Rural Infrastructure

9.94 Rural infrastructure comprises rural roads, rural housing and rural electrification. Rural road connectivity is an extremely important aspect of rural development. A centrally sponsored scheme has been launched called the Pradhan Mantri Gram Sadak Yojana (PMGSY) which seeks to provide connectivity all unconnected habitations in rural areas with a population of more than 500 persons through good all-weather roads by the end of the Tenth Plan period. In respect of hill states and desert areas, the objective would be to connect habitations with population of 250 persons and above. In order to achieve the objective of the Programme, a requirement of Rs.60,000 crore has been estimated. The available source of funds, for the present, is the 50 per cent share of the cess on High Speed Diesel (HSD), amounting to approximately Rs.2500 crore per annum. For the year 2001-02, a sum of Rs.2500 crore has been earmarked for the PMGSY. Project proposal for Rs.4273 crore pertaining to 26 States and two Union Territories have been cleared. While projects worth twice the amount of allocation have been cleared during the current year, actual release in 2001-02 would be limited to this year's allocation and next year's releases will be made from April 2002 onwards depending on the progress of the works.

9.95 According to the 1991 Census around 3.1 million households are without shelter and another 10.31 million households reside in unserviceable kutcha houses. Considering the magnitude of the problem, a National Housing Habitat Policy was announced in 1998 which aims at providing “Housing for All” and facilitates construction of 20 lakh additional housing units (13 lakh in rural areas and 7 lakh in urban areas) annually with an emphasis on extending benefits to the poor and deprived. Government is committed to the goal of ensuring shelter for all by the end of Tenth Plan period. For achieving these objectives a comprehensive action plan for rural housing has been prepared (Box 9.11). The objective of the Indira Gandhi Awas Yojna (IAY) is to provide assistance to the below poverty line households (BPL) belonging to Scheduled caste, Scheduled tribe, and free bonded labor categories. The central assistance under the IAY for 2001-02 is Rs 1618 crore for construction/up gradation of 1.3 million houses. So far an amount of Rs 1098 crore has been released during 2001-02. The Pradhan Mantri Gramodya Yojana is part of the comprehensive Pradhan Mantri Gramodya Yojana introduced during 2000-01 to achieve the objective of sustainable human development at the village level. During 2001-02, Rs 280 crore has been made available for implementing the “Rural Shelter” component of PMGY. An amount of Rs 126 crore has been released so far during 2001-02. To meet the requirement of EWS and LIG groups in rural areas and to improve the outreach of housing finance in rural areas the equity support to HUDCO has been increased from 5 crores to 355 crore during the Ninth Five Year Plan. The entire amount of 350 crore has been released.

9.96 At present, there are about 80,000 villages which still remain to be electrified and which are

---

**BOX 9.11**

Action Plan for Rural Housing

- Provision of upgradation of unserviceable kutcha houses in Indira Awas Yojana (IAY) in addition to new construction.
- Pradhan Mantri Gramodaya Yojana Gramin Awas.
- Credit-cum subsidy scheme for rural housing.
- Innovative scheme for Rural Housing and Habitat Development.
- Rural Building Centres.
- Enhancement of equity contribution by Ministry of Rural Development to HUDCO.
- Samagra Awas Yojana.
- National Mission for Rural Housing and Habitat.
concentrated in nine States. In order to achieve the national goal of village electrification by 2007, village electrification has now been included under Pradhan Mantri Gramodaya Yojana (PMGY) as basic minimum service for 2001-02. Under the scheme, an allocation of Rs.418.59 crore has been made to the States for carrying out rural electrification. The States have the flexibility to allocate additional funds available under different components of PMGY. The first instalment equivalent to 50 per cent of total allocation to various States has been released by the middle of January 2001.