

IMPACT OF INDIRA AWAAS YOJANA (IAY) ON RURAL HOUSING AND INFRASTRUCTURE - A STUDY

Mr. Rapolu Venkateswarlu

Research Scholar, Department of Economics, Osmania University, Hyderabad, TS.

ABSTRACT

Housing is universally accepted as basic need for the survival of human beings. International development forums have accepted the fact and promoted it as one of the important development agenda for all countries especially underdeveloped nations. Government of India realized the fact and has taken different steps time to time after independence to ensure housing for all rural households. Introduction of Indira Awaas Yojana as an independent flagship scheme by the central government during 1995-96 was a major step towards ensuring "housing for all" in rural India. The scheme has played crucial role in addressing rural homelessness since inception though still there is a gap to meet the demand. This paper evaluates performance of the scheme giving emphasis on the performance of last one or two decades against the backdrop of the magnitude of the problem of housing in rural India. It analyses both the qualitative and quantitative aspects of the performance of the scheme. The paper gives notes on widening the scope of the scheme to cover other interrelated issues and concludes with certain suggestions for improvement. Secondary source of data has been used for the purpose of analysis. This paper is likely to be relevant to those who are interested to know about the performance of the flagship scheme and scope of improvements to meet the rural need.

Keywords: Rural Housing, IAY, Panchayati Raj Institutions, Infrastructure.

INTRODUCTION

It is a flagship scheme of the Central Ministry of Rural Development and a major social welfare programme to provide houses to the poor in rural areas. The objective is primarily to help in construction/up gradation of dwelling units by providing subsidies and financial assistance for 1. BPL households in rural areas: S.C/S.T freed bonded-labourers, minorities and others (non-SC/ ST), 2. Widows and next-of-kin of defense personnel or paramilitary forces killed in action (irrespective of their income criteria) and ex-servicemen and retired members of paramilitary forces wishing to reside in rural areas provided they meet the basic eligibility criteria. The houses are allotted in the name of the woman or jointly between husband and wife. The construction of the houses is the sole responsibility of the beneficiary and engagement of contractors is strictly prohibited. Sanitary latrine and smokeless stove ('chullah') are required to be constructed along with each IAY house for which additional financial assistance is provided from Total Sanitation Campaign and Rajiv Gandhi Grameen Vidyutikaran Yojana, respectively. It is funded on cost-sharing basis between the Central and the State Governments in the ratio of 75:25. In the case of North-Eastern States and Sikkim, funding will be shared in the ratio of 90:10. In the case of Union Territories, the Government of India provides the entire funds. The funds are allocated to the states based on 75% weightage of rural housing shortage and 25% weightage of poverty ratio. The housing shortage is as per the official published figures of Registrar General of India based on the 2001 Census.

RURAL HOUSING IN INDIA

Around one third of the human populations in urban as well as rural areas in India are deprived of adequate housing facilities. Out of the estimated 200 million families in the country, approximately 65 to 70 million families do not have adequate housing facilities. They are not able to procure a house for want of financial resources. The situation of the Scheduled Tribes, Scheduled Castes and the other socially and economically backward class families are worst affected by poor housing conditions. Hence, fulfilling the need for rural housing and tackling housing shortage particularly for the poorest is an important task to be undertaken as part of the poverty alleviation efforts of the government (Planning Commission, 2013). The magnitude of the problem of homelessness can be better understood if we have an analysis of Census and other major source of data of last few decades. As per the Census of India data 2001, 0.19 per cent of the Indian population is homeless.

In absolute terms, this is a huge number. The homelessness is higher among the urban population than among that residing in the rural areas of the country. The Census (2001) also indicates that around 50 percent of the available houses in India are in good condition while the rest are in barely liveable or in dilapidated condition. In rural areas, around 48.88 per cent of the houses are liveable while 6.3 percent are in a dilapidated condition. According to National Family Health Survey -III (2005-06), overall 14 per cent of the households live in "kaccha" houses, 40 per cent live in semi-pucca houses and the remaining 46 per cent live in "pucca" houses. A large majority of urban households live in "pucca" houses (81 per cent), whereas a majority of rural households live in semi-pucca houses (around 52 per cent). As per the Census of India 2011, 1.08 crore households live in dilapidated houses, which are showing signs of decay or breaking down and require major repairs or those houses decayed or ruined and are far from being in conditions that can be restored or repaired.

However, if one takes roofing alone, about 4.41 crore houses have kuccha roofing. If material of wall is taken, 2.71 crore houses have grass, thatch, bamboo, plastic, etc. as wall and another 5.83 crore have mud or unburnt brick as the material. The Socio-Economic caste Census (SECC) data indicates 4.01 crore houses have one or two rooms with "kaccha" walls and "kaccha" roofs. All these figures reveal that the magnitude of the problem cannot be clearly defined with the existing data. Looking at the above figures, a target of approximately four crore houses can be safely assumed to require urgent attention. Assuming that 20 per cent of households living in such houses can provide resources to build a house and the remaining 80 per cent of the families may not be able to provide for construction of a house from their resources. Then at least 3.20 crore households would require assistance from the Government to house themselves. The twelfth plan working group on rural housing recommended a target of 1.5 crore houses for the plan period based on a housing shortage estimate of four crore houses in rural areas.

Recommendations for Achievement of Rural Housing Vision

1. From the experience gained by implementing various schemes for rural housing so far, the following strategies are expected to realize the vision of a safe and sustainable housing for the rural masses.
2. Enabling structured access to land, appropriate finance and risk mitigants is a critical and fundamental pre-requisite for habitat development that is safe and sustainable in the long run.
3. Creating a facilitative environment for promotion of appropriate building materials and technologies as well as development of human resources required for disaster resilient and sustainable habitat development
4. Providing and enforcing a well-defined, transparent and monitor able techno-legal regime to ensure access to housing for all sections of the rural population through community and Panchayat based processes.

SALIENT FEATURES OF IAY

The Scheme was introduced keeping the objective of helping construction or upgradation of dwelling units of members of Scheduled Castes (SC), Scheduled Tribes (ST), freed bonded labourers and other below the poverty line non-SC/ST rural households by providing them a lump sum financial assistance. It is a Centrally Sponsored Scheme funded on cost-sharing basis between the Government of India and the State Governments in the ratio of 75:25. In the case of Union Territories (UT), the Government of India provides the entire funds under this Scheme.

However, in the case of North Eastern States, the funding pattern has been revised and at present is in the ratio of 90:10. The target groups for houses under the IAY are below poverty line households living in the rural areas belonging to SCs/ STs, freed bonded labourers and non-SC/ST BPL (Below Poverty Line) rural households, widows and next of kin to defence personnel or paramilitary forces killed in action residing in rural areas (irrespective of their income criteria), ex-servicemen and retired members of paramilitary forces fulfilling the other conditions.

It had a definite pattern of funding to maintain transparency in all the dealings associated with the project and had a definite gender perspective. All the basic units of Local administration such as GramSabhas, Gram Panchayats, ZilaParishad and District Rural Development Agency (DRDA) are actively involved in the implementation of the Scheme. The criteria for allocation of IAY funds to the States & UTs involve assigning 75 per cent weightage to housing shortage and 25 per cent to poverty ratio. The allocation amongst districts is based on 75 per cent weightage to housing shortage and 25 per cent weightage to SC/ST component. Further, 60 per cent of the IAY allocation is meant for benefiting SC/ST families, three per cent for physically handicapped and 15 per cent for minorities. One important feature of the scheme is to allot the houses invariably in the name of women, which is a crucial step of the government leading to empowerment of women. Five per cent of the central allocation can be utilized for meeting exigencies arising out of natural calamities and other emergent situations like riot, arson, fire, rehabilitation and others. In order to introduce transparency in the selection of beneficiaries, Gram Panchayat wise permanent IAY waitlists have to be prepared by the States/UTs. These lists contain the names of deserving BPL families who need IAY houses in order of their poverty status based on the BPL list.

Gram Sabhas select the beneficiaries from the list of eligible BPL households or Permanent IAY Waitlist wherever it has been prepared. Construction of an IAY house is the sole responsibility of the beneficiary. Engagement of contractors is prohibited and no specific type or design has been stipulated for an IAY house. However, individual household latrine (IHHL) and smokeless “chullah” (oven) are required to be constructed along with each IAY house. For construction of a sanitary latrine, in addition to financial assistance provided under IAY, the beneficiary can avail of financial assistance as admissible under the Nirmal Bharat Abhiyan (NBA).

RURAL HOUSING SCHEMES IN INDIA AND GENESIS OF INDIRA AWAAS YOJANA

Rural housing programme in India can be traced to the refugee rehabilitation programme, which began immediately after partition and continued till 1960. The programme provided around five lakh houses to the refugees mainly in northern India. Different programmes have been taken by government of India through various Five Year Plans where housing was an integral part of the programme. Different initiatives taken by Government of India from time to time and genesis of Indira AwaasYojana (IAY) thereof are presented in the following Table-1.

Table-1: Genesis of IAY

Year	Programme
1947 - 1960	Refugee Rehabilitation Programme by the Ministry of Refugee Rehabilitation
1957 – 1980	Village Housing Scheme as a part of the Community Development Movement
1971	House Sites cum Construction Assistance Scheme for rural landless workers and artisans including SCs and STs as a part of Minimum Needs Programme
1980	Construction of rural houses as a part of National Rural Employment Programme (NREP)
1983	Construction of rural houses as a part of the Rural Landless Employment Guarantee Programme (RLEGP)
1985	Indira AwaasYojana as a sub-scheme of RLEGP
1989	Indira AwaasYojana as a sub-scheme of Jawahar Rozgar Yojana (JRY)
1 st January, 1996	IAY was de-linked from JRY and made an independent scheme

Source: Adapted from different government reports

OVERALL PERFORMANCE OF IAY

Keeping in view the growing demand for rural housing because of burgeoning population the government is making efforts to meet the demand in the rural areas of the country. The size of the scheme has increased substantially in recent years. The budgetary outlay for rural Housing has been enhanced from Rs.1991 crore in 2001-02 with a physical target of construction of 12.94 lakh houses to Rs.16, 000.00 crore in 2014-15 for construction of 25.18 lakh houses. Against an allocation of Rs.16, 000.00 crore for the year 2014-15, Ministry has released an amount of Rs.10, 404.29 crore. 8.29 lakh houses have been constructed against a target of 25.18 lakh as on 31 December 2014. Since the inception of the scheme, 333.82 lakh houses have been constructed incurring a total expenditure of Rs.1, 17,039.00 crore (Annual Report 2014-15, MoRD)

Table-2: Performance during Financial Year 2014-15 (as on 31.12.2014)

Total Outlay for Rural Housing	Rs.16000.00 crore
Central Budget for IAY	Rs.14099.55 crore
Central releases	Rs.10404.29 crore
Total Available Funds (including OB State share)	Rs.16745.16 crore
Utilization of funds	Rs.9546.48 crore
Percentage of Utilization	57.01%

Source: India, Ministry of Rural Development, Annual Report, 2014-15

Table-3: Performance of IAY over the last ten years

Year	Central Allocation (Rs. In lakhs)	Central Release (Rs. in lakhs)	Utilization (Rs. in lakhs)	Target (No. of houses)	Houses constructed/ completed
2002-03	165640.00	162852.86	279496.46	13.14 lakh	15.49 lakh
2003-04	187050.00	187107.78	258009.69	14.84 lakh	13.61 lakh
2004-05	246067.00	288310.02	326208.64	15.62 lakh	15.21 lakh
2005-06	273240.00	273822.58	365409.05	14.41 lakh	15.52 lakh
2006-07	290753.00	290753.06	425342.45	15.33 lakh	14.98 lakh
2007-08	403270.00	388237.01	546454.30	21.27 lakh	19.92 lakh
2008-09	564577.00	879579.39	834834.33	21.27 lakh	21.34 lakh
2009-10	849470.00	863573.99	1329236.40	40.52 lakh	33.86 lakh
2010-11	1005370.00	1013945.40	1346572.75	29.08 lakh	27.15 lakh

Source: Ministry of Rural Development, Annual Report 2012-13

If we analyse the data available regarding financial performance of the scheme as well as physical achievements we can see the positive trend in utilization of fund and construction of houses. It is clear from the table that the release of fund from central government has gone up every financial year because of effective utilization of fund. Though there is a very positive picture in terms of fund utilization as well as physical achievements, still there is huge gap between demand and supply, which needs to be taken care of. We also have to keep in mind that providing support for construction of houses cannot address the housing problem; it should be accompanied by other basic amenities like sanitation and drinking water to ensure healthy lives in rural India.

OVERALL PERFORMANCE OF IAY

Keeping in view the growing demand for rural housing because of burgeoning population the government is making efforts to meet the demand in the rural areas of the country. The size of the scheme has increased substantially in recent years. The budgetary outlay for rural Housing has been enhanced from Rs.1991 crore in 2001-02 with a physical target of construction of 12.94 lakh houses to Rs.16,000.00 crore in 2014-15 for construction of 25.18 lakh houses. Against an allocation of Rs.16,000.00 crore for the year 2014-15, Ministry has released an amount of Rs.10, 404.29 crore. A total of 8.29 lakh houses have been constructed against a target of 25.18 lakh as on 31st December, 2014. Since the inception of the scheme, 333.82 lakh houses have been constructed incurring a total expenditure of Rs. 1,17,039.00 crore (Annual Report 2014-15, MoRD).

Table-4: Performance during Financial Year 2014-15(as on 31.12.2014)

Total Outlay for Rural Housing	Rs.16000.00 crore
Central Budget for IAY	Rs.14099.55crore
Central releases	Rs.10404.29 crore
Total Available Funds (including OB State share)	Rs. 16745.16crore
Utilization of funds	Rs.9546.48 crore
Percentage of Utilization	57.01%

Source: India, Ministry of Rural Development, Annual Report, 2014-15

Table-5: Performance of IAY over the last ten years

Year	Central Allocation (Rs. in lakhs)	Central Release (Rs. in lakhs)	Utilization (Rs. in lakhs)	Target (No. of houses)	Houses constructed/ completed
2002-03	165640.00	162852.86	279496.46	13.14 lakh	15.49 lakh
2003-04	187050.00	187107.78	258009.69	14.84 lakh	13.61 lakh
2004-05	246067.00	288310.02	326208.64	15.62 lakh	15.21 lakh
2005-06	273240.00	273822.58	365409.05	14.41 lakh	15.52 lakh
2006-07	290753.00	290753.06	425342.45	15.33 lakh	14.98 lakh
2007-08	403270.00	388237.01	546454.30	21.27 lakh	19.92 lakh
2008-09	564577.00	879579.39	834834.33	21.27 lakh	21.34 lakh
2009-10	849470.00	863573.99	1329236.40	40.52 lakh	33.86 lakh
2010-11	1005370.00	1013945.40	1346572.75	29.08 lakh	27.15 lakh
2011-12	949120.00	986477.80	1292632.74	27.26 lakh	24.71 lakh

Source: Ministry of Rural Development, Annual Report 2012-13

If we analyse the data available regarding financial performance of the scheme as well as physical achievements we can see the positive trend in utilization of fund and construction of houses. It is clear from the table that the release of fund from central government has gone up every financial year because of effective utilization of fund. Though there is a very positive picture in terms of fund utilization as well as physical achievements, still there is huge gap between demand and supply, which needs to be taken care of. We also have to keep in mind that providing support for construction of houses cannot address the housing problem; it should be accompanied by other basic amenities like sanitation and drinking water to ensure healthy lives in rural India.

SUGGESTIONS

Selection of actual beneficiaries is the most important criteria for the success of any government scheme or programme. There is lot of confusion regarding criteria for BPL in different states. Utmost importance should be given on selection of beneficiaries through a transparent system. Hence, criteria for BPL should be reviewed time to time whenever required. Gram Sabha should be given prominent role in beneficiary selection in a participatory manner. Gram Sabhas should be organized properly for undertaking the selection process. Appropriate measures should also be taken for the capacity development of Gram Panchayat functionaries as well as dissemination of information regarding Gram Sabha in order to ensure participation of marginalized section and process of fair selection.

Focuses on Volume and Flow in Financial Support.

There is a need for timely revision of the financial assistance provided and financial allocation should also vary from state to state in accordance to the socio economic status, geographical factors etc. Considering the rise of the market price of materials required for construction of pacca houses needs to be revised time to time. Timely disbursement of fund is very much essential to ensure speedy implementation of the scheme. Channelizing fund to beneficiaries account in a time bound manner (less gap between first and second installment) needs to be taken care of. Though there is a provision that a beneficiary can get loan up to certain amount from bank in a subsidized interest rate but in most of the cases, it is not accessed because of institutional barriers. The process of formalities should be made flexible.

STRENGTHENING MONITORING MECHANISM

As per study, only 3.83% of the houses were with all the facilities such as room, kitchen, store, toilet, smokeless "chullha, and bathroom. In order to ensure minimum standard there should be a standard model or basic guideline for each state. Even states can make district specific standard model to take into account the geographical factors for construction. This standard model should be stipulated in the guideline. Proper mechanism should be developed by involvement of DRDA and PRIs to ensure that the standard is followed strictly. Involvement of beneficiaries for choosing the design appropriate for the family may also be incorporated. A procedure can also be adopted to involve agencies that can provide eco-friendly and cost effective technologies. Gram Sabha can be actively involved in supervision of house construction. An online monitoring system for the implementation of IAY has already been in place since July 2010. However, the system has not been properly utilized till now. More training and persuasion is needed to the district, block and village level administrators of the scheme.

DUE CONSIDERATION ON EMPLOYMENT GENERATION

The scheme should support wage earning and confirm occupational requirement. The scheme also needs to generate employment for the beneficiaries in the end. The Gram Panchayats should generate employment for the beneficiaries within the clusters/habitats. The Ministry of Rural Development has carried out amendment in Schedule-I at Para 4(1) - II. (iv) of MGNREGA, vide notification dated 3rd January, 2014 that "Unskilled wage component in construction of houses sanctioned under the Indira AwaasYojana or such other state or central government scheme" can be covered under MGNREGS in creation of individual assets for vulnerable sections (only for households in Paragraph 5 of Schedule-I, MGNREGA). The Ministry also issued a guideline in June 2014 to ensure effective implementation of the provisions laid out in the notification. It is a commendable step by the government.

But capacity building of concerned functionaries at Block and Gram Panchayat level is very much required for uniform understanding of the provisions and its better implementation so that the benefit actually reaches out to the poor households.

CONCLUSION

Rural housing in India is at an interesting crossroads. While housing activity is continuing at a fast pace, the huge stock of unsafe houses that is accumulating in the process can be a serious liability for the future. As the voice of the 'Disaster Risk Reduction' discourse becomes louder in the national and international political agendas, it needs a diligent follow up at the policy and programme level especially in relation to physical assets such as housing.

REFERENCES

1. Annual Report 2014-15(2015), Ministry of Rural Development, Government of India.
2. Annual Report 2012-13(2013), Ministry of Rural Development, Government of India.
3. Census of India (2011), Office of the Registrar General and Census Commissioner, Ministry of Home Affairs, Government of India.
4. Census of India (2001), Office of the Registrar General and Census Commissioner, Ministry of Home Affairs, Government of India.
5. Evaluation Study of Indira AwaasYojana (2013), Planning Commission, Government of India.
6. Firdausi Fatima Rizvi, 2011, Housing Situation among the Poor and Marginalised Rural Households: A Study of Indira Awaas Yojana in Selected Districts of Orissa and Maharashtra.
7. Guideline for Indira Awaas Yojana (2011), Ministry of Rural Development, Government of India
8. Guideline for Indira Awaas Yojana (2004), Ministry of Rural Development, Government of India.
9. Guideline for Construction of Houses under MGNREGA (2014), Ministry of Rural Development, Government of India.
10. Mohapatra, A. (2012), Rural Housing: The Core of Rural Infrastructure, Kurukshetra, and October 2012.
11. National Family Health Survey-III (2005-06), Ministry of Health and Family Welfare, Government of India.