

# Impact of E-Governance on Social and Economic Development in Maharashtra (2024)

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## ABSTRACT

**Introduction:** E-Governance has played a vital role in transforming Maharashtra's administrative efficiency, public service delivery, and economic landscape in 2024. Research paper studies how digital governance initiatives have enhanced accessibility, transparency, and efficiency, driving social welfare and economic growth. Key developments, including policy reforms, digital infrastructure expansion, and emerging technologies, are analyzed to assess their impact on businesses, governance, and citizen engagement.

**Keywords:** E-Governance, Digital Transformation, social and economic development, Direct Benefit Transfer, Cybersecurity, FDI

**Objectives:** In light of the domain for research identified, the objectives have been established for the contemporary study:

- To know the e-Governance initiative taken by Maharashtra Government for empowerment of its stakeholders.
- To study impact of e-governance on social and economic development of citizens.
- To identify challenges and opportunities in the implementation of e-Governance policies.
- To offer policy recommendations for enhancing e-governance for sustainable development.

**Methods:** Apply descriptive research design to accurately portray or describe the characteristics of a population, phenomenon, or situation without manipulating variables, using methods like surveys, observations, and case studies to gather factual information about this study.

### Results: Growth in Digital Economy

E-governance can make it easier for businesses to operate, which can stimulate economic growth. Digital payment adoption through UPI, Aadhaar Pay, and ONDC has led to greater financial inclusion. Maharashtra's integration with ONDC (Open Network for Digital Commerce) has boosted e-commerce growth.

**Conclusions & Key Policy Recommendation:** Maharashtra's e-Governance initiatives have played a key role in driving social welfare and economic growth in 2024. E-Governance would help in attaining this citizen easier to obtain information, quick service delivery, saving time and cost, by minimizing the necessity to visit government offices in person. By enhancing the quality of life for citizens providing better turnaround times and convenience in demanding.

## 1 INTRODUCTION

E-Governance now-a-days has become political mechanism to evaluate the government performance in many nations all over the world. E-Governance refers to the use of digital technologies to improve government services, enhance transparency, and foster economic growth. The economy of the state of Maharashtra is the largest in

India. Maharashtra is India's second most industrialized state contributing 20% of national industrial output. Maharashtra has actively adopted digital governance to improve administrative efficiency and public service delivery. The major scope of it revolves electronic registration, filling form, Direct Transfer of government subsidy (DBTs), getting government GR, knowing bank details, DigiLocker, ABC for student etc. Digital payment adoption through UPI, Aadhaar Pay, and ONDC has led to greater financial inclusion

In 2024, Maharashtra made significant strides in e-governance, positively influencing its social and economic development. A pivotal event was the 27th National Conference on e-Governance, held in Mumbai on September, 2024. Jointly organized by the Department of Administrative Reforms & Public Grievances (DARPG), the Ministry of Electronics & Information Technology (MeitY), and the Government of Maharashtra, the conference centered on the theme "**Viksit Bharat: Secure and Sustainable e-Service Delivery.**" This study explores the impact of e-Governance initiatives in Maharashtra on economic and social development in 2024, underscored Maharashtra's commitment to digital transformation..

## 2. RESEARCH OBJECTIVES

The social factor is very important and has dynamic nature and it has highest impact over achievements of the functional electronic governance system. The approach of e-governance and those of citizens are complimentary to each other. To reach the citizens with the desired deliverance there are a designed number of e-services which are operational. The motives for achievement of social and economic development have been one of the principal objectives of implementing ICT based service delivery mechanisms. In light of the domain for research identified, following objectives have been set for the present study:

- I. To know the e-Governance initiative taken by Maharashtra Government for empowerment of its stakeholders.
- II. To study impact of e-governance on social and economic development of citizens.
- III. To identify challenges and opportunities in the implementation of e-Governance policies.
- IV. To provide policy recommendations for optimizing e-governance for sustainable development.

## 3 METHODS

Apply descriptive research design to accurately portray or describe the characteristics of a population, phenomenon, or situation without manipulating variables, using methods like surveys, observations, and case studies to gather factual information about this study.

### E-Governance Initiatives in Maharashtra (2024)

Like other developed Nations, Maharashtra state not too much behind for adopting the digital transformation. A major hub of technology & innovation. Maharashtra is the first state to release a dedicated e-Governance policy. The objective of the e-Governance Policy is to ensure standardized and seamless implementation of e-governance projects across Maharashtra, thereby encouraging interoperability, data collaboration, sharing and linkage with UID. The e-Governance vision of state is "**To maintain and strengthen the leadership of the state in the area of e-Governance and take it towards m-Governance**". The IT market size in Maharashtra is estimated at ~USD 48 Bn in 2024 (~19% of overall IT Industry in India).<sup>4</sup>

### Key e-Governance programs implemented in 2024 include:

- 3.1 Transformation of Citizen Services:** Leveraging technological platforms such as DigiYatra, Aadhaar, UPI, DigiLocker, UMANG, and ONDC to enhance accessibility and inclusivity.
- a. **MahaIT and Digital Maharashtra:** Expanded digital infrastructure for governance, promoting seamless access to government services.
  - b. **UMANG and DigiLocker Integration:** Enabled faster document access and service applications.
  - c. **Aadhaar-based Welfare Distribution:** Improved direct benefit transfers (DBTs) and reduced leakages in social schemes.
  - d. **Online Land Records (MahaBhulekh 7/12):** Enhanced transparency in property transactions, reducing fraud and disputes.

- e. **AI & Blockchain in Governance:** Implemented AI-driven chatbots for citizen support and blockchain for secure data management.

**3.2 Promotion of Collaboration<sup>5</sup>:** Encouraging partnerships between government, industry, and academia to create a seamless, interoperable, sustainable, and secure digital ecosystem.

Encourage data sharing to improve service delivery, transparency and interoperability between government departments. i.e. Government can function more efficiently; Citizens can receive services in a fair and unbiased manner.

**3.3 Grievance Redressal Systems<sup>6</sup>:** Improving grievance redressal mechanisms to be more sensitive, accessible, and meaningful for citizens.

Once the grievance has been submitted, a token number will be generated. Citizens can track the status of the grievance with the help of the token number. The grievance will be addressed by the competent authority within a period of 21 working days.

**3.4 Adoption of Emerging Technologies<sup>4</sup>:** Maharashtra has always been in forefront in adopting e-Governance to facilitate anytime anywhere access to citizen services and to percolate the use of IT and e-Governance to bring in further efficiency and transparency in delivery of Government services. The policy emphasizes the development and adoption of emerging technologies such as AI, IoT, Blockchain, robotics, 5G and cloud computing to transform public services. This includes support for innovation and upskilling of the workforce.

**3.5 Strengthening Cybersecurity:** The Maharashtra government is planning a comprehensive cybersecurity policy to safeguard the state's IT and digital infrastructure in the wake of advanced challenges on the digital front. "*Cyber Surakshit Maharashtra*"<sup>7</sup>, is our mission and the government is developing the state's first-ever Cybersecurity Policy 2025. Implementing advanced security protocols to protect sensitive government data. Government's commitment to creating a robust cybersecurity eco system that will ensure the safety and security of citizens, industries, startups, academia and government institutions.

#### 4. Social Impact of E-Governance

E-governance has significantly transformed citizen-government interactions bringing positive social impact on society by improving government services more accessible, reducing cost and corruption, increasing accountability and transparency, citizen empowerment/engagement and economic growth.

##### 4.1 Improved Service Delivery

e-Governance services delivery streamlining processes and reduces bureaucratic hurdles, enabling easy access to government services, leading to increased citizen satisfaction. E-Governance has made public services more efficient and accessible. Platforms like MahaOnline and e-Seva Kendras have enabled citizens to access essential services like birth certificates, ration cards, and land records online.

##### 4.2 Increased Transparency and Accountability

Digital platforms enhance information sharing, reducing corruption.

- a. **Real-Time Information:** It has enabled the deployment of platforms such as "MERIT India,".
- b. **Public procurement:** *Government e-Marketplace (GeM)* has revolutionized public procurement by offering a transparent platform for government departments and vendors, minimizing corruption and ensuring fair market practices.
- c. **Open data platforms:** grant public access to various government datasets, encouraging *data-driven decision-making* and fostering a transparent government system.

- d. **Right to Information (RTI) Portal:** Digital RTI filing has made government operations more transparent. Enabling citizens to easily access information and encouraging open dialogue between the government and its constituents.
- e. **Public Grievance Redressal System:** AI-powered systems have expedited grievance resolutions, reducing corruption.
- f. **Social Audits:** A participatory process where community members collaboratively evaluate government programs and schemes, holding authorities accountable for their actions.
- g. **Digital Attendance:** Implementing systems like the *Aadhaar Enabled Biometric Attendance System (AEBAS)* has fostered a culture of accountability, which is crucial for operational efficiency.

#### 4.3 Social Inclusion & Digital Literacy

Expansion of BharatNet<sup>8</sup> in Rural Maharashtra has increased internet penetration, improving access to education and employment. Digital financial literacy programs have empowered rural entrepreneurs and SHGs (Self-Help Groups).

**4.4 Efficiency & Cost Reduction** – E-governance speeds up registration, service delivery, online verification & authentication and lowers administrative & delivery costs. Reduce cost by filling online tax, E-Procurement: Ensures transparency in government contracts, boosting fair competition, Direct Benefit Transfer (DBT) ensure subsidies reach beneficiaries directly.

**4.5 Citizen Engagement** – Active participation of citizens in governments decision making, policy implementation, service delivery.

- a. **Access of information:** Providing citizens with online access to government policies, schemes.
- b. **Feedback Mechanisms:** share opinions, suggest improvements via portals, apps or social media.
- c. **E-Participations:** providing online consultations and digital voting.

### 5. Economic Impact of E-Governance

E-Governance plays a crucial role fosters economic opportunities by improving business environments by reducing administrative burdens, improve the quality of services, and lower costs. **Increasing competition, reducing corruption, increasing tax revenues, stimulating economic growth, Increasing per capita GDP etc.**

#### 5.1 Ease of Doing Business - Boost to MSMEs and Startups:

- a. **Online Business Registrations & Licenses:** Reduces bureaucratic delays, encouraging entrepreneurship.
- b. **The Maharashtra Single Window System (MAITRI)** has streamlined business registrations, reducing compliance time and costs.
- c. **E-Tendering & Digital Procurement:** Enhanced ease of doing business, ensuring fair competition in public contracts.
- d. **E-Marketplaces & MSME Support:** Helps small businesses reach wider markets.

#### 5.2 Growth in Digital Economy

E-governance can make it easier for businesses to operate, which can stimulate economic growth. Digital payment adoption through UPI, Aadhaar Pay, and ONDC has led to greater financial inclusion. Maharashtra's integration with ONDC (Open Network for Digital Commerce) has boosted e-commerce growth.

- a. **Mobile Banking & Digital Payments:** Encourages financial inclusion and reduces cash-based transactions. Expands financial services to rural areas.

- b. **Direct Benefit Transfers (DBT):** Reduces leakages in subsidies, ensuring financial aid reaches beneficiaries.
- c. **E-Agriculture Services:** Provides farmers with real-time market prices, weather forecasts, and online subsidies.

### 5.3 Strengthening Governance –

- a. **Promoting Inclusivity:** Bridging the digital divide by making services more accessible to marginalized communities, fostering equitable growth.
- b. **Smart Cities & Digital Infrastructure:** Improves urban planning, attracting investors.
- c. **Digital Land Records & Property Registration:** Reduces disputes and accelerates real estate development.
- d. **Transparent Governance:** Reduces corruption, increasing investor confidence.

### 5.4 Improved Tax Compliance & Revenue Growth

E-governance can improve the allocation of resources and increase tax revenues by implementing state GST and AI powered Tax Monitoring system.

- a. **E-Taxation & Compliance:** Simplifies tax filing and reduces corruption, increasing tax revenue.
- b. **E-GST System & AI-powered Tax Monitoring:** Increased tax compliance and reduced tax evasion.

**5.5 Increasing per capita GDP:** Studies have shown that increasing the percentage of people using e-government services can increase per capita GDP. Maharashtra has software parks in many cities around the state, and is the second largest exporter of software with annual exports over ₹ 80,000 crores.

- a. **Foreign Direct Investment (FDI) Boost:** Streamlined processes encourage global investments.

### 5.6 Employment Generation & Skill Development –

- a. **Digital Literacy & Online Education:** Prepares the workforce for the digital economy.
- b. **E-Job Portals & Skill Development Programs:** Helps connect job seekers with opportunities efficiently.
- c. **IT & Startup Ecosystem Growth:** Encourages innovation and entrepreneurship, creating new job opportunities.

## 6. Challenges in E-Governance Implementation

Despite its success, Maharashtra faces key challenges in sustaining digital governance:

- 6.1. Digital Divide –** Majority of the people, who living below poverty line and they deprived of government services. Limited internet access can exclude marginalized communities. Silver line is economy of state us good as compare to other states.
- 6.2. Cybersecurity Risks –** Data breaches and cyber threats may compromise sensitive information. cyberattacks are usually aimed at accessing, changing, or destroying sensitive information; extorting money from users via ransomware; or interrupting normal government processes. Increased cyber threats require robust security infrastructure.
- 6.3. Dependence on Technology –** System failures or cyberattacks can disrupt essential services. Downtime in system can disrupt essential services like Microsoft software patch issue, flight schedule stop, bank transaction not possible etc.
- 6.4. Privacy Concerns –** Privacy in e-Governance is the protection of personal information from unauthorized access, use, or disclosure. Government surveillance and data collection raise ethical issues.

**Integration Issues:** Various e-Governance platforms need better interoperability.

## 7. RESULTS

### Conclusion & Policy Recommendations -

Maharashtra's e-Governance initiatives have significantly contributed to social welfare and economic growth in 2024. Moving forward, the state should focus on:

- a. **Strengthening Cybersecurity:** Implementing AI-driven cybersecurity frameworks.
- b. **Expanding Rural Digital Access:** Enhancing internet penetration via BharatNet and 5G expansion.
- c. **Enhancing AI & Blockchain Integration:** For secure and efficient governance.
- d. **Public-Private Partnerships:** Encouraging tech firms to collaborate on e-Governance solutions.
- e. **Promote one-stop-portal and interoperability:** Suggesting all services provided through single portal like MahaDBT and one platform ONDC.

## DISCUSSION

E-Governance would help in attaining this citizen easier to obtain information, quick service delivery, saving time and cost, by reducing the need to visit government offices in person. By improve the quality of life of citizen providing better turnaround times and convenience in demanding. By addressing these challenges, Maharashtra, defiantly can further optimize its digital governance model, ensuring sustainable social and economic progress in near future.

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