

Development of Housing sector in Rural Areas

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Abstract:

Rural areas play a vital role in the overall socio-economic landscape of a country, and ensuring adequate housing in these regions is crucial for sustainable development. This paper examines the challenges and strategies associated with rural development in the housing sector. It explores the aspects of housing development in rural areas, highlighting the importance of convergence of rural housing with other schemes, sustainable development and inclusive housing solutions for rural communities. This paper offers insights into addressing the housing needs of rural populations while promoting economic growth and social well-being.

The paper begins by examining the current state of rural housing and then the study explores the positive impact of housing on social dynamics, economic activities, and overall community well-being. It explores the relationship between housing and key indicators of rural development such as education, healthcare, and employment opportunities. By analysing the data, this research sheds light on the challenges, opportunities, and strategies associated with fostering sustainable housing development in rural contexts. The data shows the positive outcomes or influence on the socio-economic fabric of rural areas.

The analysis aims to identify factors that contribute to successful housing development in rural areas, such as government policies, community engagement, and economic indicators and convergence of schemes. Additionally, the study explores the impact of housing improvements on other aspects of rural development, such as livelihood enhancement, education, and healthcare accessibility. By understanding the complexities of the rural housing sector, this paper contributes to the ongoing discourse on balanced regional development and the enhancement of living standards in India's rural areas. Finally, this paper concludes to explore the challenges faced in housing Sector along with the scope of future development.

Keywords: Housing sector, Rural Areas, Sustainability, Rural Development and socio economic factors.

Introduction:

The concept of rural development, particularly within the housing sector, is a subject of increasing significance in the pursuit of balanced and sustainable growth. Inhabitants of rural areas make up a substantial portion of the global population, often facing unique challenges and opportunities that differ markedly from urban counterparts. As such, addressing the housing needs of rural communities becomes a crucial endeavor in fostering inclusive and holistic development [1-4].

Rural areas possess distinct cultural, economic, and environmental characteristics that necessitate tailored solutions for their housing sector. Historically, housing development initiatives have predominantly centered on urban environments, leaving rural regions with inadequate attention to their specific requirements. However, this paradigm is shifting, as policymakers, researchers, and practitioners recognize that effective rural housing development is a pivotal factor in improving living standards, enhancing socio-economic prospects, and preserving cultural identities. Also younger adult socialises, the more influence he has over decisions about housing for the family [5].

This paper aims to shed light on the multifaceted dimensions of rural development within the housing sector. Through an exploration of past and present strategies, challenges, and successes, the research seeks to contribute to a deeper understanding of how housing initiatives can be harnessed to drive positive transformation in rural areas. By analyzing case studies, policy frameworks, and the evolving role of technology, we hope to delineate a comprehensive picture of the current landscape and the potential future trajectories of rural housing development. Also The role of banks in achieving this key goal by meeting the housing finance needs of the masses will become even more important [6-8].

In the following sections, we will delve into the historical context of rural housing development, the challenges that have impeded progress, and the opportunities that have arisen with changing paradigms. By examining the diverse factors that shape rural housing, including social, economic, environmental, and cultural dimensions, we aim to present a holistic view that can inform strategies for sustainable and inclusive rural development through housing interventions [9-11]. Through this exploration, we aspire to contribute to the on-going dialogue surrounding rural development, laying the

groundwork for effective policy formulation and practical implementation that empowers rural communities and fosters equitable progress.

Also changes in the value of real estate can have a big impact on both local and national economies. It's critical to comprehend the market's ability to forecast house price movement. [12-16].

Objective

The analysis aims to identify factors that contribute to successful housing development in rural areas, such as government policies, community engagement, and economic indicators. Additionally, this paper examines the impact of housing improvements on other aspects of rural development, such as livelihood enhancement, education, and healthcare accessibility.

Ultimately, the paper underscores the significance of addressing housing challenges in rural areas as an integral part of achieving comprehensive and equitable development goals. Finding shelter is one of people's basic requirements, and it is also a crucial tool for poverty alleviation.

This paper contributes to the existing body of knowledge on rural development by offering a holistic understanding of the housing sector in rural areas. It underscores the need for integrated, context-specific strategies that address the unique challenges faced by rural communities, ultimately fostering sustainable development and improving the quality of life for residents in these regions by providing housing.

Government Schemes/programmes in Housing Sector:

Realizing the need of housing sector's importance, Government made National Housing Policies and various programs which are successfully implemented in the country by the Central Government as well as by the State Governments/UTs. Government of India and State Governments spent a huge amount of funds for the development of this sector. This has great role in rural development in the country.

As India's housing demand continues to rise, several government programmes are being launched to meet the demand for mass housing among the poor and lower income groups. Despite India's lengthy history of enacting laws, programmes, and organisations to address housing needs, their effectiveness in easing scarcity has been limited due to a lack of resources.

Addressing the housing shortage in rural areas and improving housing conditions for the impoverished population is a key aspect of the poverty alleviation strategy of the Indian Government. Government of India launched Pradhan Mantri Awas Yojana (PMAY) which is ongoing program. The ultimate goal of this initiative is to provide assistance for the construction of 295 million durable houses in rural regions. Earlier Government of India was implementing Rural Housing scheme viz. Indira Awas Yojana (IAY) since 1985-1986 to provide houses to families living below poverty line. The IAY scheme was revamped to Pradhan Mantri Awaas Yojana (Gramin) in 2016.

Methodology and Analysis of Data

The Government scheme/program has a priority to address the housing needs of rural communities. These initiatives aim to improve living conditions, provide basic amenities, and promote sustainable development in rural areas.

In the pursuit of inclusive and sustainable development, governments have introduced several initiatives in the rural housing sector to uplift the living standards of the rural population. One such initiative is the Pradhan Mantri Awas Yojana (PMAY) in India, which focuses on providing affordable housing to the economically weaker sections and low-income groups in rural areas. The scheme emphasizes the construction of pucca houses with basic amenities, ensuring a hygienic and secure living environment. This schemes not only address the immediate housing needs but also contribute to the overall socio-economic development of rural communities by creating employment opportunities and enhancing infrastructure.

The data has been collected for the Ministry of Rural Development's website. The comprehensive data on rural development programs and housing initiatives across various States in India is accessible on it's website.

Convergence of Housing Scheme:

Pradhan Mantri Awas Yojana (PMAY) stands as a beacon of comprehensive rural development through its innovative convergence with various central schemes, addressing a myriad of needs in rural areas. What makes PMAY truly impactful is its seamless convergence with various other central schemes, weaving a comprehensive tapestry of progress in rural areas. By integrating with the National Rural Drinking Water Programme (NRDWP), PMAY ensures that its beneficiaries not only obtain affordable housing but also gain access to clean drinking water, a fundamental necessity for rural households [17-19]. Moreover, the collaboration with the Swachh Bharat Mission (SBM) extends the impact of PMAY by incorporating sanitation facilities into the housing units, fostering a healthier living environment. The scheme goes beyond shelter provision, converging with the Pradhan Mantri Ujjwala Yojana (PMUY) to equip the houses with clean cooking facilities, ensuring the well-being of beneficiaries.

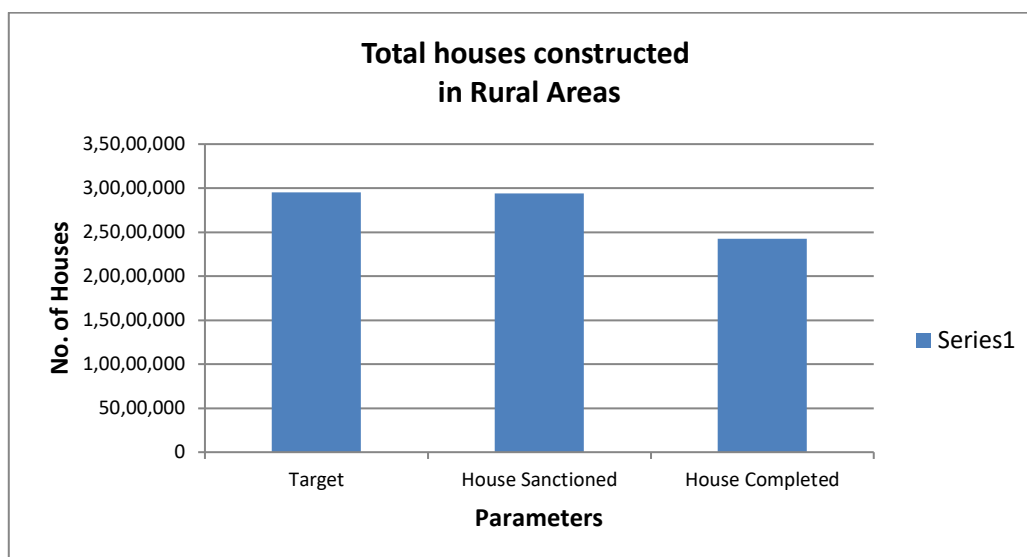
Furthermore, PMAY synchronizes with the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), not just creating homes but also generating local employment opportunities during the construction process. Skill development, a key facet of rural empowerment, is addressed through collaboration with the Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), ensuring that beneficiaries acquire the skills necessary for improved employment prospects and entrepreneurship. The Saubhagya Scheme integration ensures electricity connections, enhancing the quality of life for those in rural areas. Financial inclusion is a crucial aspect of the scheme's sustainability, and PMAY collaborates with the Pradhan Mantri Jan Dhan Yojana (PMJDY) to provide beneficiaries with access to banking services, facilitating seamless transactions related to housing loans and subsidies.

This holistic convergence approach not only elevates the impact of individual schemes but also contributes to the overall development and sustainability of rural communities. By addressing housing needs alongside essential services, infrastructure, and skill development, PMAY serves as a catalyst for self-sufficiency and community growth in rural areas. The collaborative strategy ensures that the scheme's success is measured not only by the number of houses built but by the transformative impact it has on the lives and livelihoods of those in rural India.

Sustainability is a key facet of PMAY's success in rural areas, with a focus on eco-friendly construction materials and techniques. By incorporating renewable energy sources and emphasizing water conservation measures, PMAY ensures that rural housing projects are not just dwellings but integral components of environmentally conscious and self-sufficient rural communities. In essence, PMAY's convergence with other Central Schemes and its sustainability initiatives have played a pivotal role in fostering comprehensive and enduring rural development in India.

Table 1: Houses Constructed under PMAY –Grameen

Sl. No.	Parameter	Status as on 18.8.2023
1	Target	2,95,00,000
4	House Sanctioned	2,93,70,493
5	House Completed	2,42,51,410



The State-wise data of houses targeted, sanctioned and completed under the housing programme PMAY(G) is given in the Table below:

Table: Data of Houses Targeted, Sanctioned and Completed under PMAY G for Some States/UTs (as on 18.8.2023)

States/UTs Name	Target	Sanctions with verified		Completed	
		Number of Houses	Percentage	Number of Houses	Percentage
Arunachal Pradesh	36241	34794	96	20108	58
Assam	1910997	1888696	99	1553032	82
Bihar	3703355	3643887	98	3620854	99
Chhattisgarh	1176146	1133216	96	874654	77
Goa	257	256	100	195	76
Gujarat	607515	571116	94	432247	76
Haryana	29441	29348	100	26337	90
Himachal Pradesh	15457	15390	100	14507	94
Jammu and Kashmir	342575	331578	97	174730	53
Jharkhand	1592553	1588361	100	1539633	97
Kerala	35189	34099	97	31175	91
Madhya Pradesh	3802248	3787053	100	3600164	95
Maharashtra	1402333	1361979	97	1172264	86
Manipur	104897	84745	81	30397	36
Meghalaya	188533	160209	85	38293	24
Mizoram	29967	26833	90	7317	27
Nagaland	49062	46472	95	8030	17
Odisha	2748459	2682089	98	1722695	64
Punjab	40326	40155	100	34702	86
Rajasthan	1719638	1709320	99	1671359	98
Sikkim	1409	1385	98	1176	85
Tamil Nadu	783488	763814	97	562243	74

Tripura	377533	374306	99	235725	63
Uttar Pradesh	3615149	3599361	100	3256544	90
Uttarakhand	46792	46579	100	34466	74
West Bengal	4570082	4412029	97	3405959	77
Andaman and Nicobar Islands	3429	3129	91	1223	39
Dadra and Nagar Haveli	12068	11086	92	3708	33
Daman And Diu	211	124	59	14	11
Lakshadweep	45	53	118	44	83
Puducherry	0	0	0	0	0
Ladakh	3041	3008	99	1443	48

Source: MoRD

Calculation:

Sanction Rate and Completion Rate have been calculated by the following formulas:

- (i) Sanction Rate = (Sanctioned with verified accounts / Target)*100
- (ii) Completion Rate = (Houses completed/ Sanctioned with verified accounts)*100

The State-wise data of houses targeted, sanctioned and completed has also been shown in the figures below. Figure 1 shows the rate of houses sanctioned and completed and Figure 2 shows the Status of Housing in Rural Areas

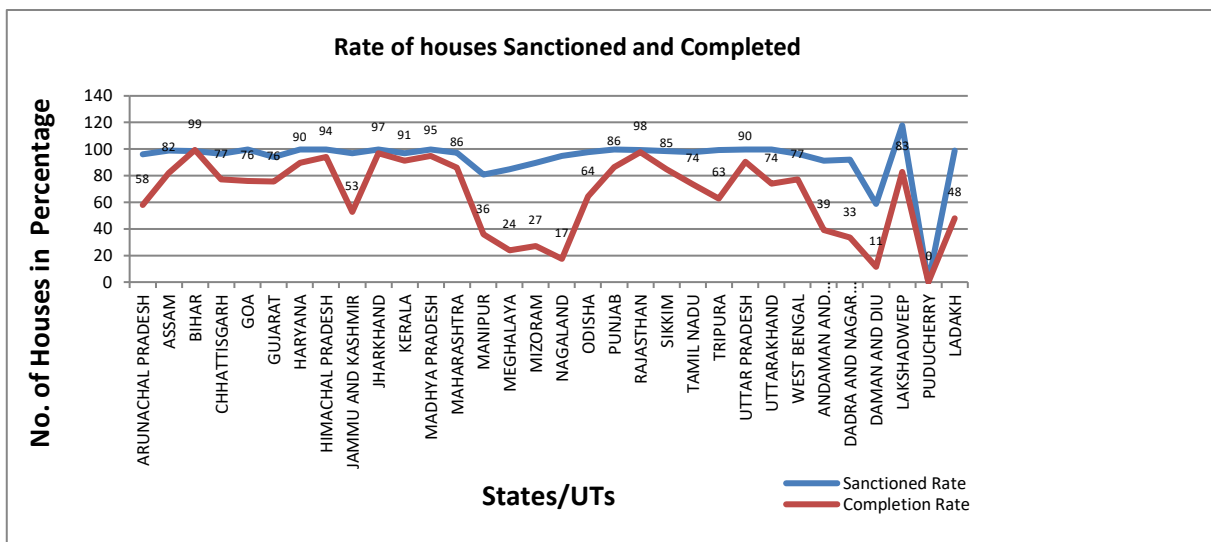


Fig1: Shows the rate of houses sanctioned and completed

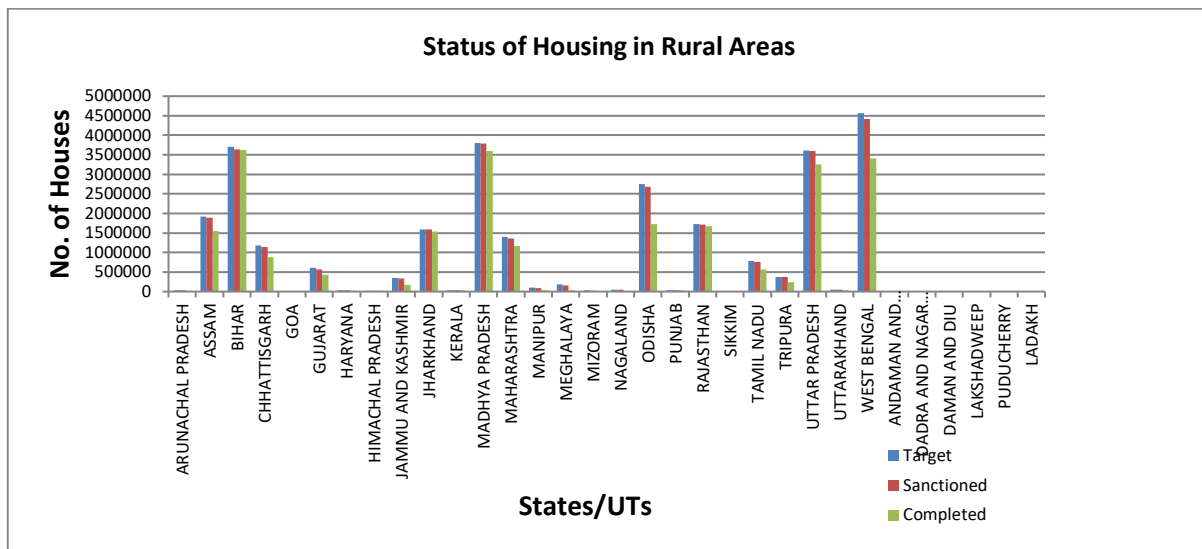


Fig2: The data shows the Status of Housing in Rural Areas

The data presented in the figures illustrates the percentage of houses sanctioned and completed under the PMAY (Grameen) scheme in different States/UTs. The sanction rate indicates the proportion of houses sanctioned, while the completion rate represents the percentage of houses that have been completed out of the sanctioned houses. The data highlights the varying levels of progress among States.

As per the data study it can be seen that the Government has targeted 2.95 crore number of houses to be provided in rural area in the country of which 2.94 crore number of houses have been sanctioned. Against this, total 2.43 crore number of houses have been constructed. The Government's initiative to develop the housing sector had a significant impact on rural people and their life quality and other socio-economic activities in rural areas. The positive outcomes of the same are discussed below:

Positive Outcomes

- (i) There is a notable reduction in open defecation after the implementation of PMAY-G, leading to improved health conditions among household members. The schooling of children from PMAY-G households also witnessed improvement in terms of enrollment and academic performance.
- (ii) The scheme's impact extended beyond tangible benefits, with increased dignity and safety contributing to enhanced social inclusion. Moreover, the mean expenditures on both food and non-food items significantly increased post-PMAY-G, indicating an improved standard of living.
- (iii) There is a significant rise in the usage of LPG gas among PMAY-G households, indicating improved health among the impoverished population. Overall, PMAY-G has been instrumental in bringing about transformative changes, both socially and economically, among rural households.
- (iv) The Pradhan Mantri Awas Yojana (PMAY) has yielded numerous positive outcomes, particularly through its convergence with various central schemes, fostering a comprehensive approach to rural development. By aligning with the National Rural Drinking Water Programme (NRDWP), PMAY ensures that the houses constructed have access to clean drinking water, addressing a fundamental need for rural households. Integration with the Swachh Bharat Mission (SBM) ensures the provision of toilets, promoting sanitation and hygiene. The scheme's synergy with the Pradhan Mantri Ujjwala Yojana ensures that beneficiaries receive LPG connections, contributing to clean cooking practices. Additionally, the incorporation of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) creates employment opportunities through house construction, promoting economic development. The alignment with the Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) ensures skill development, enhancing the sustainability of rural livelihoods. Moreover, the convergence with the Saubhagya Scheme for electricity connection and the Pradhan Mantri Jan Dhan Yojana facilitates holistic rural development by providing access to electricity and financial inclusion, respectively. This multi-pronged approach not only addresses housing needs but also ensures a more resilient and sustainable rural development landscape.

Conclusion and Scope of future development/ Way to Move Forward

Improving rural development in the housing sector requires a holistic approach that addresses various challenges and leverages effective strategies. Strategies should be adapted to the specific needs and conditions of each rural area. Collaboration, flexibility, and a long-term perspective are keys to successfully improving rural development in the housing sector. Here's a way forward with actionable steps to enhance rural housing development:

- (i) **Comprehensive Policy Framework:** Develop and implement comprehensive rural housing policies that consider the unique needs and contexts of different regions. Ensure alignment with national and regional development goals, emphasizing inclusivity, sustainability, and affordability.
- (ii) **Community Participation:** Engage local communities in the planning, design, and decision-making processes for housing projects. Empower communities to identify their housing needs, preferences, and priorities.
- (iii) **Access to Finance:** Establish microfinance programs and credit mechanisms tailored to rural populations, enabling them to access affordable loans for housing construction and improvement. Collaborate with financial institutions and NGOs to provide financial literacy training to rural residents.
- (iv) **Infrastructure Development:** Invest in basic infrastructure such as roads, electricity, water supply, and sanitation, which are crucial for the viability of housing projects in rural areas. Coordinate with relevant agencies to ensure a holistic approach to infrastructure development.
- (v) **Technology and Innovation:** Introduce innovative construction technologies suitable for rural environments, such as cost-effective and eco-friendly building materials. Explore the use of mobile apps for project management, data collection, and monitoring of housing initiatives.
- (vi) **Land Tenure and Property Rights:** Establish clear land tenure systems that protect the rights of rural residents and promote secure land ownership. Simplify land registration processes and ensure access to legal documentation.
- (vii) **Affordability and Subsidies:** Provide targeted subsidies or incentives to make housing more affordable for low-income rural households. Implement tiered pricing structures that take into account income levels and ensure equitable access.
- (viii) **Capacity Building:** Offer training and capacity-building programs for local artisans, masons, and construction workers to enhance their skills and promote employment opportunities. Provide technical assistance to local governments for effective project planning and implementation.
- (ix) **Ecosystem Approach:** Integrate housing development with other sectors like agriculture, education, and healthcare to create thriving rural communities. Foster collaboration among government agencies, NGOs, private sector entities, and local communities.
- (x) **Research and Data Collection:** Conduct regular assessments to understand evolving housing needs, preferences, and trends in rural areas. Use data-driven insights to design tailored housing solutions and monitor progress.
- (xi) **Inclusive Design:** Develop housing designs that consider the needs of vulnerable groups, including the elderly, disabled individuals, and women-headed households. Implement universal design principles for accessible and inclusive housing.
- (xii) **Promote Green Housing:** Incorporate eco-friendly building practices, renewable energy sources, and sustainable water management into rural housing projects. Raise awareness about the benefits of environmentally conscious housing.
- (xiii) **Local Economy Integration:** Explore ways to connect housing development with local economic activities, such as agro-processing, handicrafts, and tourism, to create income-generation opportunities.
- (xiv) **Public-Private Partnerships (PPPs):** Foster collaborations between governments, private sector companies, and non-profit organizations to pool resources and expertise for rural housing projects. Leverage PPPs to enhance project sustainability and innovation.
- (xv) **Monitoring and Evaluation:** Establish a robust monitoring and evaluation framework to track the impact and effectiveness of rural housing initiatives. Use evaluation results to make data-driven adjustments and improvements.

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