

Assessing Socio-Economic Progress Under The Smart City Mission: Evidence From Urban Performance Indicators

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Abstract

The Smart City Mission, launched by the Government of India in 2015, aims to enhance urban livability through technology-driven governance and improved public service delivery. This paper assesses the extent of socio-economic progress achieved under the Smart City Mission using selected urban performance indicators. The study examines the relationship between municipal governance quality and urban service outcomes across selected Indian Smart Cities. Using secondary data for the last five years obtained from the Ministry of Housing and Urban Affairs, the analysis employs descriptive statistics and correlation analysis. Governance quality is measured using the Municipal Performance Index (MPI), while socio-economic outcomes are proxied by the Ease of Living Index (EoLI) and solid waste management efficiency indicators. The findings indicate a strong positive association between governance performance and socio-economic outcomes, with leading cities demonstrating superior service delivery efficiency. The study highlights the importance of data-driven governance, institutional capacity building, and continuous performance monitoring to strengthen the impact of the Smart City Mission.

Keywords: Smart Cities Mission; Urban Governance; Socio-Economic Progress; Municipal Performance Index; Ease of Living Index

Introduction

The Smart City Mission is one of the most ambitious urban development programmes in India, which intends to make cities engines of economic growth in addition to being providers of quality living. Through improving digital infrastructure and strategic governance, citizens will be provided with a resilient urban ecosystem that enables them to accomplish objectives and address long-standing root causes, such as inadequate infrastructure, poor quality of life, and increased environmental stress. But, more than physical transformation and technological advancements, the real ‘smart’ in Smart City Mission would be its progressive agenda on socio-economic development of the urban people and raise quality of life in our cities.

A systematic assessment of changes in urban-based benchmarks like income, work, and access to essential services is thus essential to monitor the socio-economic development impact under Smart City Mission. Urban performance indicators are important policy evaluation tools that allow for comparison across cities and longitudinally in time. Evidence from urban performance indicators is analysed to assess whether the Smart City Mission has led to quantifiable improvements in socio-economic conditions, which

can inform an understanding of the mission's impact, challenges and prospects for urban policy in India as we advance.

Review of Literature

The quality of smart governance and performance metrics are progressively recognized as linked to socio-economic and sustainability results, although empirical evidence remains uneven and not consistently robust (Meijer et al., 2016; Tomor et al., 2019). Theoretical and institutional perspectives view smart cities as socio-technical systems, where governance structures, institutional frameworks, technological infrastructure, and actor networks are interconnected in influencing urban results (Grossi et al., 2024; Mora et al., 2023). Intelligent governance, characterized by technology-driven coordination, citizen involvement, openness, and collaboration among organizations, is widely regarded as a vital facilitator of inclusive and sustainable urban growth (Giuliodori et al., 2022; Guimarães et al., 2020).

Empirical research using composite governance and livability indices has shown that smart governance performance is positively correlated with economic welfare, social inclusion, and environmental quality, often surpassing traditional production factors influencing urban development (Giuliodori et al., 2022; Akhtar et al., 2024). Multidimensional smart city indices also indicate strong linkages between social and economic factors, which indicate that better social conditions are closely linked to overall economic performance in cities (Abu-Rayash et al., 2025). However, systematic reviews indicate that the causal relationships between governance performance and quality-of-life outcomes are still inadequately explored in empirical research, with mixed and sometimes regressive distributional effects, especially in peripheral and marginalized urban regions (Tomor et al., 2019; Veloso et al., 2024).

India's Smart Cities Mission (SCM) exemplifies the opportunities and difficulties of governance-driven urban transformation. The SCM has improved governance capabilities by establishing new institutional frameworks, employing information technology, and creating performance-based metrics like the Ease of Living Index (Kannan et al., 2024; Safiullah et al., 2023). Research conducted in Lucknow and Varanasi has demonstrated that these indices are effective for establishing governance benchmarks and identifying deficiencies in service delivery, accountability, grievance resolution, and equity (Safiullah et al., 2023; Space and Culture, India, 2025). Data from Madhya Pradesh has demonstrated that SCM's heightened financial investments have resulted in advancements in infrastructure, sanitation, smart transport, and digital services, though issues with access and affordability persist (Shrivastava et al., 2025).

Overall, the literature suggests that intelligent governance is essential but not adequate for improved living conditions in urban areas. Even though governance performance indicators show significant institutional strengths, translating them into tangible socio-economic and sustainability outcomes depends on structural, demographic, spatial, and legacy factors, necessitating monitoring focused on results instead of just index rankings (Nesti, 2020; Zhang et al., 2023).

Objectives of the Study

The study is undertaken with the following objectives:

1. To assess the socio-economic performance of selected Indian million-plus cities using the Ease of Living Index (EoLI) 2020.
2. To examine the relationship between municipal governance quality and urban living outcomes using the Municipal Performance Index (MPI) 2020.

Data Sources and Variables

Data Sources

The research is based entirely on secondary data, which has been collected from official Government of India sources for the past five years. The main sources of data are as follows: Ministry of Housing and Urban Affairs (MoHUA): Ease of Living Index and Municipal Performance Index.

Variables

This study utilizes the Ease of Living Index (EoLI) as the dependent variable, reflecting the socio-economic outcomes of urban living regarding standards of living. The Municipal Performance Index (MPI) serves as the independent variable, reflecting the quality of governance in municipalities, encompassing their effectiveness in service delivery. The connection among the variables will influence how variations in governance quality affect living standards.

Research Methodology

The study's research design is analytical-descriptive and quantitative. The city serves as the unit of analysis, with a sample consisting of ten Indian Smart Cities chosen based on data accessibility. The analytical tools that are utilized, are summary statistics for outlining urban performance measures and Pearson correlation analysis to examine the relationship between governance quality and socio-economic factors. Robust standard errors are used to adjust for the limited sample size. Visual analytics, like scatter plots are utilized to aid in understanding results.

Analysis

The chosen cities, namely Pune, Ahmedabad, Surat, Indore, Greater Mumbai, and Vadodara, offer a well-rounded perspective on the urban landscape of India, ranging from mega cities to industrial and developing mid-sized cities. What makes these cities the best choice for evaluating socio-economic development is that each of them has been selected under the Smart City Mission. This makes them the perfect case studies for evaluating the success of smart city projects. The chosen cities vary in terms of their development, size, and industry, thus offering a well-rounded insight into the success of urban initiatives.

Table 1 EoLI and MPI Score of selected cities

City	EoLI Score	MPI Score
Pune	66.27	58.79
Ahmedabad	64.87	57.60
Surat	61.73	60.82
Indore	58.58	66.08
Greater Mumbai	58.23	54.36
Vadodara	59.24	52.68

Descriptive Analysis

The selected cities show variations in quality of life, as reflected in their Ease of Living Index (EoLI) scores. Ahmedabad boasts an EoLI score of 64.87, reflecting acceptable infrastructure and service delivery, while Pune achieves the top EoLI score of 66.27, indicating superior urban amenities, infrastructure, and overall quality of life. In contrast, Greater Mumbai has the lowest EoLI score (58.23), likely resulting from issues like traffic jams, insufficient housing, and elevated living expenses. The chosen cities in western India typically exhibit moderate to high EoLI scores, reflecting their well-developed urban infrastructure. The Municipal Performance Index (MPI) emphasizes the variances in governance efficiency. Indore boasts the highest MPI score of 66.08, reflecting outstanding municipal governance and service provision. Surat records the second-highest MPI score of 60.82, reflecting significant administrative efficiency. Vadodara's MPI score stands at 52.68, the lowest, suggesting the municipal administration requires enhancement. The findings suggest that the intricacy of urban socio-economic outcomes depends not only on the quality of life but also on the effectiveness of local governance.

Comparison of Municipal Performance and Ease of Living Across Selected Indian Cities (2020)

The scatter diagram shows the comparison of Ease of Living Index (EoLI) and Municipal Performance Index (MPI) of six cities in the year 2020. Cities such as Vadodara and Greater Mumbai have a higher Municipal Performance Index, which indicates better municipal performance and infrastructure. Cities such as Pune and Ahmedabad have a relatively higher Ease of Living Index, which indicates better living standards for citizens. Cities such as Surat and Indore have a mid-level Ease of Living Index, which indicates moderate municipal performance and living standards.

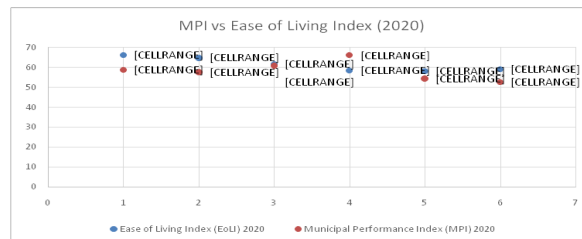


Chart 1 Scatter Plot of MPI vs Ease of Living Index (2020)

Table 2 Correlation Table

Statistic	Value	Interpretation
Spearman Rank Correlation (ρ)	0.143	Weak positive association
Pearson Correlation (r)	0.042	Negligible linear relationship

Spearman $\rho = 0.143$: There is a weak positive monotonic association between the variables. As one increases, the other tends to increase slightly.

Pearson $r = 0.042$: There is a negligible linear relationship; the variables do not show any meaningful linear correlation.

Results and Discussion

The correlation analysis indicates that there is a minimal connection between municipal governance and quality of life results for the selected cities. The Spearman Rank Correlation analysis indicates a weak positive relationship between municipal governance and living conditions outcomes ($\rho = 0.143$), implying that while cities with superior municipal performance might see a minor enhancement in living standards, this is not a robust or consistent trend. Likewise, the Pearson Correlation analysis indicates that there exists a minimal linear relationship between municipal governance and quality of life outcomes ($r = 0.042$), implying that while municipal performance may improve, it does not directly or proportionally affect ease of living outcomes. The scatter plot backs these findings, illustrating considerable variation among the cities and highlighting the significant gap between governance capabilities and outcomes for citizens. For instance, Indore exhibits strong municipal performance, yet has comparatively lower ease of living results, indicating a disconnect between governance and outcomes, whereas Pune and Ahmedabad show relatively higher ease of living results, despite their moderate municipal performance.

Policy Implications

The findings emphasise the need for aligning municipal governance reforms with outcome-based urban service delivery to enhance the effectiveness of India's Smart Cities Mission.

Conclusion

The analysis points out that the quality of municipal governance by itself cannot account for differences in the living outcomes of cities. Although the performance of governance is an important institutional input, the

actual outcomes are driven by structural factors, demographic pressures, and city-specific legacy factors. The results indicate that the Smart Cities Mission and similar initiatives must shift their focus from administrative efficiency to monitoring that is more outcome-focused and captures improvements in the quality of life. In addition, the current overdependence on composite rankings must be supplemented with service-level impact assessments to ensure that governance reforms have a positive and equitable impact on the residents of cities.

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Appendix

Municipal Performance Index (MPI) 2020 Scores — Million+ Cities

City	MPI Score (2020)
Indore (MP)	66.08
Surat (Gujarat)	60.82
Bhopal (MP)	59.04
Pimpri Chinchwad (MH)	59.00
Pune (MH)	58.79
Ahmedabad (Gujarat)	57.60
Raipur (Chhattisgarh)	54.98

Greater Mumbai (MH)	54.36
Visakhapatnam (AP)	52.77
Vadodara (Gujarat)	52.68

Top 10 EoLI 2020 Scores (Million+ Cities)

Rank	City	EoLI Score (2020)
1	Bengaluru	66.70
2	Pune	66.27
3	Ahmedabad	64.87
4	Chennai	62.61
5	Surat	61.73
6	Navi Mumbai	61.60
7	Coimbatore	59.72
8	Vadodara	59.24
9	Indore	58.58
10	Greater Mumbai	58.23

Verification Table

City	In EoLI Top 10	In MPI Top 10	Status
Bengaluru	Yes	No	Excluded
Pune	Yes	Yes	Included
Ahmedabad	Yes	Yes	Included
Chennai	Yes	No	Excluded
Surat	Yes	Yes	Included
Navi Mumbai	Yes	No	Excluded
Coimbatore	Yes	No	Excluded
Vadodara	Yes	Yes	Included
Indore	Yes	Yes	Included
Greater Mumbai	Yes	Yes	Included
Bhopal	No	Yes	Excluded
Pimpri Chinchwad	Yes	Yes	Excluded
Raipur	No	Yes	Excluded
Visakhapatnam	No	Yes	Excluded

Matched Dataset: EoLI& MPI Scores (2020)

Sample: Million-plus cities common to both indices (n = 6)

City	Ease of Living Index (EoLI) 2020	Municipal Performance Index (MPI) 2020
Pune	66.27	58.79
Ahmedabad	64.87	57.60
Surat	61.73	60.82
Indore	58.58	66.08
Greater Mumbai	58.23	54.36
Vadodara	59.24	52.68