

## The Policy Framework for Rural Transformation: A Study of India's Rural Development Schemes

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### ABSTRACT

India's national policy puts a strong emphasis on rural development with the goal of improving the socioeconomic status of the country's large rural population. This study focuses on the Pradhan Mantri Awas Yojana Gramin (PMAY-G) and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in order to analyze the policy framework for rural transformation in India. Around 70% of Indians live in rural regions and face serious issues including unemployment, inadequate housing, and bad infrastructure. This study analyzes how well these programs work to solve these problems by offering employment as well as housing. The study is descriptive in nature and uses secondary data to show trends, successes, and failures during the previous five years. A critical analysis is conducted on how MGNREGA and PMAY-G contribute to the "Housing for All" concept and how they provide livelihood security through guaranteed employment. The results show that both programs had early successes after performance declined, indicating the need for better policy formulation and execution. Better coordination between the central and state governments, appropriate resource distribution and need further research on the long-term impacts of these policies on rural socio-economic development.

**KEYWORDS:** rural development, affordable house with basic amenities, livelihood security, employment.

### INTRODUCTION

A large number of people's lives in rural areas, especially in developing countries like India. According to the 2011 Census, 833 million out of the total 1.21 billion population lives in rural areas, meaning nearly 70 percent of the country's population lives in rural areas. These rural populations have high level of unemployment, low levels of income and literacy, and poor nutrition and health status in order to overcome of these problem governments launched many rural development policies to create opportunities for improvement of the quality of life of these rural people. Rural development is one of the key drivers of the economic growth of the country and successfully tries to enhance the productivity rural economies and it focuses on the development of these segments

The term "rural development" means over all development of rural area that Improving the economic condition and standard of living of people who live in rural areas. This development encompasses a wide range of activities and policies aimed at enhancing improve infrastructure,

healthcare, education, employment prospects, and agricultural production, a variety of initiatives and steps have been included in this development. The goal of rural development is to create sustainable and equitable growth that benefits the rural population and reduces disparities between rural and urban areas. For rural development government of India launched some policy through the ministry of rural development of India such as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), Deen Dayal Upadhyaya Gramin Kaushlya Yojana (DDU-GKY), Swarnjayanti Gram Swarozgar Yojana, Pradhan Mantri Gram Sadak Yojana (PMGSY), Pradhan Mantri Awas Yojana Gramin (PMAY-G) etc. All these schemes are aimed to overall development of rural area and reduce the gap between urban and rural areas.

## LITERATURE REVIEW

**Kumar, D., Narwal, S., & Phougat, S. (2021)**, "A review of rural development schemes in India"- as per this study India's two-third population lives in villages, with agriculture being a major source of livelihood for about 50% of the population. To uplift the rural population, the government must focus on agriculture growth. This paper reviews various rural development schemes in India, by using secondary data policy including MANREGA, PMAY-G, and DDU-GKY. MANREGA provides employment opportunities to 29.3 crore rural people, PMAY-G provides basic amenities to 1.40 crores, and DDU-GKY trains 11.12 lakhs candidates, placing 6.48 lakhs in jobs. These schemes are complementary to each other, ensuring the country's rural development.

**Das, A. (2021)**, "The role of MGNREGA in rural development" this study attempted to understand that MGNREGA, an Indian wage employment program, provides legal guarantees for wage employment. This study examines its impact on employment generation in the Dhemaji district of Assam. Secondary data from the ministry of rural development and other sources was analyzed. The study found a gap between job offers and demand, and a need for more work days per household.

**Mary, F. (2020)**, "Progress and Prospects of PMAY Scheme in India" The paper discusses the benefits of the Pradhan Mantri Awas Yojana (PMAY) scheme, related schemes, home construction, and investment in infrastructure over the past decade. It suggests that improving infrastructure, job opportunities, healthcare, and hygiene is crucial for improving the lives of the poor and middle class.

**Ghumare, P. N., Chauhan, K. A., & Yadav, S. M. (2019)**, "Affordable Housing Policies in India: Challenges and Reform" This paper aims to address the problem in India, focusing on low-income groups and economically backward sections, and proposes policies like REITs, GST, RERA, and Benami Transaction Act. Conclude that government policy requires the working together among many agencies from both the public and private sectors to promote the development of affordable housing. Encouraging the construction of affordable housing projects can have a positive long-term impact on the local community and its residents.

**Rao, P. S. (2019)**, "Rural development schemes in India-A study" According to this study rural development is essential for emerging countries, particularly nations like India where poverty and a lack of infrastructure limit economic progress. The Pradhan Mantri Awas Yojana Gramin (PMAY-G) scheme for housing, the Pradhan Mantri Gram Sadak Yojana (PMGSY) scheme for road construction, and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

for employment are just a few of the programs the Indian government has introduced to address these issues. The report emphasizes how much PMAY-G, PMGSY, and MGNREGA have improved rural development in India. It concludes that the success of PMAY-G has been attributed to MGNREGA's improved livelihood security and creation of durable assets in rural regions, as well as transparent beneficiary selection, timely funds availability, and organized monitoring.

**Welteji, D. (2018)**, "A critical review of rural development policy of Ethiopia: access, utilization and coverage"- this study reveals the basis of the Ethiopian economy is agriculture. The development of one specific sector impacts the growth of all other sectors and, by extension, the whole national economy. Programs for rural development have been in place for a long time, but they have not reached the expected level. Due to incorrect policy priorities, institutional factors, and technological advancements, there are notable gaps in access, utilization, and coverage of rural development policy program packages by various groups of people living in rural areas over the course of three regimes, as showed by an evaluation of these programs.

**Salemink, K., Strijker, D., & Bosworth, G. (2017)**, "Rural development in the digital age: A systematic literature review on unequal ICT availability, adoption, and use in rural areas"- within comprehensive analyzed of 157 papers on digital advancements and rural development in developed nations is presented in this research. Research may be divided into two main categories: inclusion research and connectedness research. The connectivity theme concludes that the quality of data infrastructure varies more and more between urban and rural places. Public policies that support the development or availability of data infrastructure are essentially reactive to changes in the market and quickly become out of date. Adoption and use are negatively impacted by factors such as the slower rate of technological dissemination and the lower average levels of education and skill in rural areas.

**Das, D. (2016)**, "Role of MGNREGA in rural employment: A study of Barpeta district of Assam, India" this study seeks to address that India's pre-dominant agrarian economy leads to high poverty rates in rural areas due to seasonality and low productivity. Despite various employment generation programs, rural areas continue to suffer. The Act gives positive impacts on women's employment patterns and protects natural resources.

**Kumar, A. (2015)**, "Socio-economic impact of MGNREGA: evidences from district of Udham Singh Nagar in Uttarakhand India" The study in Uttarakhand, Udham Singh Nagar, examined the impact of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) on participants' socioeconomic conditions. Findings showed that MGNREGA positively impacted financial status, income, food security, and livelihood security for rural households. Benefits included improved living conditions, safe drinking water, sanitation, and enhanced health services.

**Bhat, B. B., & Mariyappan, P. (2015)**, "MGNREGA: A new hope to reduce rural poverty" according to this study India's agricultural sector heavily relies on rural unskilled labor, with the majority of the rural poor relying on wages. The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) aims to improve livelihood conditions by providing 100 days of employment for adult members willing to do unskilled manual work. This initiative helps maintain consumption levels and strengthens the livelihood resource base during lean seasons.

**Panda, S., & Majumder, A. (2013)**, "A review of rural development programmes in India"- as per this study the goal of rural development is to raise the standard of living and financial stability of

those living in isolated areas. MGNREGA is a key rural development initiative that can improve the socioeconomic status of rural poor people aim of this study is to in this study objective was taken to evaluate MGNREGA's development and gather new data on the overall socioeconomic effects of various the impact of rural development initiatives on rural residents' livelihoods and conclude that MGNREGA is an important program for rural development that can improve the socioeconomic standing of rural people. On the other hand, difficulties like geographical differences and implementation problems have to be resolved.

**Sirmans, S., & Macpherson,D. (2003)**, “The state of affordable housing” this study seek to revile that affordable housing focuses on policy, supply, barriers to homeownership, and measuring affordability. Key findings include that housing programs should be tailored to local conditions, minority and immigrant populations are less likely to be homeowners, lack of home buying and credit knowledge hinders homeownership and housing cost burden is a key indicator.

### NEED FOR THE STUDY

The primary issues dealing with rural India include housing, a lack of all-weather roads connecting villages to towns, a lack of infrastructure in rural areas, and a lack of livelihood opportunities in the villages. Over the years, several programs for rural development have been implemented. Evaluating their effectiveness ensures that resources are spent effectively and assists in identifying strategies that are working well as well as areas that require development. In light of this, research on the Government of India initiative to give rural people employment opportunities and pucca houses is necessary.

### OBJECTIVE OF THIS STUDY

The primary objective of this study is to analyze the rural development programs that have been implemented in India and evaluate their present scenario. The secondary objectives is to evaluate the job opportunities offered to families and individual under the MGNREGA Scheme and to show the increase in the number of homes constructed under the PMAY -G Scheme.

### SCOPE OF THE STUDY

The present study is focused on only two government schemes for the development of rural India: the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), which provides employment opportunities for rural people, and the Pradhan Mantri Awas Yoiana Gramin (PMAY - G) scheme, which provides housing needy people in rural areas.

### RESEARCH METHODOLOGY

The research study has been carried out using the descriptive research method. The study uses secondary data for study. Secondary data gathered from different books, journal, research articles, and different government sites and their yearly reports are used .



## PRADHAN MANTRI AWAS YOJANA GRAMIN

The Ministry of Rural Development (MoRD), in collaboration with the Ministry of Housing and Urban Affairs (MoHUA), launched the Pradhan Mantri Awas Yojana Gramin (PMAY-G) on April 1st, 2016 as its flagship program. All homeless households and those residing in kutchha and dilapidated houses are to be provided with a pucca house with basic amenities by PMAY-G. The PMAY-G program significantly enhances the goal of "Housing for All" by addressing and bridging the housing shortfall in rural areas of India.

Before the Pradhan Mantri Awas Yojana, this program was known as the Indira Awas Yojana (IAY), having been introduced in 1985 as a Rural Landless Employment Guarantee Programme (RLEGP) sub-scheme. IAY was established as a rural housing project targeted at minorities and SC/ST groups. Over time, the program's availability was gradually increased to cover all people living in poverty (BPL). Later in June 2015, the Indian government introduced the Pradhan Mantri Awas Yojana with the intention of meeting the housing needs of needy people in urban as well as rural areas and providing affordable homes. The amenities included in these homes include drinking water, LPG connections, toilets, and electricity e.g., Saubhagya Yojana (electricity connections), Ujjwala Yojana (LPG gas connections), etc. The woman receives the houses either in her own name or jointly with her husband. The beneficiary bears the entire responsibility for building the houses; hiring contractors is not allowed. In the event that the beneficiary is physically unable to build the houses, the block-level officer is responsible for providing all necessary assistance for house construction under PMAY -G.

Table 1 presents the number of house targets, how many beneficiaries registered for houses, and how many houses were sectioned and completed under the Pradhan Mantri Awas Yojana from 2018–19 to 2022–23 over the last past five years.

**Table-1: presents the targets, registered beneficiaries, sanctioned houses, and completed houses under the PMAY-G**

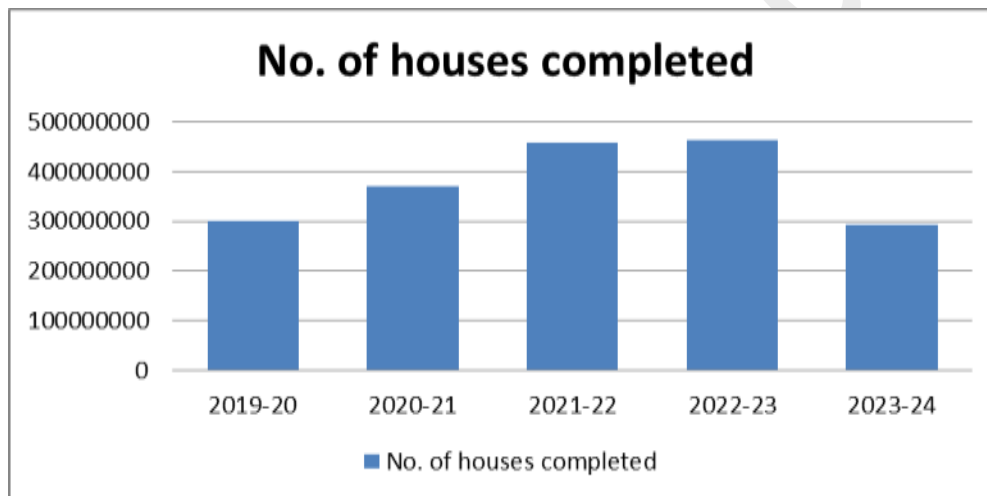
S.No	Year	House target	Beneficiaries registered	No of house sectioned	No. of houses completed
1	2019-20	11,36,91,450	32,45,04,573	31,21,62,604	29,98,00,238
2	2020-21	8,28,76,922	40,20,52,149	38,90,68,686	36,92,83,705
3	2021-22	13,51,15,525	57,42,47,016	51,87,15,026	45,74,69,014
4	2022-23	4,45,77,636	57,72,32,716	51,90,81,148	46,37,08,422
5	2023-24	97,01,561	37,79,41,252	34,32,08,418	29,29,67,813

Source - Pradhan Mantri Awas Yojana Gramin ,Ministry of rural development, govt. of India.

We'll examine several factors for each year, such as the home target, the number of beneficiary registered, the numbers of houses sectioned (authorized for construction), or the number of homes completely built, in order to analyze this data find that Between 2019–20 and 2023–2024, there is a noticeable variation in the home target trend, with a decline in the latter years. The beneficiaries registered between 2019–20 and 2023–24 show a pattern of rapid growth over the first few years, stabilization thereafter, and a notable decline in the most recent year and trend in the number of houses sectioned from 2019-20 to 2023-24 shows an initial phase of rapid growth, followed by stabilization, and then a significant decrease in the most recent year.

To interpret this data the percentage of beneficiaries registered against the number of houses completed for each year find that in 2019-20: 92.4%, 2020-21: 91.8%, 2021-22: 79.7%, 2022-23: 80.3%, 2023-24: 77.5% percentage of house completed These percentages indicate the ratio of completed houses to the number of registered beneficiaries, showing a slight decline over the years in the percentage of houses completed per registered beneficiary.

**Graph-1: Year wise House Completed under Pradhan mantra awas yojana**



**Source - Pradhan Mantri Awas Yojana Gramin ,Ministry of rural development, govt. of India.**

This graph shows that during the last five year, there was a tendency of expansion followed by a minor fall in the number of housing. The number of housing increased gradually between 2019–20 and 2021–2022.The number of homes peaked in 2021–2022 and 2022–2023 at almost 45 million annually. In contrast to the preceding two years, there was a noticeable decrease in the number of houses completed.

## MGNREGA

This act was passed on 23 August 2005 and was implemented in the 2 February 2006 under the UPI government Mahatma Gandhi National rural employment guarantee act 2005 earlier known as the National rural employment guarantee act Indian social welfare measures that aims to guarantee the ‘right to work’ this enhance the livelihood of ruler area people providing at least 100 days of work

in one financial year. P.V. Narasimha Rao proposed an act in 1991. After receiving final approval from the parliament, it was put into effect in 625 Indian districts. On the basis of this pilot project's results, NREGA was expanded to include all of India's districts as of April 1, 2008.

The MGNREGA aims to improve livelihood security in rural regions by guaranteeing at least 100 days of wage employment per financial year to every household with adult members willing to undertake unskilled manual labor. Another goal of MGNREGA is to create durable assets. Within five kilometers of an applicant's home, employment has to be provided, and minimum salaries must be given. Applicants are eligible for unemployment benefits if they do not receive employment after 15 days of submitting their application. As a result, employment through MGNREGA is mandated by law. Together with state governments, the Indian government's Ministry of Rural Development (MRD) is keeping an eye on the program's complete implementation.

Table 2 .presents the number of job card issued, number of active job card, number of worker, and number of active worker under the MGNREGA from 2018–19 to 2022–23 over the last past five years.

**Table-2: shows the number of job cards issued, active job cards, workers, and active workers under MGNREGA**

S.No	Year	No.of job card issued (in crore)	No. of active job card ( in crore)	No. of worker (in crore)	No. of active worker ( in crore )
1	2019-20	14.8	8.24	29.55	17.65
2	2020-21	16.54	9.54	31.51	19.56
3	2021-22	17.61	10.16	32.32	20.09
4	2022-23	17.82	10.05	32.61	19.76
5	2023-24	15.72	9.72	27.23	17.67

**Source: MGNREGA,Ministry of rural development, govt. of India.**

The data shows that the total number of job cards issued increased in the initial period, reaching its peak in 2022–2023 and then declining in 2023–2024. The change in the total number of job cards issued between 2022–23 to 2023–24 has a decrease of 2.10 crore job cards On the other hand, the total number of active workers From 2019–20 to 2021–22, there was a general increase in the number of active job cards. However, there was a subsequent decline in 2022–23 and 2023–24. From 2019–20 to 2021–22, there was a general increase in the number of total workers and active workers, indicating a growing engagement in the program. However, from 2022–23 onwards, there was a decline in both the total number of workers and the number of active workers.

Table 3represent that No of household worked ( in crore) ,No of HH complete 100 days of wage employment and percentage of households completing 100 days of employment compared to the total households worked.

**Table-3: Annual Household worked and Completion Rates under MGNREGA**

S.No	Year	No of household worked ( in crore)	No of HH complete 100 days of wage employment	percentage of households completing 100 days of employment compared to the total households worked
1	2019-20	5.48	40,56,446	7.40%
2	2020-21	7.57	71,78,290	9.48%
3	2021-22	7.27	59,12,953	8.13%
4	2022-23	4.31	2,02,028	0.47%
5	2023-24	4.34	2,62,815	0.61%

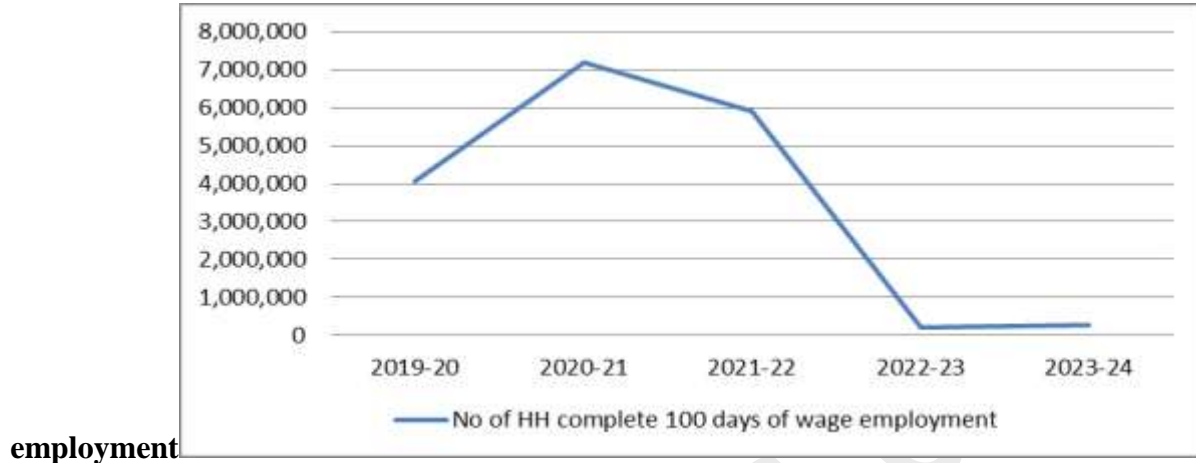
**Source: MGNREGA, Ministry of rural development, govt. of India.**

The above data indicate that the total number of households that worked during the last five years (2019-20 to 2023-24) substantial increase in the number of households that worked, rising from 2019-20 to 2020-21. In 2021–22, the number of households that worked slightly decreased to 7.27 crore , there was a notable decline in 2022–23, with the number of working households dropping to 4.31 crore and in 2023-24 find a slight recovery in total number of household worker .on the other hand total number of household complete 100 days of wage employment find that in initial day number of households completing 100 days of wage employment increased significantly in 2020-21 later on 2021-22 find a Moderate Decline but in 2022-23 there was a dramatic decrease in total number of household complete 100 days of wage employment and in 2023-24 find a Slight Recovery in total number of household complete 100 days of wage employment.

The percentage of households completing 100 days of employment increased from 7.40% in 2019-20 to a peak of 9.48% in 2020-21, and in 2021–22, the percentage decreased to 8.13%, still relatively high but showing a slight reduction in the program's ability to provide 100 days of employment compared to the previous year; in 2022–23, indicating a substantial decline in the percentage of households completing 100 days of employment compared to the total households worked; and in 2023–24, the percentage slightly increased to 0.61%, indicating a minor recovery but still far below the levels seen in the earlier years.



**Graph-2: Year wise Household complete 100 days of wage**



**Source: MGNREGA, Ministry of rural development, govt. of India.**

The graph shows the number of households (HH) that completed 100 days of paid work during a period of the last five years, from 2019–20 to 2023–24. From 2019–20 to 2020–21, there is a significant upward trend in the number of households completing 100 days of wage employment, and the number of households reached its peak in 2020–21, with the highest number of households completing 100 days of wage employment. In 2021–22, there is a noticeable decline in number of households completing 100 days of wage employment. The most dramatic change occurs between 2021–22 and 2022–23, when the number of households significantly drops, followed by a slight recovery in 2023–24.

## CONCLUSION:

The government of India announced the Pradhan Mantri Awas Yojana Gramin (PMAY-G) scheme, which aims to provide housing, and the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), which ensures rural people 100 days of employment. Both of these programs are crucial to India's rural development. The study reveals that the PMAY-G program showed a significant impact in its early years, achieving high targets and completion rates. However, recent years have seen a decline in performance in all aspects (house target, beneficiaries registered, number of houses sectioned, number. of houses completed). When we compared the targeted houses and number of house completions from 2019–20 to 2023–24, we found a difference of 10,39,89,889 targeted houses, and on the point of house completions, the difference is 68,32,425. Another government scheme, MGNREGA, has shown initial success in providing employment, peaking in 2020–21. However, recent years have seen a significant decline in the program's effectiveness, particularly in 2022–23, with only a slight recovery in 2023–24. Both the PMAY-G and MGNREGA programs over the past five years indicate initial success followed by a decline in performance. While these programs have significantly contributed to rural development and livelihood security, recent challenges have affected their effectiveness. To overcome this problem government need allocate adequate fund and resources to meet the targets and demands of both

programs and improve the implementation mechanisms of both PMAY-G and MGNREGA by enhancing coordination between central and state governments. For farther research researcher should study on comprehensive understanding of the long-term impacts of these policy, beneficiary satisfaction, and overall impact of these schemes on their socio- economic development.

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