



# STATE OF GOVERNMENT TRANSFORMATION

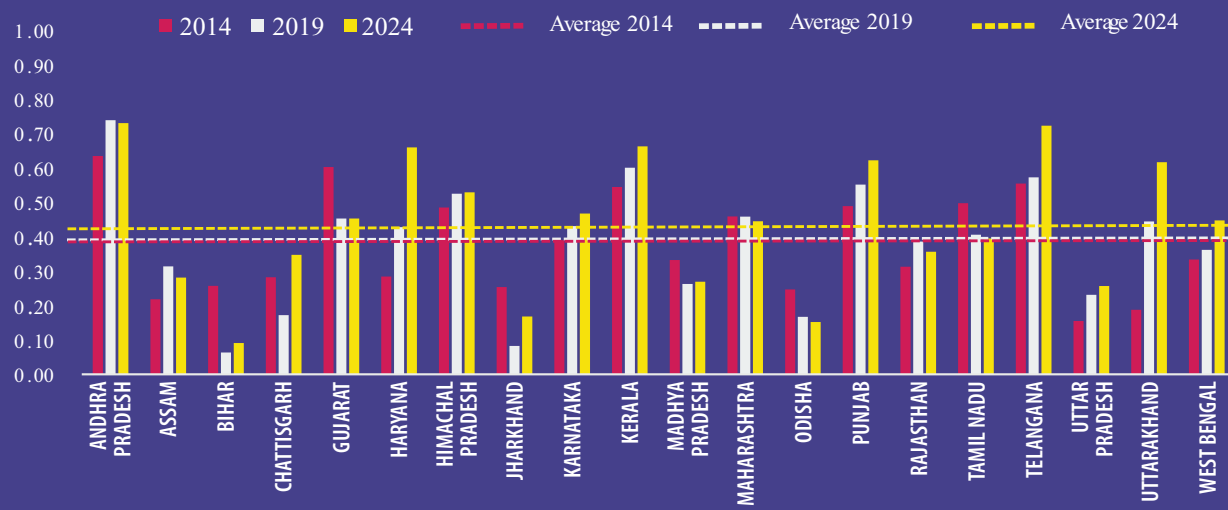


## DECADAL IMPACT ASSESSMENT

# DIGITAL INDIA AND ADMINISTRATIVE REFORMS

**#1 ANDHRA PRADESH #2 GUJARAT #3 TELANGANA #4 MAHARASHTRA #5 KERALA**

Transformation Index - Large States\*



Transformation Index - Small States\*



## SKOCH State of Government Transformation Index (SGT) - CONCLUSIONS

- The Index was buoyant from 2014-2019.
- This was the early harvest of Digital India and Administrative Reforms.
- It stayed at a similar level between 2019-2024.
- This highlights the need to increase Governance Efficiency.
- Fresh dose of Administrative Reforms and technology infusion is called for.
- The Report of the high-level committee of reforms proposed by the

- Hon'ble Finance Minister would be a key component.
- The next big boost may come from overlaying Artificial Intelligence on Digital India.
- The states should follow the centre's lead and form similar committees looking at state-level reforms.
- There is headroom available for technology infusion and reforms at the District, Municipal and Panchayat levels.

India's governance landscape has substantially transformed over the past decade, primarily driven by Digital India initiatives, e-governance reforms and institutional modernisation. However, these reforms' effectiveness and long-term sustainability differ across states, necessitating a systematic framework to comprehensively assess governance transformation.

SKOCH State of Governance Transformation Index offers a comprehensive framework for evaluating governance performance across Indian states. This Index assesses two primary dimensions—Technical Governance Transformation (TGT) and Quality of Governance Transformation (QGT)—to systematically measure the extent of digital adoption, administrative efficiency and policy implementation.

The findings reveal a two-phase trajectory in governance transformation. The period between 2014 and 2019 witnessed substantial improvements, primarily attributed to initiatives such as Digital India, the expansion of e-governance and key policy reforms. However, this progress plateaued between 2019 and 2024, highlighting the pressing need for enhanced governance mechanisms, decentralised administrative structures and greater efficiency in public service delivery.

Among the states Andhra Pradesh, Gujarat and Telangana have consistently emerged as top performers, driven by significant investments in digital infrastructure and the adoption of streamlined governance

models. Maharashtra, West Bengal and Rajasthan demonstrated early gains. Still, it stagnated post-2019, while Bihar, Jharkhand and Sikkim remained below the national average, reflecting slower adoption of governance transformation and indicating the necessity for targeted reforms. In the category of smaller states, Meghalaya, Tripura and Sikkim led in governance transformation, whereas Nagaland and Manipur lagged, exhibiting below-average performance.

Despite the initial progress, the stagnation in governance transformation post-2019 underscores persistent challenges in service delivery at the district and municipal levels, fiscal constraints and the limited expansion of governance modernisation beyond urban centers. The study reinforces the need for data-driven policymaking, structural governance reforms and continuous modernisation efforts.

### Need for Governance Transformation

Governance transformation in India is occurring amid economic restructuring, technological disruptions and increasing public service expectations. The Supreme Court's scrutiny of fiscal sustainability has reinforced the need for governance models that balance developmental priorities with administrative efficiency. Additionally, global governance indices such as the E-Government Development Index (EGDI) often fail to reflect India-specific advancements, leading

to an underestimation of its digital governance achievements.

The SKOCH State of Governance Transformation Index provides a context-sensitive, state-wise assessment for regional policy variations and governance challenges.

Between 2014 and 2019, India saw rapid governance transformation driven by Digital India, Aadhaar-based service integration and automation in public service delivery. However, post-2019, progress has slowed, underscoring the need for renewed policy initiatives, AI-driven governance reforms and decentralised administrative models.

### Methodology

The SKOCH State of Governance Transformation Index adopts a dual-framework approach to measure these dimensions, ensuring a comprehensive, state-wise assessment of governance efficiency.

### Technical Governance Transformation (TGT)

The extent of transformation assesses a state's digital governance infrastructure and human capital readiness through three key indicators:

**Telecommunication and Internet Index (TII) (25%)** – Measures tele-density per 100 people and Internet penetration.

**Human Capital Index (HCI) (25%)** – Captures enrolment ratio in elementary education.

**Online Services Index (OSI) (50%)** – Captures e-transactions per 100 users and the availability of government services.

By analysing these indicators, the Index quantifies the readiness of states to implement digital governance and their progress in integrating technology into public service delivery.

### Quality of Governance Transformation

Beyond infrastructure investment, governance transformation depends on the effectiveness, innovation and impact of policy interventions. The Index evaluates projects at the project, state and national levels.

Together, these steps provide a balanced assessment of the state of governance in Indian States, ensuring that technological advancements and administrative reforms contribute to improved public sector performance.

### Findings

The State of Governance Transformation Scores are computed for each state for 2014, 2019 and 2024, following the established methodological framework.

The study analyses the large states of Andhra

Pradesh, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, Himachal Pradesh, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand and West Bengal.

The average Technical Governance Transformation Scores for these states across the three reference years are 0.38 (2014), 0.38 (2019) and 0.43 (2024).

States with scores above the average for each respective year are:

**2014:** Andhra Pradesh, Gujarat, Himachal Pradesh, Kerala, Maharashtra, Punjab, Tamil Nadu, Telangana.

**2019:** Andhra Pradesh, Gujarat, Himachal Pradesh, Kerala, Maharashtra, Punjab, Telangana.

**2024:** Andhra Pradesh, Gujarat, Haryana, Karnataka, Kerala, Punjab, Telangana, Uttarakhand, West Bengal.

The findings indicate significant variations in state-wise technical governance transformation, with some states demonstrating consistent progress in digital infrastructure and technology-driven governance, while others exhibit stagnation or decline in their technical governance capabilities over time.

The Index delineates

the state-wise Quality of Governance Transformation Scores for 2014, 2019 and 2024.

The average Quality of Governance Transformation Scores for these states across the three reference years are 0.18 (2014), 0.43 (2019) and 0.37 (2024).

States with scores above the average for each respective year are:

**2014:** Gujarat, Madhya Pradesh, Maharashtra, West Bengal.

**2019:** Andhra Pradesh, Gujarat, Madhya Pradesh, Maharashtra, Rajasthan, Telangana, West Bengal.

The findings indicate significant state-wise variations in governance transformation over time, with some states showing consistent progress while others exhibit fluctuating or stagnant performance.

The study shows the governance transformation scores for the large states. The average State of Governance Transformation Scores for these states across the three reference years are 0.28 (2014), 0.41 (2019) and 0.40 (2024).

States with scores above the average for each respective year are:

**2014:** Andhra Pradesh,

Gujarat, Himachal Pradesh, Karnataka, Kerala, Madhya Pradesh, Maharashtra.

**2019:** Andhra Pradesh, Gujarat, Haryana, Kerala, Madhya Pradesh, Maharashtra, Punjab, Rajasthan, Telangana, West Bengal.

**2024:** Andhra Pradesh, Gujarat, Haryana, Kerala, Maharashtra, Tamil Nadu, West Bengal.

It also provides the performance of small states, namely Arunachal Pradesh, Goa, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura.

The average Technical Governance Transformation Scores for small states across three reference years are 0.35 (2014), 0.46 (2019), 0.40 (2024).

States with scores above the average for each respective year are:

**2014:** Manipur, Meghalaya, Mizoram, Tripura.

**2019:** Goa, Meghalaya, Mizoram, Tripura.

The average Quality of Governance Transformation Scores for small states across the three reference years are 0.40 (2014), 0.51 (2019) and 0.41 (2024).

States with scores above the average for each respective year are:

**2014:** Meghalaya, Sikkim, Tripura.

**2019:** Arunachal Pradesh, Meghalaya, Sikkim, Tripura.

**2024:** Arunachal Pradesh, Sikkim, Tripura.

The average State of Governance Transformation Scores for small states across the three reference years are 0.37 (2014), 0.48 (2019) and 0.41 (2024).

States with scores above the average for each respective year are:

**2014:** Meghalaya, Tripura, Mizoram, Arunachal Pradesh.

**2024:** Meghalaya, Tripura, Arunachal Pradesh, Goa.

### Notes:

- Technical Governance Transformation is calculated based on published data by government and regulators.
- Quality Governance Transformation is drawn based on State of Governance Score using project level, state level, national level data published by SKOCH Consultancy Services Pvt Ltd.

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Star States	2014	2019	2024
Andhra Pradesh	0.35	0.70	0.78
Gujarat	0.61	0.70	0.73
Telangana	0.30	0.64	0.63
Maharashtra	0.73	0.61	0.58
Kerala	0.32	0.49	0.43
Average: Large States	0.28	0.40	0.40

**TECHNICAL GOVERNANCE TRANSFORMATION (TGT)**

**TELECOMMUNICATION INFRASTRUCTURE INDEX (TII)**

- No. of Internet subscribers (per 100 population)
- State wise Tele Density (per 100 population)

**HUMAN CAPITAL INDEX (HCI)**

- Gross Enrolment Ratio (%) till Elementary Education

**ONLINE SERVICE INDEX (OSI)**

- e-Transaction (per 100 population)
- Number of Services

**TECHNICAL GOVERNANCE TRANSFORMATION =**  
 $\frac{1}{4} \text{ (TII normalised)} + \frac{1}{4} \text{ (HCI normalised)} + \frac{1}{2} \text{ (OSI normalised)}$

**QUALITY OF GOVERNANCE TRANSFORMATION (QGT)**  
 (State of Governance Score Normalised)

- Well performing projects are submitted by Centre & States for evaluation.
- Projects measured from - Prism of Citizen; Project Level Outcomes; Incremental Progress; Before & After.
- First round of vetting and shortlisting is done by our analysts.
- Shortlisted projects go through evaluation and interview by domain experts.
- Overall impact is measured for new projects, whereas ongoing projects are evaluated on incremental improvements.
- A peer evaluation is carried out by those doing similar projects.
- Select field research is done to evaluate impact.
- These projects are put to a popular vote by stakeholders.
- Merit listed (order-of-merit) projects qualify for expert evaluation.
- Experts vote through exhibition and live polls.
- Each project gets a comprehensive score. Total of these decide state and sectoral performances.
- Maximum score at each level is capped to ensure a level playing field.

$$SGT_i = 0.5 \times TGT_i + 0.5 \times QGT_i$$