to service the unique requirements of "Gyandoot". The team members were trained to develop IT applications and also to promote their usage in a rural setting.

Looking for fresh markets, this team decided to move to Sirsa, a rural district in one of India’s most prosperous states, Haryana.

In the first week of December 2000, Drishtee handed over the responsibility to the local NIC team for software maintenance.

The crash course in implementing a sustainable rural ICT business model was finally over.

The Drishtee Team had passed out with flying colors and had landed a job for itself at Sirsa.