

A Comparative Analysis Of Indira Awas Yojana And Pradhan Mantri Awas Yojana In Housing Development Of India

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ABSTRACT

Two important home development programs in India are compared in this essay. One is the Pradhan Mantri Awas Yojana (PMAY) scheme, and the other is the Indira Awas Yojana (IAY) scheme. Using a multidimensional approach, the current study has examined the objectives, methods of implementation, effects on recipients, and overall efficacy of both programs. The PMAY program was launched in 2015 with the goal of giving urban poor people access to affordable housing by utilizing a comprehensive and forward-thinking framework. In contrast, the IAY program was put into place in 1985 with the intention of providing housing assistance to people living in rural areas. Despite the fact that both programs have greatly reduced India's housing need, the IAY and PMAY schemes were later combined in 2016. While the inclusive and participatory model of the PMAY has shown promising outcomes in urban areas, the targeted strategy of the IAY plan has a considerable influence on housing in rural areas. The findings suggest that India's numerous housing and housing development problems might be better served by a hybrid strategy that incorporates the finest elements of both programs. Based solely on secondary data, the current study has attempted to provide a comparative picture of both schemes, demonstrating their scope, scale, and outcomes for the beneficiaries in India.

KEYWORDS: Indira Awas Yojana (IAY), Pradhan Mantri Awas Yojana (PMAY), Housing Development, Affordable Housing, Social Welfare, Rural Development, etc.

INTRODUCTION

Housing initiatives are essential for meeting the economic needs of social groups in India's urban development and public policy contexts. The Indira Awaas Yojana (IAY) and the Pradhan Mantri Awas Yojana (PMAY) are two outstanding initiatives that the Indian government has put into place to provide affordable housing to both rural and urban populations. Understanding the creation, implementation strategies, and outcomes of these initiatives is crucial for evaluating their efficacy and influencing future policy decisions that can alleviate the country's housing need and raise living standards. When the Indira Awaas Yojana was first launched in 1985, its goal was to provide accommodation for rural disadvantaged people by financing the construction and remodeling of dwellings. Over the years, the IAY has changed and evolved in a number of ways to broaden its influence and audience.

While maintaining a rural component under PMAY, the program's 2015 merger into the Pradhan Mantri Awas Yojana marked a significant shift in focus toward urban housing challenges. However, the Pradhan Mantri Awas Yojana (Urban), which was introduced in 2015, is concentrated on urban areas and seeks to offer affordable housing to all eligible consumers. In order to promote private sector participation and increase homeownership among urban poor and middle-class populations, PMAY (Urban) introduced new features such as beneficiary-led construction and improved credit-linked subsidy programs. Comparative

studies that reveal how well different policy approaches function to address the housing demands of different socioeconomic classes in India are made possible by the similarities and contrasts between IAY and PMAY.

LITERATURE REVIEW

Numerous scholars and researchers have studied various facets of the Pradhan Mantri Awas Yojana (PMAY) and Indira Awaas Yojana (IAY) schemes. The following highlights a few of them.

In their study "Impact Assessment of PMAY-G," Reddy et al. (2018) claimed that PMAY-G had a major influence on the lives of the targeted beneficiaries in West Bengal, Odisha, and Madhya Pradesh. The lives of the chosen beneficiaries differ greatly from others in terms of their means of subsistence, social standing, sense of self-worth, degree of confidence, and sense of ownership.

Ananth (2017) examined the impact of IAY on rural housing in India and found that many recipients had significantly improved living conditions. Data was gathered via interviewing and surveying program participants. Implementation challenges, including funding allocation delays and bureaucratic obstacles, are also highlighted in the paper.

Through legislation adjustments and incentives, Gokarn (2020) addressed the difficulties facing affordable housing initiatives. He also stressed the importance of stakeholder engagement, customer education, transparency, and communication for the success of affordable housing projects.

In light of India's rural housing crisis during the past 20 years, Biswas (2015) assessed the IAY's success. The strategy shows promising operational and financial developments despite being limited by budgetary constraints. In order to solve concerns pertaining to rural homes, the program's scope should be expanded to include clean fuel, energy, water, sanitation, healthcare, education, and jobs through integration with other government projects.

According to Barot (2019), slums are becoming more crowded as urban populations rise, and the urban poor primarily reside there. Finding reasonably priced housing is a big challenge in India's cities. Affordable housing is the goal of a number of worldwide initiatives, including India's PMAY-Housing for All (Urban) program, which targets the Economically Weaker Section (EWS) in areas like Ahmedabad, Gujarat.

OBJECTIVE OF THE STUDY

Comparatively analyzing India's Indira Awaas Yojana (IAY) and Pradhan Mantri Awas Yojana (PMAY) is the main goal of this study. It will cover both housing programs' overall impact, implementation method, and performance. In order to shed light on how well these programs perform in meeting the housing needs of economically disadvantaged segments of society and in fostering inclusive urban development, the study will compare them in order to identify their differences, similarities, and areas for improvement.

METHODOLOGY

The nature of the current study is descriptive. Its foundation is secondary data. The information was gathered from a variety of government publications, books, papers, journals, research articles, and Prime Minister Awas Yojana's official websites.

Examining and talking about Target recipients, budgetary distribution, and overall success under the Indira Awaas Yojana (IAY) and Pradhan Mantri Awas Yojana (PMAY) programs have all been compared.

Target Beneficiaries

Target Beneficiaries under Indira Awas Yojana (IAY)

- i. Rural Poor: The rural population, particularly the socioeconomically disadvantaged segments of society, is the main objective of IAY.
- ii. Scheduled Castes and Scheduled Tribes: A significant portion of the beneficiaries are members of Scheduled Castes (SCs) and Scheduled Tribes (STs).
- iii. Freed Bonded Laborers: These workers are given preference.
- iv. Minorities: Members of minority communities are also taken into consideration under this plan.
- v. Not classified as SC/ST: Widows, the relatives of defense personnel killed in action, retired paramilitary members and ex-servicemen, individuals with impairments, and those displaced by natural catastrophes are among the other populations it supports.

Target Beneficiaries under Pradhan Mantri Awas Yojana (PMAY)

- i. Poor in Rural and Urban Areas: The program covers both rural and urban areas.
- ii. Women and Other Vulnerable Groups: Preference is given to women, senior persons, members of scheduled castes and scheduled tribes, and those with disabilities.
- iii. Targeted Major Beneficiaries: Covers a wider economic spectrum by focusing on a variety of income groups, including lower income groups, economically disadvantaged sections, and middle income groups.

IAY's primary objective is to provide basic shelter to vulnerable and disadvantaged rural residents. Although PMAY encompasses both rural and urban areas and targets a broader range of income levels, its scope is more widespread and it provides a variety of programs to fulfill various housing needs.

Budget Allocation

Budget Allocation under Indira Awas Yojana (IAY)

In the budget estimates for Budget 2013-14, the government allocated ₹15,184 crore for IAY.

Budget Allocation under Pradhan Mantri Awas Yojana (PMAY)

The government's affordable housing initiative received an additional boost when ₹80,671 crore was allotted for PMAY in the interim Union Budget 2024–2025.

The transition from IAY to PMAY significantly altered the scope and funding allocation of housing projects in India. PMAY's increasing budget allocations and extended reach, which include both rural and urban areas and different implementation strategies, demonstrate the government's increased commitment on delivering cheap housing to a wider and more diverse population segment.

House Constructed under Pradhan Mantri Awas Yojana (PMAY)

Table-2 House Constructed under Pradhan Mantri Awas Yojana (PMAY)

Years	No. of Houses Constructed (Whole of India)
2019-20	21.31 Lakhs
2020-21	33.99 Lakhs
2021-22	42.39 Lakhs
2022-23	57.73 Lakhs
2023-24	2.93 Lakhs

(Source: Ministry of Rural Development, PIB Mumbai 2023-24)

Observation - Housing development under the Pradhan Mantri Awas Yojana increased significantly and steadily between 2019–20 and 2023–2024. In 2019–20, 21.31 lakh housing units were constructed. Prior to rising to 42.39 Lakhs in 2021–22, 57.73 Lakhs in 2022–23, and 2.93 Lakhs in 2023–24, this amount was 33.99 Lakhs in 2020–21. The government's continued commitment to improving the housing stock and satisfying public housing requests is the cause of this positive growth.

More homes are being constructed as a result of the Pradhan Mantri Awas Yojana, which is a big step in improving many people's quality of life and fostering social stability. The increasing construction activity has also stimulated economic growth by creating jobs and expanding other businesses. Overall, the successful implementation of this program is evidence of the government's ability to manage resources and dedication to sustainable development.

Despite the fact that both IAY and PMAY have significantly increased the number of homes available to the poor, PMAY has produced more homes annually due to its greater reach, more ambitious goals, and better finance. The inclusion of urban dwellings and a variety of implementation strategies in PMAY have allowed for a greater impact on India's housing sector.

Quality of House Constructed under Indira Awas Yojana (IAY)

There are several maintenance and construction-related problems with the Indira Awaas Yojana (IAY). Beneficiaries usually select subpar materials due to financial constraints and a lack of quality control, which leads to homes with structural defects. The lack of technical supervision and the insufficient degree of government oversight exacerbate these issues. Additionally, because there is a shortage of skilled labor, dwellings are built by unskilled workers, which shortens the lifespan of the buildings. Environmental concerns, like climate resilience and vulnerability to natural disasters, also pose significant challenges. Maintenance is another important issue, which is exacerbated by users' often lack of understanding and financial resources for upkeep, as well as poor involvement and communication barriers with implementing groups. Inadequate design and planning, together with problems with the supply chain and logistics of acquiring high-quality components in remote locations, make the problems worse. Corruption and bad management techniques, such as misallocating cash and utilizing middlemen as payoffs, further degrade the building's quality. Lastly, ignoring energy efficiency and sustainable methods leads to long-term maintenance problems and environmental problems. To overcome these challenges, it is necessary to improve maintenance support, training, material supply chains, and oversight.

Quality of House Constructed under Pradhan Mantri Awas Yojana (PMAY)

By taking a number of calculated steps, the Pradhan Mantri Awas Yojana (PMAY) helps the Indira Awaas Yojana (IAY) recipients deal with the issues of construction quality and upkeep. Because it improves

longevity and consistency, PMAY places a strong emphasis on the use of standardized, modern, eco-friendly building technologies. The plan incorporates stringent quality control procedures and regular inspection by the federal and state governments to ensure adherence to construction requirements. Additionally, PMAY enables local workers and recipients to obtain advanced construction training, which improves the overall quality of the work. More generous financial aid, such as house loan subsidies, is given to PMAY participants, allowing them to afford better materials and regular home maintenance. The program also encourages beneficiary involvement and ownership, which enhances maintenance practices. Furthermore, PMAY's integrated strategy, which incorporates local bodies from both rural and urban areas, ensures better coordination and timely delivery of building materials, especially in remote areas. Together, these actions assist PMAY in reducing the issues with maintenance and construction quality that were present under IAY.

Overall Performance of Indira Awas Yojana (IAY)

The government is trying to meet the growing demand for rural housing as a result of the country's population growth. From Rs. 1991 crore in 2001–02, with a physical target of building 12.94 lakh homes, to Rs. 16,000.00 crore in 2014–15, with a goal of building 25.18 lakh households, the funding allotted to rural housing under IAY has increased. Against a budget of Rs. 16,000.00 crore for the 2014–15 fiscal year, the Ministry has released Rs. 10,404.29 crore. Only 8.29 lakh of the 25.18 lakh houses that were intended to be constructed had been completed as of December 31, 2014.

Since its inception, 333.82 lakh residences have been constructed under the initiative, resulting in Rs. 1,17,039.00 crore in total expenditures (MoRD Annual Report, 2014–2015).

Overall Performance of Pradhan Mantri Awas Yojana (PMAY)

As of 2023–2024, the Pradhan Mantri Awas Yojana (PMAY) has significantly improved housing supply in India and made significant strides. The program's objectives and achievements in providing low-income urban and rural inhabitants with affordable housing have advanced significantly. The PMAY-Urban (PMAY-U) component has authorized about 118.90 lakh residences, of which 112.22 lakh buildings have been approved for construction. Of them, 75.31 lakh have been completed and distributed to the beneficiaries. This achievement is supported by a cash commitment of about ₹2.00 lakh crore, of which ₹1.47 lakh crore has already been released. The funding allocated for the program has grown over the last three fiscal years, reaching ₹21,000 crore in 2020–21, ₹27,023.97 crore in 2021–22, and ₹28,000 crore in 2022–23 (PIB) (Prime Minister's Office). In the rural sector, PMAY-Gramin (PMAY-G) has also made great progress. Out of a target of 2.95 crore homes, 2.85 crore had been sanctioned as of March 2023, and 2.22 crore had been completed. Fund release delays, COVID-19-related delays, and other administrative obstacles have all been challenges for this project, which aims to provide basic services to pucca houses. Nonetheless, the plan has been expanded to ensure the building of the remaining homes (PIB). With significant progress made in both urban and rural areas due to focused financial support and continuous oversight, PMAY's performance through 2023–2024 demonstrates a strong commitment to improving housing conditions for the socially and economically disadvantaged (Prime Minister's Office, or PIB).

CONCLUSION

There are a number of noteworthy differences and improvements between the Pradhan Mantri Awas Yojana (PMAY) and the Indira Awas Yojana (IAY). IAY was primarily focused on providing basic housing to rural disadvantaged people, whereas PMAY expanded its scope to include both urban and rural areas with the aim of "Housing for All." PMAY, which provided a more comprehensive approach with financial incentives, improved building technology, and more robust quality control methods, addressed many of the problems with IAY.

Better project monitoring and execution resulted from PMAY's implementation strategy, which involved more stakeholders and enhanced cooperation between the federal and state governments. The affordability and quality of housing have significantly increased because to the PMAY financial model, which includes house loan subsidies and supplementary funds, as opposed to IAY's direct financial support approach. In addition, PMAY's focus on sustainable and eco-friendly construction methods reflects a modern method of housing development.

RECOMMENDATION

To improve technical training, strengthen quality control, ensure financial support for maintenance, increase beneficiary engagement, address environmental challenges, expedite fund allocation, and implement cutting-edge construction technologies in order to make PMAY more effective and sustainable overall than IAY.

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