RESEARCH REVIEW JOURNALS
Volume-1
Issue-5
May-2016

ISSN: 2455-3085 (Online)
RESEARCH REVIEW International Journal of Multidisciplinary
www.rrjournals.com

State and Central Government Contribution towards Rural Development in India

Dr. Umesh R. Dangarwala[*1] & Mr. Dignesh S. Panchasara[2]

[*1]*Head of the Department, Department of Commerce and Business Management, Faculty of Commerce, The Maharaja Sayajirao University of Baroda, Vadodara, Gujarat (India)*

[2]*Department of Commerce and Business Management, Faculty of Commerce, The Maharaja Sayajirao University of Baroda, Vadodara, Gujarat (India)*

ARTICLE DETAILS

Article History
Received: 16 May 2016
Accepted: 20 May 2016
Published Online: 21 May 2016

Keywords:
Rural development,
Agriculture development,
Multidimensional Concept,
Ministry of Rural Development

ABSTRACT

The development of rural areas is not universal approaches. It is a choice influenced by time, space and culture. Only the term Rural Development has worked, to improve the quality of life of rural peoples. In this sense, it is a comprehensive and multidimensional concept, and encompasses the development of agriculture and allied activities, village and cottage industries and crafts, infrastructure, community services and facilities and human resources in rural areas. Rural development has been an important issue in all discussions pertaining to economic development, especially of developing countries, throughout the world. Over 3.5 billion people live in the Asia and Pacific region and some 63% of them in rural areas. Although millions of rural people have escaped poverty as a result of rural development in many Asian countries, a large majority of rural people continue to suffer from persistent poverty. The socio-economic disparities between rural and urban areas are widening and creating tremendous pressure on the social and economic fabric of many developing Asian economies. Country like India is depending on agriculture, so it is very important to improve the rural and agriculture sector. To improve the rural sector the ministry of rural development has been working as a pioneer pillar.

INTRODUCTION

Rural Development in India is one of the most important factors for the growth of the Indian economy. India is primarily an agriculture based country. Agriculture contributes nearly one fifth of the gross domestic product in India. In order to increase the growth of agriculture, the Government has planned several programs pertaining to Rural Development in India. The Ministry of Rural Development in India is the apex body for formulating policies, regulations and acts pertaining to the development of the rural sector. Agriculture, handicrafts, fisheries, poultry, and diary are the primary contributors to the rural business and economy.

Rural development in India has witnessed several changes over the years in its emphasis, approaches, strategies and programmes. It has assumed a new dimension and perspectives as a consequence. Just as implementation is the touchstone for planning, people's participation is the centrepiece in rural development. People's participation is one of the foremost prerequisites of development process both from procedural and philosophical perspectives. For the development planners and administrators it is important to solicit the participation of different groups of rural people, to make the plans participatory.

Aims and Objectives to development:

Rural development aims at improving rural people's livelihoods in an equitable and sustainable manner, both socially and environmentally, through better access to assets (natural, physical, human, technological and social capital), and services, and control over productive capital (in its financial or economic and political forms) that enable them to improve their livelihoods on a sustainable and equitable basis. The basic objectives of Rural Development Programmes have been alleviation of poverty and unemployment through creation of basic social and economic infrastructure, provision of training to rural unemployed youth and providing employment to marginal Farmers/Labourers to discourage seasonal and permanent migration to urban areas.

RESEARCH METHODOLOGY

Objectives of the study:

- ✓ To understand the state and central government contribution for rural development.
- ✓ To study the budget of 2015-2016 of Ministry of Rural Development.
- ✓ To study various schemes names and the benefits of the schemes of Ministry of Rural Development.

Scope of the study:

- ✓ This study provides the details of the state and central government contribution for rural development and also helps to know the government initiatives to develop the rural areas.

© RRIJM 2015, All Rights Reserved

Data sources:

- ✓ In this research study only the secondary data has been collected from websites, newspapers, journals and government reports.

ROLE AND FUNCTION OF THE GOVERNMENT

The Government's policy and programmes have laid emphasis on poverty alleviation, generation of employment and income opportunities and provision of infrastructure and basic facilities to meet the needs of rural peoples. The introduction of Bharat Nirman, a project by the Government of India in collaboration with the State Governments and the Panchayati Raj Institutions is a major step towards the improvement of the rural sector. The Ministry of Rural Development in India is the apex body for formulating policies, regulations and acts pertaining to the development of the rural sector. The National Rural Employment Guarantee Act 2005 was introduced by the Ministry of Rural Development, for improving the living conditions and its sustenance in the rural sector of India. Agriculture, handicrafts, fisheries, poultry, and diary are the primary contributors to the rural business and economy. The Ministry of Rural Development in India is engaged in legislations for the social and economic improvement of the rural populace.

The ministry consists of three departments viz.

- Department of Rural Development,
- Department of Land Resources and
- Department of Drinking Water Supply.

Under the department of rural development, there are three autonomous bodies viz., Council for Advancement of People's Action and Rural Technology (CAPART), National Institute of Rural Development (NIRD) and National Rural Road Development Agency (NRRDA). The objective of the ministry can broadly be elaborated as to encourage, promote and assist voluntary action in the implementation of projects for the enhancement of rural prosperity, strengthen and promote voluntary efforts in rural development with focus on injecting new technological inputs, act as the national nodal point for coordination of all efforts at generation and dissemination of technologies relevant to rural development in its wide sense and assist and promote programmes aimed at conservation of the environment and natural resources.

However, various ministries in the central government are engaged directly or indirectly for implementation of many programmes and schemes for the development of rural areas like Ministries of Agriculture, Health and Family Welfare, New and Renewable Energy, Science and Technology, Women and Child Development and Tribal affairs etc. In addition, to strengthen the grass root level democracy, the Government is constantly endeavouring to empower Panchayat Raj Institutions in terms of functions, powers and finance. Gram Sabha, NGOs, Self Help Groups and Panchayat Raj Institutions (PRIs) have been accorded adequate roles to make participatory democracy meaningful and effective.

PROGRAMMES AND SCHEMES OF THE GOVERNMENT FOR RURAL DEVELOPMENT

The main objective of rural development has been to remove poverty of the people and fill the widest gap between rich and poor. There are several programmes and schemes have been launched by the central and state governments for the rural people. A few of them have been listed below.

- ❖ Now recently in 2015, **Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY)** has been launched by the honourable Prime Minister Narendra Modi. The government plans to invest □756 billion (US$11 billion) for rural electrification under this scheme. The scheme will replace the existing Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY). The **DDUGJY** scheme will enable to initiate much awaited reforms in the rural areas. It focuses on feeder separation (rural households & agricultural) and strengthening of sub-transmission & distribution infrastructure including metering at all levels in rural areas.

- ❖ The **Mahatma Gandhi National Rural Employment Guaranty Act 2005** provides enhancement of livelihood security, giving at least 100 days of guaranteed wage employment in every financial year to every household, whose adult members volunteer to do unskilled manual work.

- ❖ **Aajeevika- National Rural Livelihoods Mission (NRLM)** was launched by the Ministry of Rural Development, Government of India in June 2011. **NRLM** has set out with an agenda to cover 7 Cr. rural poor households, across 600 districts, 6000 blocks, 2.5 lacs Gram Panchayats and 6 lacs villages in the country through self-managed Self Help Groups (SHGs) and federated institutions and support them for livelihoods collectives in a period of 8-10 years.

- ❖ **Pradhan Mantri Gram Sadak Yojana (PMGSY)** was launched on 25thDecember 2000 as a fully funded Centrally Sponsored Scheme to provide all weather road connectivity in rural areas of the country. This involves construction of about 3.71lacs km. of roads for New Connectivity and 3.68 lacs km. under upgradation. This project has been constructed total 4,53,367 km roads all over in India, the total amount has been spent Rs. 1,32,43,459.020 lacs by central government.

- ❖ Prime Minister Narendra Modi is gearing up to launch the latest social sector programme: to bridge the gap between the cities and the villages on infrastructure. The **Shyama Prasad Mukherji Rurban (rural-urban)** mission was announced last year to replace the UPA government's PURA (provision of urban amenities in rural areas) initiative. The original Rurban (Rural-Urban) programme was launched in Gujarat in 2012 during Modi's tenure as chief minister.

- ❖ The Finance Minister announced in the budget speech of 2014-15 that "I also propose to set up a **"Start-up village Entrepreneurship Programme"** for encouraging rural youth to take up local entrepreneurship programs. I am providing an initial sum of 100 Cr. for this". The proposed Programme is to be implemented under National Rural

© RRIJM 2016, All Rights Reserved

Livelihoods Mission (NRLM). **Start-up village Entrepreneurship Programme** will initially support creating and strengthening of 1,82,200 village enterprises in 125 blocks across 24 States in the country over a 5 year period from 2014-15 to 2018-19. Based on the success of this initial phase of 5 years, it will be taken up in all the blocks of the country in sync with the roll out of N.R.L.M. This intervention has over the next 12 –15 years the potential to reach out to and support 1.0 Cr. rural entrepreneurs and generate employment for more than 2.0 Cr. Persons

- 2005: **National Rural Health Mission**
- Accessible, affordable, accountable, quality health services to the poorest of the poor on remotest areas of the country.

- **Indira Awaas Yojana** came in 1985-86 as a part of the Rural Landless Employment Guarantee Programme (RLEGP). It was launched to provide uniformity in the policy for rural housing. Both central and state contribute to the funds for the Yojana in the ratio of 75:25. In case of Sikkim and North-Eastern states the funding is in the ratio of 90:10.To begins with family living below poverty line used to get Rs 45,000 to construct a house in plain area and Rs 48,500 to construct house in hilly and difficult area. The financial assistance has been increased to Rs 70,000 and Rs 75,000 with effect from 1st April 2013. **IAY** beneficiaries can also avail loan of up to Rs 20,000 to construct a house at an annual interest of 4%.Under Indira Awaas Yojana, 25.2 million houses have been constructed since 1985. Rural housing is one out of six parts of Bharat Nirman Programme. Under Phase 1 of this programme 60 lacs houses were expected to be constructed from 2005-06 to 2008-09 across the country. By spending Rs 21720.39 Cr. 71.76 lacs houses were constructed in the same period, much higher than the target. For the next five years starting from 2009-10 the target was doubled and kept at 120 lacs houses. During the second phase, 85 lacs houses have been constructed in the last three years.

BUDGET OF MINISTRY OF RURAL DEVELOPMENT

Table I. Department Wise Plan Budget of Ministry of Rural Development.

(Rs in Cr.)

Sr. No.	*Name of the Department*	*2014-2015*	*2015-2016*
1	*Department of Rural Development*	*800043.00*	*71642.00*
2	*Department of Land and Resources*	*3750.00*	*1627.77*
	Total Amount	***83793.00***	***73269.77***

(Source-http://rural.nic.in/)

Table II. Department of Rural Development

(Rs. in Cr.)

Sr. No.	*Name of the Department/Programmes*	*2014-2015*	*2015-2016*
1	*Mahatma Gandhi National Rural Employment Guarantee Scheme*	*34000.00*	*34699.00*
2	*Aajeevika - National Rural Livelihood Mission*	*4000.00*	*2505.00*
3	*Rural Housing*	*16000.00*	*10025.00*
4	*Pradhan Mantri Gram Sadak Yojana*	*14391.00*	*14291.00*
5	*Grants to National Institute of Rural Development*	*50.00*	*50.00*
6	*Assistance to CAPART*	*10.00*	*10.00*
7	*Management support to RD Programmes and strengthening district planning process*	*130.00*	*130.00*
8	*BPL Survey*	*577.00*	*350.00*
9	*National Social Assistance Programme*	*10635.00*	*9082.00*
10	*RURBAN Mission*	*100.00*	*300.00*
11	*Village Entrepreneurship 'Start-up' Programme*	*100.00*	*200.00*
12	*Provision of Urban Amenities in Rural Areas (PURA)*	*50.00*	*0.00*
	Total Amount	***800043.00***	***71642.00***

(Source-http://rural.nic.in/)

Table III. Department of Land and Resources

(Rs. in Cr.)

Sr. No.	*Name of the Department/Programmes*	*2014-2015*	*2015-2016*
1	*Integrated Watershed Management Programme (IWMP)*	*3500.00*	*1530.00*
2	*National Land Records Modernization Programme (NLRMP)*	*250.00*	*97.77*
3	*National Rehabilitation Policy*	*0.00*	*0.00*
	Total Amount	***3750.00***	***1627.77***

(Source-http://rural.nic.in/)

© RRIJM 2016, All Rights Reserved

CONCLUSION OF THE STUDY

Through all the study it is conclude that The Ministry of Rural Development is implementing a number of programmes in rural areas through the state and central Governments for poverty reduction, employment generation, rural infrastructure, better quality health services, and better homes to improve standard of living of rural peoples.

REFERENCES

[1] Abhishek Chauhan (2014). Need of Rural Development in India for Nation Building. Asian Mirror- International Journal of Research, Volume I, Issue I, Page 1-8.

[2] D. Gangopadhyay, A.K. Mukhopadhyay & Pushpa Singh (2008) "Rural Development: A strategy for poverty alleviation in India" India, Science and Technology: http://www.nistads.res.in/indiasnt2008/t6rural/t6rur3.htm

[3] http://omms.nic.in/

[4] http://pmgsy.nic.in

[5] http://www.gktoday.in/history-of-development-employment-programs-in-india-at-a-glance

[6] http://www.mapsofindia.com/my-india/government/pradhan-mantri-krishi-sinchai-yojana

[7] http://www.mapsofindia.com/government-of-india/saansad-adarsh-gram-yojana.html

[8] http://rural.nic.in/sites/programmes-schemes-rural-housing.asp

[9] http://www.hindustantimes.com/india/pm-modi-to-launch-rurban-mission-to-improve-facilities-in-rural-areas/story-kRpAEnFPGldfTvuNHnhs5H.html

[10] http://rural.nic.in/netrural/rural/sites/downloads/budget/Budget_2015_2016.pdf

[11] http://rural.nic.in/sites/downloads/budget/Outcome_Budget_2013_14Eng.pdf

[12] http://rural.nic.in/sites/programmes-schemes.asp

[13] http://rural.nic.in/sites/programmes-schemes-PMGSY.asp

[14] http://indiabudget.nic.in/budget2014-2015/ub2014-15/eb/sbe84.pdf

[15] https://mygov.in/sites/default/files/master_image/Start-up%20Village%20Entrepreneurship%20Development%20Programme-%20MORD.pdf

[16] http://www.mapsofindia.com/my-india/india/what-is-indira-awaas-yojana

© RRIJM 2016, All Rights Reserved