



RESEARCH ARTICLE

RURAL INFRASTRUCTURE IN INDIA - NEED FOR A FRESHLOOK

***¹Yogeswarappa, S. and ²Dr. Gowda, N. K.**

¹Research Scholar, Department of Studies in Economics, Davangere University, Shivagangothri, Davangere

²Professor and Chairman, Department of Studies in Economics, Davangere University,
Shivagangothri, Davangere

ARTICLE INFO

Article History:

Received 29th September, 2017
Received in revised form
07th October, 2017
Accepted 20th November, 2017
Published online 30th December, 2017

Keywords:

Road Transport, Drinking Water,
Education, Health.

ABSTRACT

The Rural Road Development Vision Plan (NRDVP) found that investments in construction, upgrading and maintenance would need to increase from the current level of Rs. 11,000 crores per annum to Rs. 29,000 crores per annum by the 14th Plan (2022-2027). The vision of rural housing is to promote sustainable and inclusive growth of rural India through multi-pronged strategy for eradication of poverty by increasing livelihood opportunities, providing social safety net and developing infrastructure for growth and improvement of quality in life of rural India.

INTRODUCTION

Infrastructure is treated as an engine of growth and provides a basic framework for economic and social progress in India. Physical infrastructure strengthens the economy, boosts investment, attracts prospective entrepreneurs and helps alleviation of poverty and reduces unemployment incidences through numerous positive forward-backward linkage effects of primary, secondary and tertiary sectors of the economy. Similarly, social infrastructure like in drinking water supply, sanitation, education, health etc., helps in improving quality of life of millions of rural inhabitants. India's economic reform, measures of 1990s envisaged interaction to improve infrastructure for enhancing the country's productive capacity and for facilitating gradual reduction in the poverty and related deprivation. According to 2011 census report around 83 crore (70%) of our population are living in rural areas. The large magnitude of rural population and their prevailing socio-economic conditions and quality of life calls for all around development in rural infrastructure to achieve the long cherished objectives of equitable and inclusive growth with social justice. During last decades of planning era, the country's economists and planners have identified the potential of a vibrant rural India to resolve issues expansion of rural socio-economic infrastructure. 11th Five Year Plan (2007-2012) noted direct and significant casual relationship between the infrastructure and incidence of poverty in states. The approach to 12th Five Year Plan (2012-2017) had renewed emphasis on creation of physical infrastructure like roads, railways, ports, airports, power and telecommunications.

**Corresponding author: Yogeswarappa, S.*

Research Scholar, Department of Studies in Economics,
Davangere University, Shivagangothri, Davangere.

The importance of infrastructure in the sustenance of economic growth of our country. The government if India had launched a programme on rural infrastructure called "Bharath Nirman" as a time bound business plan for implementation in four years (2005-2009).

The six components included under the programme (Bharath Nirman) were:

- Irrigation
- Drinking water
- Electrification
- Roads
- Housing
- Rural Telephony.

This had also sought an active and transparent public and private partnership for immediate execution of various infrastructure related development projects with a mission mode. Although, the Bharath Nirman registered considerable progress by 2009, non-achievement of goals set under the programme prompted the government to expand the timeline for completion of targeted activities to 2012.

Rural Roads

Bharath Nirman envisaged providing connectivity to all habitations of 1000 and above (500 and above in case of hill states including North east, tribal and desert areas) by 2009. Upto March 2010 around 34000 villages were provided all weather road connectivity through construction of 96,000 kms of roads. Systematic district rural roads plans were prepared sisting out the complete network of all roads in the district i.e.,

village roads, major district roads, state roads and national highways and construction and alleviation of resources were prioritized.

Irrigation

Indian agriculture is primarily rain fed while the goals of a good plan in India have aimed at food and fodder availability, growth in agriculture, sustainable agro-practices, easy access to agro-inputs, creation of irrigation potential in the country and expansion of installed capacity of various irrigation projects have been important policy objectives of India's development planning. By 2005-06, a large number of irrigation reaction projects were facing financial constraints and the investment already made in these projects were treated as 'Sunken investment'. By 2006-07, the total irrigation potential created was 103 million hectares. The Bharat Nirman ambitiously targeted creation of an additional to million hectares irrigation potential by 2009-10.

Rural water supply

Against 554067 uncovered habitations to be covered during the phase-I of the Bharat Nirman period (2005-09), 54477 habitations were covered by March 2009. The remaining habitations of which many were in difficult areas lacking sustainable source of drinking water, were covered by March 2012. The strategy adopted to cover uncovered habitations which include both Not covered and partially covered habitations is to ensure that the rural population gets at least 40 liters per capita per day of safe water from sources lying within the village or nearby. Studies indicate that the ever growing dependence on ground water and its unsustainable over extraction are lowering the ground water. Planning commission has found that between 1995 and 2004, the proportion of unsafe districts has grown from 9 per cent to 31 per cent to 33 per cent and population affected from 7 per cent to 35 per cent. The major challenge before the government is now to ensure (a) safe drinking water in the slipped back habitations through vigorous restoration of defunct bore pumps, carrying out repairs to water supplies, pipelines, augmentation of supply wherever required (b) sustainability of quality water supply to areas covered under the Bharat Nirman programme.

Village electrification

Rural electricity involves supply of energy for two types of programmes- production oriented activities like minor irrigation, rural industries etc., and electrification of villages. The definition of village electrification was reviewed in consultation with the State Governments and State Electricity Boards and a new definition was adopted. A village will be deemed to be electrified if electricity is used in the inhabited locality within the revenue boundary of the village for any purpose whatsoever. The number of household electrified should be minimum 10% for villages which are un-electrified before the village is declared electrified. Rural electrification was taken up in each of the Five Year Plans. Each had programmes earmarked for village electrification. While some of these programmes were implemented in certain designated schemes, others were implemented as routine plan implementation.

Rural Drinking Water

Rural settlements under the National Rural Drinking Water Programme (NRDWP) has revealed an impressive rise, with

now almost universal coverage being bruted. Dramatic improvement has also been witnessed in rural water supply. The aim of the NRDWP is to provide every rural person with adequate safe water for drinking cooking and other fundamental domestic needs on a sustainable basis with a minimum guaranteed water quality standards. Under the NRDWP 20% of the allocation to states is earmarked for taking up work for sustainability measures were put in place to bolster drinking water sources to achieve long term sustainability. With 73rd Amendment to the constitution of India and rural water supply having been placed in the Eleventh schedule of the constitution as one of the twenty-nine subjects. It may be developed to the Panchayat Raj Institutions (PRIs). The Department of Drinking Water and Sanitation has laid accent on demand-driven, un-decentralized, community managed rural water supply system. Interestingly, it is noted that 10% of the NRDWP allocation is given to those states as incentives that have handled over the management of water supply schemes to PRIs/local bodies. The Union Minister of Rural Development, Drinking Water and Sanitation assured the Lok Sabha on 9th August 2012 that under the NRDWP during the 12th plan it is proposed to lay emphasis on piped water supply in rural habitations as a next logical corollary to conferring salutary benefits to the deprived sections.

Similarly, efforts are also made to ensure total sanitation in the rural areas as the aggregate funds provided under the annual budget of the central government has gone up from Rs. 1200 crore in 2009-10 to a massive Rs. 3500 crore in 2012-13 under this head in the inaugural year of the 12th plan. The Total Sanitation Campaign (TSC), spearheaded by the Union Government has been renamed as Nirmal Bharat Abhiyan (NBA) and is a demand-driven and project-based programme. As such, there are no annual allocation made to the states as the funds are released to the states as per their digibility and utilization is reported by the states, through the online data monitoring system maintained by the Ministry at the centre. The Rural Road Development Vision Plan (NRDVP) 2012, in its broad assessment⁵ of the physical and financial requirements for roads, found that investments in construction, upgrading and maintenance would need to increase from the current level of Rs. 11,000 crores per annum to Rs. 29,000 crores per annum by the 14th Plan (2022-2027). The vision document stated that the proposed current investment is a mere 0.9 per cent of the GDP and therefore should be considered modest and realistic. PRDV observed that 80 per cent of rural roads are in a poor condition due to a combination of factors including poor quality construction though it has shown some improvements with PMGSY projects.

The Rural Roads Development Agency established to coordinate and monitor PMGSY has setup a three-tier quality control mechanism with the stage governments responsible for the first two. However, in majority of the other rural road projects executed in other schemes do not have rigid quality control schemes, the result being standards are lacking technically.

Rural Housing

Infrastructure assets are the physical structures and networks used to provide essential services to a society. These tangible assets and the business setup to manage them can be viewed as the backbone of the economy. Broadly speaking, infrastructure can be split into two categories; physical, such as transport,

utilities and communications, which can be provided efficiently by private agents and social which consists of assets and services like health sanitations, drinking water, housing and education. Housing is a vital social infrastructure for any society. Rural housing is an important element of rural development. Rural housing is one of the six components of Bharat Nirman Programme. The vision enshrined in the concept of providing a roof to every rural poor, especially those who living below the poverty line. Shelter is a basic need of a citizen and is critical for determining the quality of human life. A roof over the head endows a shelter less person, with an essential asset and improves his physical and mental well being. Hence, fulfilling the need for rural housing and tackling housing shortage particularly for the poorest is an important task to be undertaken as a part of the poverty alleviation efforts of the government. The government has chosen the path of fulfilling the housing requirement of economically weaker sections and low income groups through Indira Awas Yojana (IAY). Indira Awas Yojana (IAY) house is a pucca one with permanent roofing. The Indira Awas Yojana (IAY) is a flagship scheme of the Ministry of Rural Development to provide houses to below the poverty line (BPL) families in the rural areas. It has been in operation since 1985-86. Actually, the genesis of Indira Awas Yojana (IAY). Can be traced to the programmers' of rural employment which began early 1980s. Indira Awas Yojana (IAY) continued as a sub scheme of Jawahar Rozgar Yojana (JRY) to 1989. Indira Awas Yojana (IAY) had been delinked from Jawahar Rozgar Yojana (JRY) and had been made an independent scheme effect from 1st January 1996.

Objectives of Rural Housing Scheme

The vision of rural housing is to promote sustainable and inclusive growth of rural India through multi-pronged strategy for eradication of poverty by increasing livelihood opportunities, providing social safety net and developing infrastructure for growth and improvement of quality in life of rural India. The Ministry has drafted a strategic vision document listing the following objectives:

- Primarily to help constitution of dwelling units by members of SCs /STs, non-SCs/ non-STs rural poor below the poverty line by providing them with grant in aid.
- To empowered the rural women.
- To empower the physically challenged persons in rural areas.
- To empower the rural ministries.

Funding Pattern of Rural Housing

Indira Awas Yojana operates as a 100 %subsidized centrally sponsored programme with the resources being shared on 75:25 basis between centre and the states. In case of North-East States, the funding ratio between the centre and state is 90:10 respectively. For Union Territories (UTs), entire funds of India Awas Yojana (IAY) are provided by the centre. Funds under the scheme allocated to the states/union territories are further distributed to the districts in proportion to the SC/ST, physically challenged and minority population in the district. The criteria for allocation of Indira Awas Yojana (IAY) funds to the states and union territories involves assigning 75% weightage to housing shortage and 25% weightage to SC/ST component. Further, 60% of the IAY allocation is meant for

benefiting SC/ST families, 3% for physically challenged and 15% for minorities.

The financial assistance provided under Indira Awas Yojana (IAY) for construction of a new house has been revised time to time. The financial assistance for construction of new houses was Rs. 20,000, Rs. 35,000 and now it is Rs. 45,000 in plain areas. On the other hand, the financial assistance for the construction of a new house in hilly/difficult areas was Rs. 22,000, Rs. 38,500 and now which amount to Rs. 48,500. The Reserve Bank of India had advice to include the Indira Awas Yojana (IAY) houses under the Differential Rate of Interest (DRI) scheme for lending upto Rs. 20,000 per housing unit at interest rate of 4%. This was communicated to all the state governments through various communications and forum/meetings. It was brought to the Ministry's notice that the banks were applying the ceiling of annual income of Rs. 18,000 per annum as criterion for extending the DRI benefit to the IAY beneficiaries.

Pertinent suggestions for better rural housing

- Micro housing finance institutions should be promoted and to be supported by the government at rural level so as to provide various types of credit to the rural poor either for construction purposes or for repairing of houses.
- Reasonable rate of interest should be charged by the banks on loans for credit-cum-subsidy scheme for rural housing and it has to be regulated by the government from time to time.
- Rural shelter-less people need to be encouraged for their saving habit by offering higher rate of interest.
- Leakages in implementation stage can be prevented by adopting stringent actions against by vacation and misuse of funds either by officials or beneficiaries.
- Each and every Grama Panchayat should identify the housing need of their people and prepare a list and should convey the same to DRDA/Zilla Parishad.
- Provision of finance is not enough, development cost-effective construction technology is also essential. It must ensure structural strength and stability in tenure against any change in weather conditions.
- Effort has to be made to make use of local material, skills etc., through strategically designed institutional mechanism.
- There is need to develop co-operative society in rural sector to pull the local resources to support rural housing.
- Different Self Help Groups are quite active in urban sector but they are not active in rural sector to address the housing need of the deprived sections in particular. Hence, these organizations need to enlarge their operating areas in rural sectors.

Conclusion

The vision of rural housing division is to promote sustainable and inclusive growth of rural India through multi-pronged strategy for eradication of poverty by increasing livelihood opportunities, providing social safety net and developing infrastructure for growth and improvement of quality in life of rural India. The provision of shelter and hence the roof to every rural poor has been and will continue to be a major component of the poverty alleviation measures of the government in times to come.

Consequently, the Ministry of Rural Development has hiked its target to double the construction of houses for the rural poor from 60 lakh to 1.20 crore housing units during the period of 2009-12. For these government of India and also the state government to take initiative for the equal preference for the implementation of this scheme. Performance of IAY is increased day by day by the help of Panchayat Raj Institutions. Government has taken various programmes for the betterment most of this scheme. Some supportive schemes are: Homestead sites scheme, drinking water schemes for drinking water, to full sanctioned programmes, Rajeev Gandhi Grameena Vidyut Karan Yojana, Aam Admi Bima etc. So in conclusion it is strongly right to say that it is possible to provide a roof of every rural poor in near future.

REFERENCES

- Ammit Patel. *Rural Road to Progress*. The Monthly Journal Kurukshetra. Ministry of Rural Development, October 2012, Vol. 60, No. 12, pp. 21-24.
- Anil Kumar Biswas. *Housing Infrastructure in Rural India*. Ministry of Rural Development, October 2012, Vol. 60, No. 12, pp. 28-31.
- Gayathri. 1967. *Role of Infrastructure ion the Industrial Development of Karnataka*. A District Level Analysis. Arthanjana, Vol. 39, No. 2.
- Gowda, Srinivasa, B.M.V. and Mamatha, B.G. 1997. *Infrastructure Development for Economic Growth*. Deep and Deep Publications, p. 316.
- Marulasiddappa, G.T. 2008. *Infrastructure Development: Current Scenario and Future Changes*. (Ed.) B. Jayarama Bhat. Infrastructure Development in India, pp. 11.
- Panth, K.C. 2001. *Infrastructure Development*. Economic Development of India. Vol. 37, pp. 89-92.
- Srinivasan, G. *Rural Infrastructure*. The Monthly Journal Kurukshetra. Ministry of Rural Development, October 2012, Vol. 60, No. 12, pp. 18-20.
