

*The state of Telangana, ever since its formation in 2014, has been at forefront of adopting innovations and technologies in spheres of governance, economy, and public welfare. But this adoption has been largely limited to the urban regions of Telangana, and we aim to pervade it to the entire state through the development of two below-mentioned innovation ecosystems:*

**a. Grassroot Innovation Ecosystem**

**b. Social Innovation Ecosystem**

60% of the population of Telangana lives in rural areas. The problems of this population are fundamentally quite different from the problems of the urban populace of Telangana. It is thus only logical to say that the approaches and innovative solutions needed to solve them will be different too. While the urban cities may struggle for waste management, water management, congestion, and urban planning, the rural parts of Telangana suffer from old-age agricultural practices, lack of access to technological advances, and financial illiteracy. It is also quite critical that we involve the rural citizenry predominantly to solve their own problems through empowerment and enablement. This enablement and empowerment shall be done through a strategic and concerted effort at developing the entire value-chain of Grassroot Innovation.

**Grassroot Innovation Ecosystem** is a new ecosystem in the state of Telangana, and even the concept could be far-fetched for the other states of India. In the last two years, we have been working towards creating a sustainable value chain for Grassroot Innovation through our various initiatives and programs. We believe that through the support of JICA, this exercise could be done at an unprecedented scale and velocity.

The first stage of the value chain of Grassroot Innovation is reaching out to the rural citizenry with the idea of innovation and creativity through workshops, Sodha Yatras, sensitization events. The aim of this step is to communicate to the rural citizenry the need, importance, and opportunities in the domain of Grassroot Innovation.

The second stage of the value chain of Grassroot Innovation is to scout for existing Grassroot Innovators and facilitate the creation of new Grassroot Innovators. We aim to conduct state-wide innovation challenges, and exhibitions to provide the opportunity for rural citizens to identify problems, innovate to solve them, and then exhibit to their fellow citizens and the wider ecosystem. This stage would produce innovators who would have identified problems and have developed a rudimentary solution in the form of an idea or prototype.

The third stage of the Grassroot Innovation is aimed at helping these identified innovators to develop their prototype further for the proof of concept. For this, there would be a dedicated program at T-Works Hyderabad and at the 5 prototyping centres (Mini T-Works) in the Tier-2 & 3 towns of Telangana. There would also be a district-level network of existing labs, infrastructure, workshops in all the districts of Telangana to provide a local centre for prototype development. As an outcome, we would have innovators who would have developed a high-class working prototype to solve a pertinent grassroot problem. These innovators would then need academic training, skilling, and exposure visits to expand their horizons and look forward to becoming an entrepreneur from being an innovator. At this stage, some of the grassroot innovators would be provided access to small grants to create a few working prototypes which are market ready. The government aims to be the first customer for these grassroot innovations. Hence, once the few market-standard prototypes are ready, we would facilitate the procurement of Grassroot Innovations at the district-level and state-level through a dedicated procurement fund. Once, the government has been established as the first customer for grassroot innovations, the innovators would look to expand their reach, and scale-up their operations for deeper market penetration.

Thus, in the fourth stage of Grassroot Innovation, we aim to deploy a dedicated Scale-up Fund to help grow grassroot innovations into Micro and Small-Scale Industries. We envision that with the active deployment of this fund, a tangible portion of the small enterprises would mature into Micro and Small-Scale Industries and would take their rightful place in the relevant MSE Parks, and Manufacturing zone based on their

sector and operational feasibility. The MSMEs would also be provided with relevant training, transition programs, and mentorship to keep them abreast of the norms and regulations of the state and the centre.

We aim to continue providing support to these MSMEs even after they have moved to dedicated Parks by monitoring the health of these MSMEs and providing district-level infrastructure to augment their operations.

**The Social Innovation Ecosystem** is fundamentally quite distinct from the grassroots innovation ecosystem. Historically, the government has been the major social innovator with an aim to solve the societal issues of health, nutrition, hygiene, and pollution at scale. The affordability of social innovation and the target population could also be a reason for the over-dependency on the government for solving societal issues. But we believe that this model is unsustainable. There needs to be a collaborative and interdependent model between social innovators, entrepreneurs, government, and external stakeholders. Thus, to develop the social innovation ecosystem in Telangana on the proposed rationale, the state aims to take up the “Hub and Spokes” model.

The first stage of the social innovation ecosystem building will be to create 5 robust district social innovation ecosystem or spokes. The five districts shall be the IT-Tower districts (Warangal, Karimnagar, Nizamabad, Khammam, Mahbubnagar). These five-district ecosystems will be built by 5 sandboxes (one sandbox is functioning in Nizamabad, and we propose for 4 additional sandboxes) and the proposed dedicated social impact spaces in the five IT-Towers. Although the five-district social impact ecosystem will be based out of the 5 Tier-2 towns, they will have the mandate to cover the entire geography of Telangana in their outreach, representation, and target audience. The five-district impact ecosystem will provide the testing and nurturing bed for social impact innovators, start-ups, and NGOs. These ecosystems will also become a breeding ground for collaboration among the social impact actors and an infrastructure for technical support and facility.

The second stage of the social innovation ecosystem will be to build Hyderabad as the Hub for social innovation and to make it a global destination for social innovators and entrepreneurs. This will be done by creating a dedicated large infrastructure in the upcoming T-Hub building, and by taking up an active ecosystem building around it. To ensure that women have a rightful representation in this ecosystem, dedicated programs will be taken up by We Hub at district and Hyderabad level to get more women to take up social innovation and entrepreneurship. We also aim to create a dedicated fund for social impact start-ups and create a platform (GMP) for these start-ups to work closely with the government, so that government can become their first customer.

The third stage of the Telangana’s social impact ecosystem will be to open itself to the Japanese interests. For this, we will run dedicated corporate innovation and T-Bridge programs with the Japanese ecosystem. We also aim to create a platform (T-JICA) with details about the entire innovation ecosystem and the programs run by JICA’s support for the perusal of the Japanese ecosystem and to promote real-time collaboration.

Telangana, quite like other states of India, faces a lot of social issues. While we aspire that a lot of them will be solved by the social innovators and entrepreneurs, we also understand that some of the problems might be too complex and too big in scale. Thus, to solve the state-wide issues: nutrition among rural and tribal populations of Telangana, water pollution in Hyderabad, medical devices affordability, the nuisance of vector-borne diseases, water, and waste management for urban poor, we aim to deploy our expert innovation partners.