



An Economic Analysis of Rural Housing Schemes in Davanagere District of Karnataka

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ABSTRACT

Rural housing plays a crucial role in improving the socio-economic conditions of rural households by providing safe and sustainable living environments. In India, the Government has implemented several rural housing schemes to address the housing shortage among economically weaker sections. Among these initiatives, Pradhan Mantri Awas Yojana–Gramin (PMAY-G) has emerged as a major programme aimed at achieving “Housing for All” in rural areas. The present study, titled “An Economic Analysis of Rural Housing Schemes in Davanagere District of Karnataka” examines the performance and economic implications of rural housing schemes implemented in the district. The study is primarily based on secondary data collected from government reports, district statistical records, and publications of organisations such as the Ministry of Rural Development and the Government of Karnataka. The analysis focuses on the allocation of funds, the number of houses sanctioned and completed, beneficiary coverage, and the overall impact of the schemes on rural development in Davanagere district. Economic indicators such as public expenditure, cost of housing units, and distribution of benefits among rural households are

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also examined. The findings indicate that rural housing schemes have significantly contributed to improving housing infrastructure and living standards in the district. Government support in the form of financial assistance and subsidies has enabled economically weaker households to construct durable houses, thereby reducing housing deprivation. However, certain challenges such as delays in fund disbursement, rising construction costs, and administrative constraints have affected the pace of implementation in some areas. The study concludes that rural housing schemes play a vital role in rural economic development and social welfare. Strengthening monitoring mechanisms, ensuring timely fund allocation, and enhancing beneficiary awareness can further improve the effectiveness of these programmes and help achieve inclusive rural development in Karnataka.

INTRODUCTION:

Housing is one of the most essential elements of human life and the social system, which goes much further than its traditional interpretation of a physical setting that offers shelter. It is a complicated socio-economic institution, which also has a direct impact on human health, human security, human dignity, social inclusion, and the general quality of life. Housing is also closely connected to human development, as it offers the necessary physical and psychological background of individuals and households, on which people and families can seek education, jobs, and social activity. Housing, being a fundamental human right, has always been in the spotlight in international human rights systems due to its centrality to human welfare. The Universal Declaration of Human Rights in article 25 clearly acknowledges housing as a part of an adequate standard of living, thus making it the duty of states to provide all citizens with safe, secure and adequate housing (United Nations, 1948). According to the Socio- Economic and caste census 2011, there are 4,062 million houseless families in rural areas. For the period 2000-01 to 2022-23 up to the end of November 2022, totally built in rural and urban houses (43.96 lakh houses in rural & 3.57 lakh in urban areas) by investing Rs. 38,826.30 crores (including urban) of which Rs. 12,859.86 crores were on centrally sponsored and Rs. 25,966.44 crores on state-sponsored housing schemes.

LITERATURE REVIEW:

Lipton (1978) offered one of the earliest and most influential analyses of the distributional consequences of development interventions in low-income countries. His work critically examined how public policies, despite being framed as pro-poor, often end up reinforcing existing socio-economic inequalities due to institutional biases and unequal access to complementary resources such as land, credit, and information. Lipton argued that the effectiveness of welfare and development programmes depends not merely on budgetary allocation but on the broader institutional environment in which they operate. In the context of housing, this implies that ownership of land, access to administrative systems, and political voice significantly influence who benefits from public housing schemes.

Moser (1998), through her asset vulnerability framework, provided a powerful analytical tool for understanding housing as a key household asset. She argued that poor households rely on a portfolio of assets—including physical, human, social, and financial capital—to cope with vulnerability and shocks. Housing, in this framework, is both a physical asset and a platform for other livelihood activities, such as home-based enterprises. Moser's work highlighted that secure housing reduces vulnerability by enhancing physical safety, social stability, and economic opportunities. This perspective is particularly relevant for rural housing schemes, where housing can serve as a foundation for income generation and social empowerment.

Dreze and Sen (2013) significantly advanced the discourse on rural housing by situating it within the broader framework of social protection and human development. They argued that housing is a foundational element of social security, alongside health, education, and employment. According to their analysis, access to secure housing reduces chronic poverty by stabilizing household living conditions and protecting vulnerable populations from economic and environmental shocks. Dreze and Sen emphasized that housing programmes in India should not be evaluated solely based on physical achievements but also on their capacity to enhance dignity, security, and social inclusion. Their work reinforced the argument that rural housing schemes play a crucial role in advancing substantive freedoms, particularly for marginalised communities such as the Scheduled Castes, the Scheduled Tribes, and women-headed households.

Lakshmi (2021) examined the gender dimensions of PMAY-G implementation in Karnataka and found that mandatory female ownership provisions significantly improved women's sense of security, dignity, and decision-making power within households. The study reported that women beneficiaries experienced increased participation in household financial decisions and greater access to social welfare schemes. Lakshmi also noted that housing ownership enhanced women's social status within communities,

contributing to broader empowerment outcomes. These findings align with national-level studies emphasising the gender-inclusive design of PMAY-G.

OBJECTIVES:

- To study the various Rural Housing Schemes in Karnataka
- To analyze the role of Rajiv Gandhi Housing Corporation Limited (RGHCL) in providing housing facilities.
- To examine the performance of government-sponsored schemes.

RESEARCH DESIGN:

This study is based on only secondary data. The secondary data was collected from various publications of central and state governments, RBI Bulletins, Housing Development Bengaluru, Karnataka Housing Board, Rajiv Gandhi Housing Corporation Limited and other sources like books, newspapers, articles, and related websites.

ajiv Gandhi Housing Corporation Limited (RGHCL):

The Corporation was established on 20th April 2000 as a nodal agency to implement all the housing schemes sponsored by the central and state Governments for economically and socially weaker sections of society, both in rural and urban areas.

The main objectives of the company are:

- To provide housing to the socially and economically weaker sections
- Speedy implantation of scheme
- Transparency in implementations
- Ensure the free flow of the beneficiaries
- Dissemination of cost-effective technology in construction through district Nirmithi Kendras
- Strengthening of Nirmithi Kendras.

Basava Housing Scheme (Rural): This scheme was introduced during 1991-92 to provide housing for rural houseless poor. Basava Vasati Yojana is the Karnataka government's initiative to provide affordable housing to the economically disadvantaged. Through the Basava yojana program, poor people who cannot afford housing due to economic conditions can build their own houses if they have land. The government

provides materials to build puka houses. All residential projects in the Basava scheme aim to improve people's living standards.

Table 1. Details of completed houses under the Basava Housing Scheme (Rural) in Davanagere District

Years	SC	ST	Minority	Others	Total
2018-19	823	302	320	2734	4179
2019-20	206	9	52	873	1036
2020-21	193	70	94	1354	1711
2021-22	259	94	119	1112	1584
2022-23	348	151	140	2237	2876

Source: RGHCL Report

The table 1 details the completed houses under the Basava Housing Scheme (Rural) in Davanagere from 2018–19 to 2022–23, showing significant fluctuations. In 2018–19, 4179 houses were completed, mainly in the "Others" category (2734), followed by SC (823), Minority (320), and ST (302). The following year, 2019–20, saw a sharp decline to 1036 houses, with all categories affected, especially ST beneficiaries with only 9 completed houses. The housing scheme in Davanagere district saw fluctuations from 2020 to 2023. In 2020–21, 1711 houses were allotted, an increase primarily in the "Others" and Minority categories. This number dropped to 1584 in 2021–22, despite growth among SC, ST, and Minority beneficiaries. However, 2022–23 marked a significant improvement with 2876 houses, mainly due to a rise in the "Others" category (2237). Overall, while the scheme benefited all social groups, the majority of houses were allotted to the "Others" category, reflecting considerable year-to-year variation.

Indira Awas Yojana / Pradhan Mantri Awas Yojana (Gramin): This scheme was introduced by the central government in the year 1989-90 for the rural homeless below the poverty line. 60% of the target is reserved for the SC/ST, 15% for minorities and 25% more for the general public. Later, the cost increases of Rs. 1,20,000 in 2015-16, subsidy from central government of 72,000 rupees and 48,000 from the state. SC's/STs have an additional allowance of Rs. 30,000. In the last thirteen years (2004-05 to 2016-17), under this program, 10,36,582 houses were constructed.

Table 2. Details of completed houses under the Indira Awas Yojana / Pradhan Mantri Awas Yojana (Gramin) in Davanagere District

Years	SC	ST	Minority	Others	Total
2018-19	374	279	267	68	988
2019-20	97	64	14	59	234
2020-21	78	62	9	60	209
2021-22	50	60	26	81	217
2022-23	136	97	115	20	368

Source: RGHCL Report

In the above Table no 2 outlines the completion of houses under Indira Awas Yojana / Pradhan Mantri Awas Yojana (Gramin) in Davanagere District from 2018–19 to 2022–23, focusing on social categories including SC, ST, Minority, and Others. It shows significant fluctuations in house completions, peaking in 2018–19 with 988 houses, where SCs (374) and STs (279) received the majority. Conversely, there was a notable decline in 2019–20 and 2020–21, with completions dropping to 234 and 209, reflecting a slowdown in construction during those years. During 2021–22, 217 houses were completed, with an increase in the 'Others' category to 81. In 2022–23, completions rose to 368, predominantly benefiting SC (136), minorities (115), and ST (97) households. The data indicate fluctuations in the rural housing scheme's implementation, yet SC and ST communities remain the primary beneficiaries in Davanagere District.

Devaraj Urs Housing Scheme (Rural): This program is open to special applicants, including people with disabilities, leprosy patients, families affected by HIV, nomadic groups, sanitation workers, strike victims, exploited workers, widows and transgender people. The selection of beneficiaries is made by the district-level committee. Raw data for applicants selected as beneficiaries are also provided here. In this scheme, applicants can get raw materials for the construction of a house.

Table 3. Details of completed houses under the Devaraj Urs Housing Scheme (Rural) in Davanagere District

Years	SC	ST	Minority	Others	Total
2018-19	53	5	84	3	145
2019-20	20	2	1	41	64
2020-21	17	1	3	34	55
2021-22	48	9	10	42	109
2022-23	129	33	35	231	428

Source: RGHCL Report

Table 3 details the houses built under the Devaraj Urs Housing Scheme (Rural) in Davanagere district from 2018–19 to 2022–23. It indicates fluctuations in construction numbers among social categories, with 145 houses completed in 2018–19, the Minority category having the largest share (84), followed by SC beneficiaries (53), and minimal numbers for ST (5) and Others (3). In the years 2019–20 and 2020–21, the total number of completed houses dropped to 64 and 55, respectively, signalling a slowdown in implementation. Performance improved in 2021–22 with 109 houses completed, primarily by SC (48) and Others (42). A significant rise occurred in 2022–23, with completed houses totalling 428, where Others led with 231, followed by SC (129), Minority (35), and ST (33). Overall, despite earlier fluctuations, the final year saw a notable increase in housing completion, indicating enhanced implementation and broader beneficiary coverage, as reported by the Rajiv Gandhi Housing Corporation Limited (RGHCL).

Dr B.R. Ambedkar Nivas Scheme (Rural): From 2015-16, the government has introduced. This program has been implemented in both rural and urban areas to provide housing options to homeless families belonging to the Scheduled Castes and Tribes (SC/ST). Under this scheme, the government provides a subsidy of Rs. 1,75,000 for building/buying houses. However, the beneficiaries have to cover the financial resources of the authorities.

Table 4. Details of completed houses under the Dr B.R. Ambedkar Nivas Scheme (Rural) in Davanagere District

	Total (SCs+ STs)		
Years	Rural	Urban	Total
2018-19	2117	234	2351
2019-20	750	62	812
2020-21	974	57	1031
2021-22	1120	57	1177
2022-23	1365	92	1457

Source: RGHCL Report

Table 4 details the houses completed under the Dr. B. R. Ambedkar Nivas Scheme (Rural) for SC and ST beneficiaries in Davanagere district from 2018–19 to 2022–23, showing a predominance of construction in rural areas. In 2018–19, 2,117 houses were completed in rural areas versus 234 in urban areas. However, in 2019–20, the numbers declined significantly to 750 in rural areas and 62 in urban areas,

for a total of 812 houses. The performance of the housing scheme showed a steady improvement, with 1,031 houses completed in 2020–21, 1,177 in 2021–22, and peaking at 1,457 houses in 2022–23. This included 1,365 in rural areas and 92 in urban areas, indicating a consistent government focus on enhancing housing for SC and ST households in rural regions, as reported by the Rajiv Gandhi Housing Corporation Limited (RGHCL).

FINDINGS:

- **Complex Procedures:** The process of obtaining benefits under housing schemes is often complicated and requires extensive documentation. The lengthy and bureaucratic procedures discourage beneficiaries and delay access to housing assistance.
- **Implementation Issues:** Although both the central and state governments introduced several housing schemes during their tenure, effective implementation at the grassroots level remains a challenge. As a result, the intended benefits do not always reach the targeted beneficiaries promptly.
- **Delay in Payment:** In many cases, beneficiaries begin house construction after receiving approval for housing assistance. However, delays in the release of financial instalments from the government create financial difficulties for beneficiaries and slow down the construction process.

SUGGESTIONS:

- Simplifying eligibility requirements will help ensure broader coverage among economically weaker sections.
- Timely financial support will enable beneficiaries to complete the construction of houses without interruption or financial strain.
- . Proper monitoring, coordination among implementing agencies, and accountability at different administrative levels can improve the overall efficiency of these programmes.

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