Performance of Indira Awaas Yojana (IAY) and social exclusion of rural poors: evidence from Maharashtra Districts

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Abstract

Objectives: The study intends to find out the social exclusion of rural poor's under the performance of flagship program Indira Awaas Yojana (IAY) in the selected Districts of Maharashtra.

Methods/Statistical analysis: The study was based on the data obtained from the Rural Development and Water Conservation Department Government of Maharashtra, IRDP/IAY. (2005-06 to 2014-15). The study has been done in purposively selected districts and simple random sampling technique was used to select one particular Amravati Division; 5 District from Amravati division were selected, for data analysis, we used simple statistical tools such as averages, percentiles, correlation, and bar graph to make the work simple and for better understanding of the topic.

Findings: IAY is one of the successful schemes of rural development in India, has worked quite effectively in the state of Maharashtra. For the planning and implementation Panchayat Raj Institutions have played pivotal role in Local Socio-Economic development and inclusion. But it has been found that, there is inadequate housing supply which is not meeting to the demand of rural poor's in the Districts of Maharashtra. It has also been found that, for the housing target achievement Yavatmal District is the best performer whereas, Akola District is the worst. Therefore, Akola District has highest amount of unspent balance in selected 5 District. Further it is noted that from the correlation coefficient there is inverse relationship between the unspent balance and housing growth rate under IAY. Thus, the need of the hour is that the Panchayat Raj Institutions as management agencies are required to come up with a comprehensive rural development plans and contain the burning issues like housing before it becomes too late.

Improvement/ Applications: The study will be of immense beneficial for the village development in Maharashtra. Which will improve the overall standard of living of the rural households especially, BPL section of the society?

Keywords: Rural development, Indira Awaas Yojana, Housing demand, Oppressed classes, Social exclusion, Maharashtra Districts.

1. Introduction

Social exclusion is a significant aspect in recent inclusive growth theories in all underdeveloped welfare states. Because it provides the account of community development and helps to prevent poverty. The basic reference in present day literature concerned with social inclusion in the World and India as well. Especially, Asian countries are facing the biggest policy challenge facing for sustaining rapid growth that is socially inclusive. Institutional weaknesses, poor regulatory instruments and poor governance undermine the incentive structures for promoting more equitable development strategies and policies. Some of the other studies have compared the incidence of social inclusion with worldwide experiences which indirectly talks about social exclusion of rural poors. In [1,2], examines the concept of inclusive growth, compares and contrasts it with related concepts such as pro-poor growth and equitable growth and analyses the recent experiences of south Asia through lens of this concept. Which suggests that a trade- off between poverty and inequality may not exist in south Asia after all? And achievement of Inclusive growth will be possible. In [3] says that it is conceptually interesting for examining process, outcomes, and improvements in non-income episodes. A [4] robust inclusive growth strategy is an agenda to boost social inclusion and economic efficiency through a stronger focus on policies, which means weak social development policies, will result in more and more social exclusion.

The world economic forum's initiative on economic growth and social inclusion released a beta version of an "Actionable framework "in 2015. The ultimate objective of national economic performance is broad-based and sustained progress in living standards. In Indian context, there are evidences of attempts made to analyze, empirically, convergence or divergence of social inclusion levels Indian states and District, and it has been found that there is a still shortage of basic amenities in the various state of the India. The present study helps to fill the gap between social inclusion and exclusion related to housing demand and supply within the selected District of Maharashtra. Viz, Buldhana, Akola, Washim, Amravati, and Yavatmal. In this connection 12th Five Year Plan [4]. The Ministry of Rural Development has formalized the vision for rural housing ensure adequate and affordable housing for all and, facilitates development of sustainable and inclusive habitats in rural areas by expanding government support, Promoting community participation, self-help and Public private partnership within the framework of Panchayati Raj".

The vision document of Twelfth plan states that, to transform IAY into a larger habitat development programme, we need to ensure domestic water, sanitation, clean fuel and electricity with housing. This calls for deeper convergence across various flagship programmes. For the social inclusion many social scientist got the mixed results on social inclusion hypothesis in India. On the other hand, numbers of the studies have found no sign of absolute inclusion in the various states. This study compares the performance of Indira Awaas Yojana in the various selected Districts of Maharashtra. The study observes that, the districts with high performance were yet to reach their highest possible level; as a result, they are in transitional dynamic districts, which do not allow a stable convergence across Maharashtra. Here we have some observations of recent studies by [5] which Stating in the Eleventh Five Year Plan document titled "Towards faster and more Inclusive growth" (2007-2012), there is a major weakness in the economy is that growth is not perceived as being sufficiently inclusive for many groups, especially SCs, STs and minorities. The lack of inclusiveness is borne out by data on several dimensions of performance." Finally, to transform IAY into a larger habitat development programme; we need to ensure domestic water, sanitation, clean fuel and electricity with housing. This calls for deeper convergence across various flagship programmes.

In [6] Says the action plan should cover the priority areas like agriculture, employment, and social sectors. It should have plan for removing economic and social deprivation across all regions, especially for socially excluded sections of the society. In [7] notes that, the developmental goals should be integrated within the development policy framework as its organic components and the approach should broaden the policy framework to include the excluded and the marginalized. It [8] is observed that, the government's intervention housing policies under the five year plans has poor achievement than their targets. The Author points out there is a lack of accountability by the State Governments to the Central Government with respect to utilization of funds allocated is resulting wastage or underutilization of funds. The study [8] reveals that at the stage of implementation rural housing facing the problem like Assessing housing needs, old housing technology, and monitoring and evaluation in short, the overall picture of rural housing is not positive. To deal with this situation the present housing conditions should be assess and the nature and extent of the housing needs should be studied. Because the present housing policy and programmes are not adequate to meet the challenges of rural housing sector in India. In [8] stated on rural housing and found that over two-thirds of our people do not have a permanent roof over their heads. In [8] concludes that it has been observed that the poverty alleviation programmes have fallen short of their expectations in the rural areas [9] observed that, an examination of administrative structure devised for the implementation of the programmes reveals that the state government heavily depends on the PRIs at the grassroots level. The analysis reveals that the rural bureaucracy has not succeeded in providing employment. In examined the inter-district disparities in social sector and their impact of social development through cross-sectional data and inter –temporal analysis of 18 districts of west Bengal has been given for results.

He noted that, the development gap prevailing between the developing and developed districts should be systematically judiciously alleviated in order to achieve an optimal socio- economic development. Such a [10] examines the process of rural transformation of India after independence. He concludes that, for effective implementation of government programmers there is urgent need to monitor them properly. In this connection the present study verifies the performance of Indira Awaas Yojana [11-15] which was implemented in April 1989 as a sub-scheme of employment scheme i.e. Jawahar Rojgar Yojana (JRY). 1st January 1996, central government granted separate status to this scheme and thereafter this scheme was implemented independently in rural parts of Maharashtra.

The present study is different from previous studies in the sense that it focuses on the dynamics of inclusive growth of social convergence under the IAY Physical and financial performance across the selected districts of the Maharashtra state over time uses panel data method for 5 districts over a period of almost 10 years i.e. from 2005-0015. The analysis of one decade has been carried out. Which gives us the District wise account of Shelter in the selected districts of Maharashtra State? Followed by Compounded Annual Growth Rate (CAGR) and Correlation coefficient. The inter-districts social exclusion analysis in Maharashtra context is a little bit addition to existing literature on the subject. The Principle objective of this study is to evaluate the performance of Indira Awaas Yojana and social exclusion of rural poor's with the implementation of flagship program in Maharashtra District. The present study was divided in four sections. After presenting the background and brief review of the topic under discussion, the second section is about the methodology and sources of data. Section three is devoted to the analysis of physical and financial progress of Indira Awaas Yojana (IAY) across five districts of Maharashtra by using CAGR and correlation results. Section four concludes the study.

2. Methodology

The study is based on secondary data was collected from the Development & Water Conservation Department Government of Maharashtra, IRDP/IAY. During (2005-2015). All physical and financial performance data is available in public domain. The parameters are monitored by IAY guidelines 2013 includes, beneficiary households, physical target achievement, financial target achievement, BPL cards etc. The data related with the various aspects of Indira Awaas Yojana (IAY) in the selected Districts of the Maharashtra i.e. Buldhana, Akola, Washim, Amravati and Yavatmal is collected for the study purpose. Data are analyzed using Simple statistical tools such as, Average and Percentile method, CAGR, Correlation Coefficient and presented in figures and graph the collected determinants related with the scheme in 10 financial years are used to explain the subject matter of social exclusion [16,17].
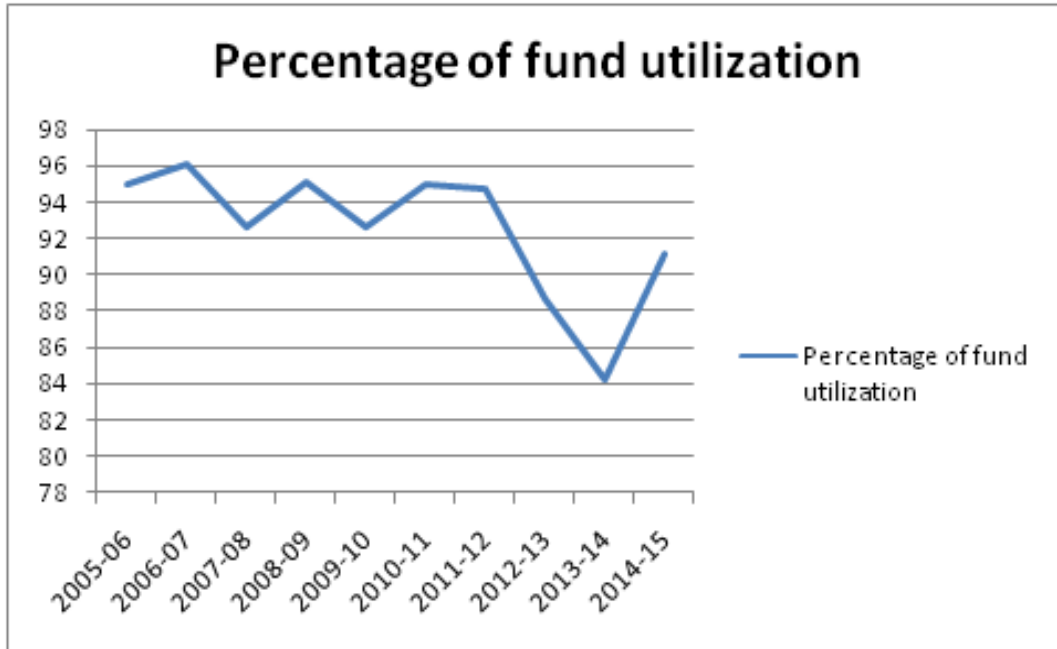
3. Results and Discussion

In the year 1996, central government granted separate status to this IAY and thereafter this scheme was implemented independently in rural parts of Maharashtra. The planning and implementation of the IAY has been carried out through the Gram Panchayats. Three tiers of Panchayati Raj Institutions have been contributing in planning process of the scheme. The scheme has a decentralized system planning in Maharashtra. This study attempts to analyze the physical and financial performance of the scheme in selected district of Maharashtra, also it measures the Compounded Annual Growth Rates for housing target achievement and unspent funds and establishes the significant relations using the value of correlation coefficient, for attaining social exclusion for the study period (2005-06 to 2014-15) [18,19].

3.1. Annual financial performance of IAY in selected Districts of Maharashtra

Figure 1 shows the financial performance of IAY in rural Maharashtra during 2005-06 to 2014-15 based on the secondary data provided by Rural Development and water Conservation Department, Government of Maharashtra. We have calculated the district wise financial performance of IAY in the selected districts of Maharashtra. It shows that, there is negative trend of annual financial progress in the various district of the state. It is also noted that, this trend is quite similar to the financial trends in entire Maharashtra.

The trend line of financial progress in the selected districts fluctuates during this decade and finally it has shown increasing trends in the financial performance in the State. In terms of fund utilization Amravati District is the best and Akola ranked worst district in the selected bunch of the districts in Maharashtra.

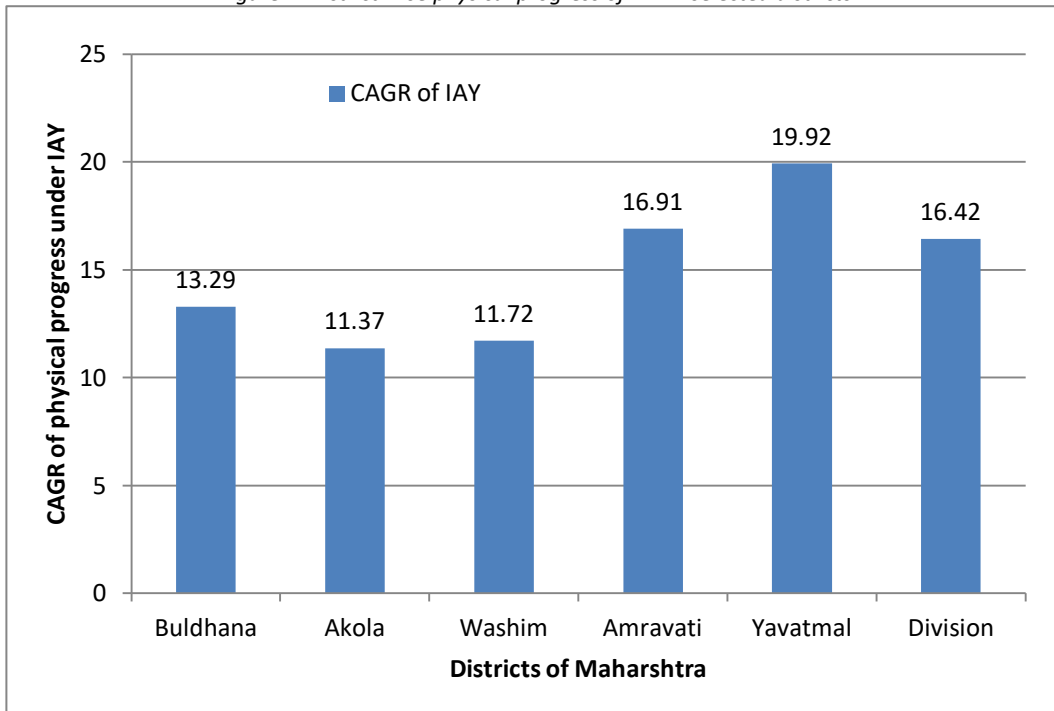*Figure 1. Annual financial performance of IAY in Amravati division*

Source: Rural Development & Water Conservation Department Government of Maharashtra IRDP/IAY
Note: Table for figure is given in Appendix

3.2. District wise physical progress of IAY in selected districts of Maharashtra

Figure 2 shows the annual housing growth rate under IAY in rural Maharashtra during 2005-06 to 2014-15 based on the secondary data provided by Rural Development and water Conservation Department, Government of Maharashtra.

Figure 2. District wise physical progress of IAY in selected districts

Source: Computed by author on the basis of Secondary data obtained from Rural Development & Water Conservation Department Government of Maharashtra IRDP/IAY
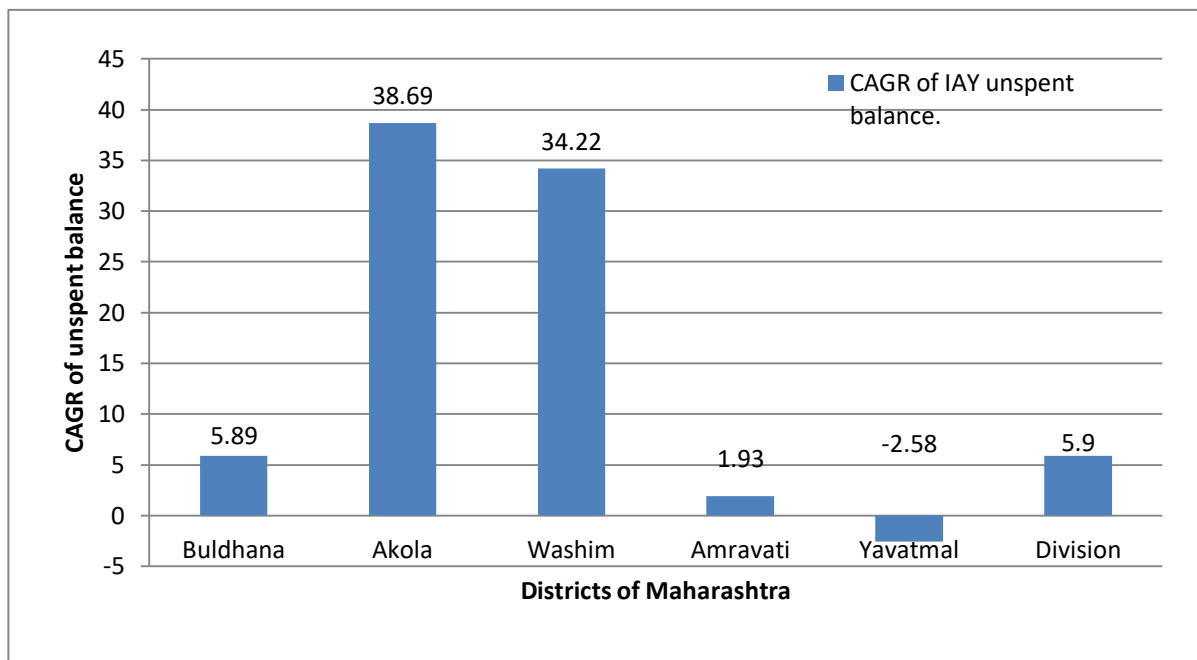*(Note: The table for figure is given in Appendix)*

To understand the actual District wise physical progress of IAY in the in the selected district of Maharashtra, we have calculated the District wise Compounded Annual Growth Rate (CAGR) of Housing under IAY physical performance. On the basis of calculated CAGR we have ranked the Districts as per their actual performance in IAY target achievement this calculation gives us more clarification about the ranks of the District.

It is noted from the above calculation as far as CAGR of housing growth under IAY is concern, Yavatmal District looks better so we ranked first position to the Yavatmal District. Amravati division stands for second position, Buldhana third, Washim Forth, at the same time Akola districthas lowest growth rate of IAY housing so naturally we found that more BPL households are excluded in Akola district as compared to other selected district in Maharashtra. Finally it is noted that Yavatmal and Amravati District are performing better than the overall division, last but not the least District Buldhana, Washim, and Akola has lower progress than average of the division.

3.3. District wise unspent balance of IAY funding in selected districts of Maharashtra

Figure 3 shows the actual unspent balance of under IAY funding in rural Maharashtra during 2005-06 to 2014-15 based on the secondary data provided by Rural Development and water Conservation Department, Government of Maharashtra.

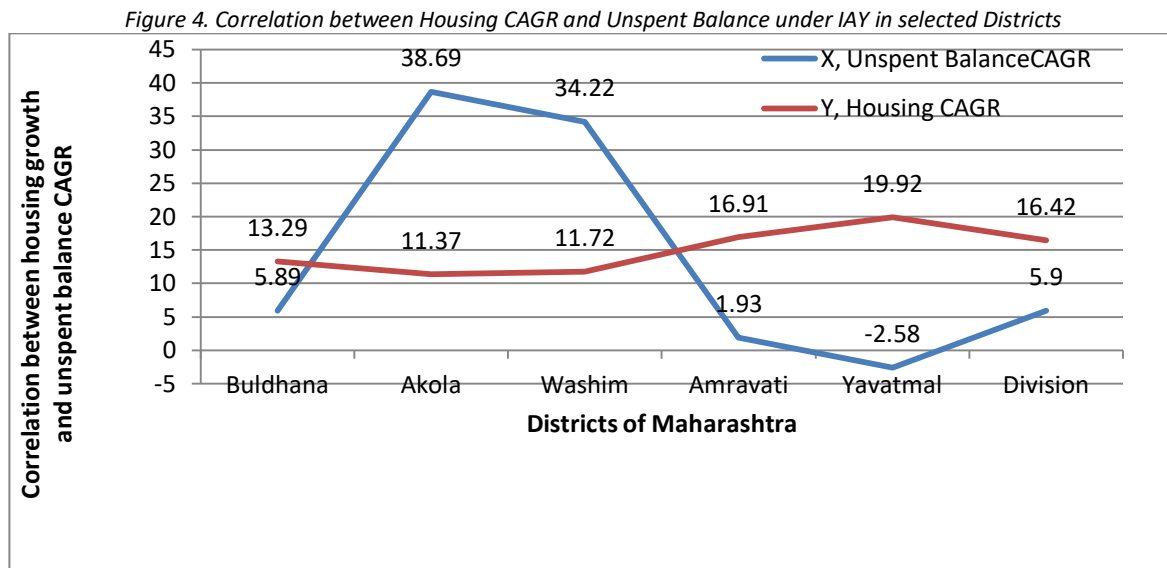*Figure 3. Compounded annual growth rate of unspent balance in selected districts*

Source: Computed by author on the basis of Secondary data obtained from Rural Development & Water Conservation Department Government of Maharashtra IRDP/IAY
(Note: The table for figure is given in Appendix)

Further, to measure the financial trends of funds utilization under IAY in the selected district of Maharashtra, we have calculated the district wise unspent balance of IAY funding. For more clarification, we have calculated the district wise CAGR for unspent balance under IAY. It is observed that, Akola district has highest amount of unspent balance which shows the negative correlation with housing target achievement in this district. Whereas, Yavatmal district shows negative CAGR in unspent balance under IAY funding. This efficient use of resources has resulted highest target achievement in housing growth rate under IAY. Hence, Akola is the poorest performing division for funds utilization; again it supports our argument for more social exclusion in the District.

At the same time, Washim District stands for second poor position followed by Buldhana. A crucial fact is that, the Amravati District has minimum unspent balance which resulted in second highest achievement of hosing targets in the Division.

3.4. Correlations between housing CAGR and unspent balance CAGR of IAY in the selected districts

Figure 4 shows the significant relationship between Housing growth CAGR and Unspent Balance CAGR under IAY in rural Maharashtra during 2005-06 to 2014-15 based on the secondary data provided by Rural Development and water Conservation Department, Government of Maharashtra.

Figure 4. Correlation between Housing CAGR and Unspent Balance under IAY in selected Districts
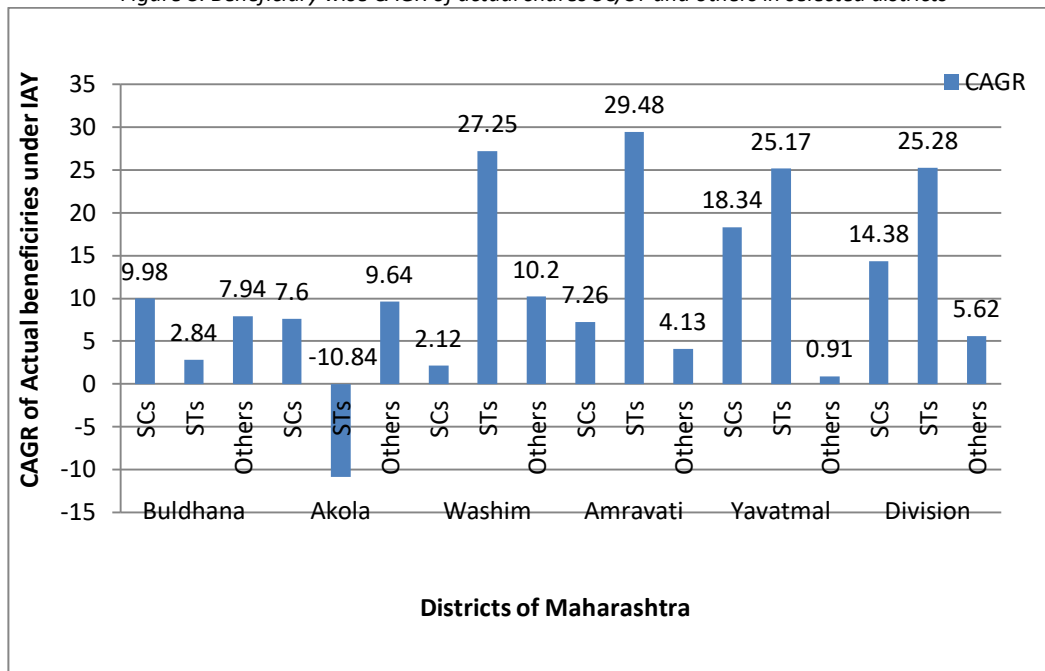
Source: Computed by author on the basis of Secondary data obtained from Rural Development & Water Conservation Department Government of Maharashtra IRDP/IAY
(Note: The table for figure is given in Appendix)

As a matter of fact, to know the significant relationship between two variables, i.e. CAGR of housing under IAY and efficiency of fund utilization in the selected district of Maharashtra, we have tried to establish the correlation of above two factors which shows that there is strong negative relationship between these factors with the correlation coefficient value (-0.86524). We noted that, whichever District has highest amount of unspent balance which has resulted the lower target achievement under IAY in rural Maharashtra. On the other hand, minimum unspent balance of funds shows efficient target achievement in the state under IAY. Which means there is strong negative correlation in above two variables? Finally, it is noted that, faster decline in the unspent balance shown increasing trends in housing target achievement under IAY in selected district of Maharashtra.

3.5. District wise comparison of actual shares SCs. STs and others in selected districts of Maharashtra

Figure 5 shows the actual shares of IAY beneficiaries such as, SCs, STs, and others in the selected district of Maharashtra during 2005-06 to 2014-15 based on the secondary data provided by Rural Development and water Conservation Department, Government of Maharashtra. To highlight the category wise target achievement of IAY in selected district of Maharashtra, We have tried to compare the District wise actual growth rate of beneficiaries in the Amravati Division. For more clarification we have calculated the District wise CAGR of IAY beneficiaries which clarifies the sustain growth of backward class beneficiaries under IAY i.e. SCs, STs, and Others in the rural Maharashtra. We found that, Yavatmal District is performing well as far as the shares of SCs; STs are concern at the same time other beneficiaries are securing low share in IAY benefit. At the same time Amravati District has secured second position in the division, Buldhana District stands for third position, Washim is securing fourth position, whereas as usual Akola district shown negative growth in Amravati District. It is interesting to note that, in average growth of the division STs are getting more shares than SCs and other beneficiaries in the Division. We have also noted this situation earlier in the division wise progress of IAY in Maharashtra.

Figure 5. Beneficiary wise CAGR of actual shares SC/ST and others in selected districts

Source: Computed by author on the basis of Secondary data obtained from Rural Development & Water Conservation Department Government of Maharashtra IRDP/IAY
(Note: The table for figure is given in Appendix)

4. Findings and Conclusions

The problem of homelessness continues to persist in Maharashtra and in Amravati division i.e. selected districts (Buldhana, Akola, Washim, Yavatmal and Amravati) as well. In order to overcome this problem, the Government of India introduced (IAY) a housing scheme for rural poor's, launched in 1996. This focuses on providing housing for the oppressed and marginalized. On the basis of authentic secondary data we have tried to analyze the District wise progress of IAY in Amravati Division, and the following results are detected in the implementation of the IAY in Division. Amravati Division covers the District viz, Buldhana, Akola, Washim, Amravati, and Yavatmal.

1. It has been observed from the data, there is a steady decline in the annual financial performance in Division during the study decade, which is the evidence of having social exclusion under IAY in the selected District of Maharashtra and finally it shows improvement in District wise financial performance in the Amravati Division which will help to alleviate the social inclusion from rural Maharashtra in near future.

2. Secondly, the calculated Compounded Annual Growth Rate (CAGR) of IAY Physical Progress shows that, Yavatmal District has highest physical target achievement of under IAY. Whereas the Amravati District has second position of target achievement, third of Buldhana and Akola District has worst performance for the housing target achievement under IAY in Amravati Division. So Akola district shows highest incidence of social inclusion in the rural Maharashtra.

3. Further, we calculated the Unspent balance of IAY funding in the selected district of Maharashtra, on the basis of this calculation we have ranked the District wise optimum efficiency of resources utilization, and it is noted that, Akola District has highest amount of unspent balance which shows negative relations with physical target achievement of IAY in Akola District and exclusion of poors as well.
   Whereas, the Yavatmal District has negative unspent balance this is again reflected in higher Physical target achievement under IAY in Yavatmal District.

4. While measuring the correlation coefficient, of Housing CAGR and Unspent funds of IAY in Amravati Division it is found that, there is very strong correlation between the variables in Amravati Division. The value of coefficient across the various District of Amravati Division is -0.86524 it shows that, there is no enough social inclusion which is clear indication of social exclusion under IAY across the various District of rural Maharashtra.

5. Finally, for the calculations of actual shares of beneficiaries i.e. SC/ST and Others our calculated CAGR shows that, the marginalized sections of the society like SC/ ST the Yavatmal, Amravati and Buldhana District has good shares of hosing benefit under IAY. At the same time Akola District hasa negative impact on distribution of houses for the ST Poors. Again it is found that the Akola District stands at worst position in Amravati Division which gives us clear sign of social inclusion in rural Maharashtra.

6. Overall performance of IAY in the selected district of Maharashtra shows that Social group of STs are getting higher benefit than the SCs in the Division. This situation is similar to the Maharashtra state. It is noted that there is no proper allocation of houses under IAY in Amravati Division. Also, households of SCs category have high incidence of social exclusion in rural Maharashtra. This study suggests that, SC component of the society should be targeted for the IAY benefit from the Rural Maharashtra.

Appendix

Appendix 1. District wise Financial Performance of Indira Awaas Yojana in Amravati Division (₹ in lakhs)

Year	Buldhana	Akola	Washim	Amravati	Yavatmal	Division
2005-06	92.27	91.90	98.49	91.18	99.82	95.02
2006-07	95.33	99.13	99.99	96.66	93.72	96.08
2007-08	92.13	88.91	81.04	97.35	94.17	92.60
2008-09	90.73	92.32	92.82	98.61	98.62	95.04
2009-10	81.09	79.31	97.54	99.20	96.49	92.58
2010-11	92.85	89.15	95.62	96.15	97.50	94.97
2011-12	93.7	97.3	100.0	91.5	95.8	94.7
2012-13	92.0	60.0	95.6	90.6	94.2	88.7
2013-14	90.2	65.5	90.4	92.8	86.3	84.2
2014-15	90.64	85.67	71.34	93.21	95.26	91.16

Source: Rural Development & Water Conservation Department Government of Maharashtra. IRDP/IAY

Appendix 2. Compounded Annual Growth rate of housing under IAY

Districts	Buldhana	Akola	Washim	Amravati	Yavatmal	Division
CAGR, of (IAY)	13.29	11.37	11.72	16.91	19.92	16.42

Source: Computed by the Author on the basis of secondary Data, Rural Development & Water Conservation Department Government of Maharashtra. IRDP/IAY

Appendix 3. Compounded Annual Growth rate of Unspent balance in Amravati Division

Districts	Buldhana	Akola	Washim	Amravati	Yavatmal	Division
CAGR of IAY unspent balance.	5.89	38.69	34.22	1.93	-2.58	5.9

Source: Computed by the Author on the basis of secondary Data, Rural Development & Water Conservation Department Government of Maharashtra. IRDP/IAY

Appendix 4. Correlation Coefficient of Housing CAGR and Unspent Balance in Amravati Division

Di visions	X, Unspent Balance CAGR	Y, Housing CAGR
Buldhana	5.89	13.29
Akola	38.69	11.37
Washim	34.22	11.72
Amravati	1.93	16.91
Yavatmal	-2.58	19.92
Division	5.9	16.42

Source: Computed by the Author on the basis of secondary Data, Rural Development & Water Conservation Department Government of Maharashtra. IRDP/IAY

Appendix 5. District wise CAGR of actual shares SC/ST and Others in Amravati Division

District	Buldhana			Akola			Washim		
Beneficiries	SCs	STs	Others	SCs	STs	Others	SCs	STs	Others
CAGR	9.98	2.84	7.94	7.6	-10.84	9.64	2.12	27.25	10.2
Amravati			Yavatmal			Division			
SCs	STs	Others	SCs	STs	Others	SCs	STs	Others	
7.26	29.48	4.13	18.34	25.17	0.91	14.38	25.28	5.62	

Source: Computed by the Author on the basis of secondary Data, Rural Development & Water Conservation Department Government of Maharashtra. IRDP/IAY

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