

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:827
ANSWERED ON:24.07.2015
Economic Conditions of Rural Areas
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Will the Minister of FINANCE be pleased to state:

- (a) whether the Government is aware of the fragile economic conditions in the rural areas;
- (b) if so, the details thereof and the reasons therefor;
- (c) whether the Government has implemented/propose to implement various social sector programmes to boost economic activities in the rural areas; and
- (d) if so, the details thereof and other steps being taken in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI JAYANT SINHA)

(a) & (b): As per latest estimates based on Tendulkar methodology, poverty ratio for rural areas declined from 41.8 percent in 2004-05 to 25.7 percent in 2011-12. The provisional results of the Socio-Economic and Caste Census (SECC) 2011, has identified that 56 per cent of rural households own no agricultural land and the major sources of income are manual casual labour for 51.14 per cent, and cultivation for 30.10 per cent of rural households.

The growth rate of Gross Domestic Product (GDP) at constant (2011-12) market prices is estimated at 5.1 per cent, 6.9 per cent and 7.3 per cent respectively in 2012-13, 2013-14 and 2014-15 (Provisional Estimates). According to the Economic Survey 2014-15, growth rate of the Indian economy can be expected to be in the range of 8.1 to 8.5 per cent in 2015-16. The ramifications of improved growth can be seen in the rural areas as the SECC reports that while 55.38 per cent of households own 'pucca' type houses, more than 68.35 per cent of households own mobile phones.

(c) & (d): Government has focused on rural poverty alleviation through programmes that are directly targeted at the rural poor households for creation of assets, skill development and self employment. In order to ensure that the benefits of growth reach the poor and the vulnerable and to address all issues related to poverty, Government has introduced some new programmes which include Pradhan Mantri Jan Dhan Yojana, Swachh Bharat Mission (Gramin), Rupay Debit Card, Deen Dayal Kaushal Vikas Yojana, Nai Roshni, Nai Manzil, Modified Direct Benefit Transfer (MDBT) scheme, while Pradhan Mantri Suraksha Bima Yojana, Pradhan Mantri Jeevan Jyoti Bima Yojana, and Atal Pension Yojana are aimed to provide universal social security cover. Besides, existing programmes like Pradhan Mantri Gram Sadak Yojana, Indira Awas Yojana, Sarva Siksha Abhiyan, National Rural Drinking Water Programme, National Health Mission, National Rural Livelihood Mission (Aajeevika), National Social Assistance Programmes etc., have been continued, whereas some modifications in the existing programme such as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), have been effected to make it more meaningful and outcome based. These programmes are expected to make a positive dent in overall improvement in economic activities and quality of life in rural areas. The SECC data is an opportunity to make evidence based selection, prioritization and targeting of beneficiaries in different programmes.