



# Innovation in Governance

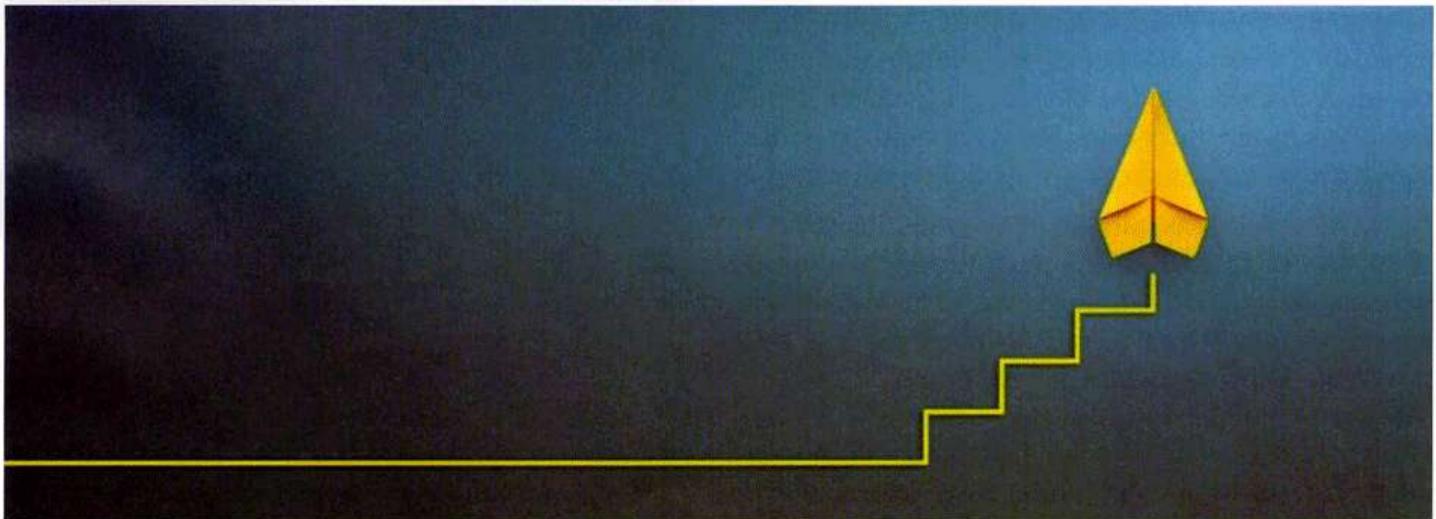
*Over the next few years, opportunities for good governance lie in moving towards improved performance benchmarking. Expanding design thinking and behavioural nudges should be embedded in this system.*

Governance in the 21<sup>st</sup> century faces multifaceted challenges such as rapid technological transformation, complex socio-economic needs, climate change concerns, and necessity for transparent, citizen-centred governance. Our constitutional foreparents envisioned a living document that would adapt to the changing needs of society while remaining anchored to the fundamental principles of justice, liberty, equality, and fraternity. The Indian Constitution implicitly demands continuous improvement in governance. For example, it mandates "develop[ing] the scientific temper, humanism and the spirit of inquiry and reform" and "striv[ing] towards excellence in all spheres so that the nation constantly rises to higher levels of endeavour". These principles signal that innovation and learning are foundational to India's democratic ethos. Today, as we march towards becoming the *Viksit Bharat* by 2047, the

continuous evolution of governance has become a precondition to strengthen democracy through more responsive, inclusive institutions, while simultaneously strengthening capacity to deliver development and social justice.

## The Imperative for Innovation in Governance

In the traditional sense, governance has been viewed through the lens of administrative efficiency and policy implementation. However, in the backdrop of a rapidly changing globe, holistic reconceptualisation is warranted. The complex realities we confront today, from demographic dividends and climate change to digital disruption and global economic uncertainties, require governance systems that are resilient, responsive, inclusive, and sustainable. Thus, innovation in governance goes far beyond the adoption of technology. Democracy thrives when governance



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is rooted in the spirit of innovation, creating new channels for citizens' engagement and adaptive problem-solving. On the other hand, innovation remains purposeful and equitable when guided by democratic values that ensure human dignity and the development of the nation.

India's governance metamorphosis exemplifies this dynamic relationship where robust democratic practices provide fertile ground for bold experimentation, and where innovations in digital governance, participatory policymaking, and service delivery are continually tested against the touchstone of accountability, transparency, citizen participation, rule of law, and inclusive development. Let us briefly examine critical aspects of India's governance transformation.

### Democratising Policy Framework

The inception of NITI Aayog in 2015 marked a significant shift from a centralised planning system towards cooperative federalism, data analytics, policy primers, and aspirational targets. It recognised that India's diversity requires decentralised problem-solving. The government with the support of NITI Aayog launched the Aspirational Districts Programme (ADP) in 2018 to uplift 112 underdeveloped districts, using real-time dashboards and rankings to monitor progress across 49 key performance indicators (KPIs). This has led to a remarkable improvement in health, agriculture, and infrastructure. The President of Singapore, Tharman Shanmugaratnam, specifically praised the ADP as a globally relevant model that empowers communities and strengthens local health systems. Building on the district-level experience, the Government has initiated the Aspirational Blocks Programme (ABP) since January 2023 to further percolate the same development paradigm to 500 of the most underdeveloped blocks across the country, identified by an inter-ministerial committee across 329 districts in 27 States and 4 Union Territories.

At the urban level, the Smart Cities Mission (2015-2025) has integrated citizen participation, data, and sustainability into city governance. It has promoted area-based development, digital infrastructure, and Integrated Command and Control Centres (ICCCs) as real-time 'nervous systems' for urban governance. Most Smart Cities now have functional ICCCs that integrate feeds from traffic, safety, waste management, water, and emergency services, improving monitoring and response. According to a recent study by the Indian



## India's Electric Leap for Green Mobility



Flagship initiatives like FAME II, PM E-Drive, PLI schemes and PM e-Bus Seva are steering investment, localization and large-scale EV adoption



On 26<sup>th</sup> August, 2025, PM Narendra Modi inaugurated Made-in-India e-VITARA EVs, positioning India as Suzuki's international hub for clean mobility exports



Institute of Management-Bangalore (IIMB), the ICCCs have created a safe environment for women across 93 smart cities. The Mission's formal term ended on 31 March 2025, but it has become a template for many cities and states for smart infrastructure and urban development innovation.

Comprehensive reforms in labour laws, the Goods and Services Tax (GST), startups, innovation, and performance-linked incentives (PLI 2.0) are testament to the innovative thinking in the system of governance, ensuring larger citizen welfare and enterprise, and commercial development. For example, the four Labour Codes, brought into force on 21 November 2025, consolidate 29 laws into a modern framework that guarantees floor wages, expands social security and safety, and at the same time simplifies compliance and inspections, leading to a strong boost in consumption and sharper formalisation of employment. On the business side, Startup India and state startup policies have created a predictable rulebook of tax incentives, fast-track IPR (Intellectual Property Rights) and incubation; DPIIT (Department for Promotion of Industry and Internal Trade)-recognised startups have risen from 500 in 2016 to nearly 1.6 lakh by January 2025, signalling a broad-based entrepreneurial surge.

On the technology front, AI and clean-energy policies are being built for sustainable and participatory development. The India AI Mission is

building a shared public AI architecture as a national pool of more than 34,000 GPUs (Graphics Processing Unit) that governments, researchers, and startups can tap. Moreover, the AI Kosh platform is already hosting large public datasets to build and train Indian language models and sectoral AI tools for health, agriculture, education, etc. On the sustainable energy side, more than half of India's total power capacity now comes from non-fossil sources, with roughly 127 GW of solar and 53 GW of wind installed. Thus, AI and clean energy are increasingly becoming systemic to the governance, supporting public welfare, cleaner growth, and long-term competitiveness.

Lately, the government has been placing particular emphasis on resuscitating and fortifying India's diverse traditional and grassroots knowledge systems through critical institutions, such as the Ministry of AYUSH, National Innovation Foundation-India (NIF), Traditional Knowledge Digital Library (TKDL), National Education Policy (NEP) 2020 curriculum, etc.

### Digital Governance Innovation

Digital Public Infrastructure (DPI) has become the backbone of democratic decentralisation in the country. Aadhaar now covers about 140 crore residents, creating a single digital identity card that underpins everything from bank accounts to mobile connections and welfare schemes. On this layer of identity, payments and data platforms operate

seamlessly. Now, UPI is handling over 20 billion transactions a month (20.7 billion in October 2025), making small, real-time digital payments a routine thing across the country. In addition, DigiLocker has grown to nearly 54 crore users, preserving academic certificates, licences, and other records into authentic digital documents, while DIKSHA-SWAYAM serves as a 'one nation, one digital platform' for school and higher education across multiple Indian languages. In the health system, the Ayushman Bharat Digital Mission has already created about 79.9 crore ABHA health accounts and linked over 67 crore digital health records, enabling citizens to have seamless access to their medical history.

These building blocks are much more than just about technology as they are reshaping the government-citizen relationship. Internationally, India's DPI model and the 'India Stack' have been written into the G20 New Delhi Leaders' Declaration and a joint G20 Troika communiqué on 'Digital Public Infrastructure, AI and Data for Governance,' indicating that what began as domestic reform is now shaping global norms on digital governance. These systems prove that the architecture of India's governance is unfolding wider inclusion and democratic participation.

### Inclusive Participation and Feedback Mechanisms

Governance manifests when citizens transition from being passive recipients to active participants. Innovation provides new avenues for citizens to engage with the government. A shining example is the MyGov platform ([mygov.in](http://mygov.in)), which is the Government of India's official citizen engagement portal. Launched in 2014, MyGov enables citizens to contribute ideas for policy, partake in discussions and tasks, and give feedback on government initiatives. It essentially turns governance into a two-way street where citizens become co-creators of policy.

Moreover, Digital India Mission (2015) laid the critical groundwork for an online, open, and inclusive governance. The result has been a proliferation of digital services and platforms aiming to integrate feedback loops and performance monitoring systems, institutionalising a culture of continuous improvement. Now, hundreds of public services, from obtaining licences to paying taxes, are provided electronically. The UMANG mobile application, for instance, integrates over 2300 citizen services from central and state agencies into one platform. This one-stop access not only simplifies citizen interaction with

**India's AI Revolution**  
AI adoption & Industry growth

- 80% Indian companies consider AI a core strategic priority, surpassing global average of 75%
- India's AI market is projected to grow at a CAGR<sup>^</sup> of 25%-35%
- One of the top five **fastest-growing AI talent hubs**; 14-fold increase in AI-skilled workforce from 2016 to 2023

government but also generates rich data on service usage and issues. Ministries use analytics from such platforms to identify bottlenecks and refine service design.

Platforms such as CPGRAMS (Centralised Public Grievance Redressal and Monitoring System) and local-level feedback apps (for example, *Meri Sadak* for road conditions) empower citizens to report issues and demand accountability. New comprehensive guidelines issued in 2024 reduced the advised maximum redressal time for most cases handled via CPGRAMS to 21 days, down from the earlier 45-day norms. These systems incorporate defined timelines for resolution and dashboards for supervisors to monitor responsiveness. Regular public dashboards and report cards for e-services (e.g., the National e-Services Delivery Assessment) further institutionalise accountability, enabling comparisons across states and departments. These transparency tools function as feedback loops, incentivising better performance through reputational effects. By institutionalising feedback loops, the Indian governance is serving as a springboard of innovation, improving responsiveness and service delivery, and strengthening public systems.

### Promoting and Incentivising Good Governance

Honouring good governance practices has become one of the important priorities for the government. The Prime Minister's Awards for Excellence in Public Administration recognise outstanding and innovative work by public servants throughout the country, signalling that experimentation and problem-solving are integral to an officer's professional role. Many states have introduced such parallel award schemes, reinforcing that officers who improve real-world outcomes for citizens will be acknowledged and celebrated. In addition, Mission Karmayogi is complementing these recognition mechanisms, as the National Programme for Civil Services Capacity Building for nurturing officials to become creative, innovative, proactive, and comfortable with technology.

### Future Roadmap: Governance 2.0

Over the next few years, opportunities for good governance lie in moving towards improved performance benchmarking. For example, on AI in governance, the benchmark should be outcomes where every state can be asked to identify high-stakes use cases (such as disease outbreaks, crop loss, court pendency, or traffic safety) and ensure measurable targets like reducing forecasting error or pendency by at least

30 per cent within five years or so. Citizen services should become a 'default digital' system where government schemes benefit, or certificates in each state have clear maximum time limits, and automatic escalation when deadlines are missed. Expanding design thinking and behavioural nudges should be embedded in this system, for example, simplifying forms wherever possible, cutting the number of supporting documents, and using simple defaults (auto-renewal, pre-filled data, SMS reminders) so that the system carries more of the cognitive burden than the citizens.

Furthermore, collaborative governance should be institutionalised. For example, a practical route is to build 'co-learning networks' where groups of similar states and districts reflect and share work experience in health, education, agriculture, digital delivery, disaster management, etc. At the district level, governance can be strengthened by annual scenario-planning exercises on risks like flood, heat, drought, or industrial accidents, with clear trigger thresholds and pre-agreed responses, and by linking these plans to budgetary commitments and frontline training calendars. Citizen feedback should inform this loop and should be analysed regularly. In this sense, next-age 'Governance 2.0' is about a disciplined practice of achieving national development performance benchmarks, sharing what works across the federal system, and tweaking the course of action proactively.

As we celebrate our 77<sup>th</sup> Republic Day, India stands at a pivotal moment where the nation is welding innovation in governance to realise the constitutional promise of justice, liberty, equality, and fraternity for all citizens. A democracy's strength ultimately lies in the trust between the people and their government. When citizens see a government that heeds, learns, and delivers, the trust deepens. By systematically encouraging new ways of working, accepting calculated risks, leveraging technology smartly, breaking silos, and centering policies around citizens, India is reinforcing the very foundation of trust that upholds our democratic republic.

Considering our unique social, cultural, economic, and demographic heterogeneities, the journey to *Viksit Bharat* by 2047 will be challenging, but India's civilisational wisdom, youthful energy, comprehensive governance reforms, and constitutional commitment make this transformation not just possible but inevitable. □