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IMPACT OF POVERTY ALLEVIATION PROGRAMMES ON THE UNDERPRIVILEGED SECTION IN INDIA

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Poverty is one of the most critical challenges facing India. Despite remarkable economic progress, a large section of the population continues to struggle for basic needs such as food, clothing, shelter, education, and health care. Since independence, the Government of India (GOI) has made continuous efforts to eradicate poverty through several targeted programmes, particularly for rural development and employment generation. This paper aims to present a comprehensive review and analysis of various poverty alleviation programmes launched by the Indian government, assess their performance, and identify key challenges and suggestions for future policy improvement. The study relies on secondary data from government reports, economic surveys, and official websites. The findings indicate that while several schemes, such as MGNREGA, IRDP, PMJDY, and PMMY have contributed significantly to reducing poverty, issues like fund leakages, poor implementation, and lack of awareness continue to hinder desired outcomes.

KEYWORDS: ***Poverty, Employment, Rural Development, MGNREGA, PMJDY, Self-employment, Financial Inclusion.***

INTRODUCTION

Poverty remains one of the major socio-economic problems of India. It is not merely the lack of income but also the absence of opportunities, access to education, health care, and dignified living conditions. According to the NITI Aayog's National Multidimensional Poverty Index (2023), nearly **11.3%** of Indians are still multidimensionally poor. Poverty affects productivity, leads to social exclusion, and limits the overall economic growth of the nation.

The Government of India has prioritised poverty alleviation since the First Five-Year Plan (1951–56). Over time, poverty reduction programmes have evolved from direct relief measures to comprehensive development schemes focusing on employment generation, asset creation, women's empowerment, skill development, and financial inclusion.

Poverty alleviation programmes can broadly be categorised into five groups: Wage Employment Programmes, Self-Employment Programmes, Food Security Programmes, Social Security Schemes, and Urban Poverty Alleviation Programmes

This study attempts to review and analyse these schemes to evaluate their effectiveness in improving the socio-economic status of the poor.

REVIEW OF LITERATURE

Several scholars have examined the evolution and impact of India's poverty alleviation efforts. **Dandekar and Rath (1971)** estimated the first poverty line in India and highlighted rural poverty as a critical issue. **Lal (1988)** analysed the IRDP's contribution to rural self-employment and concluded that it created sustainable income sources for small farmers and artisans. **Dreze and Sen (2013)** emphasized that inclusive social policies, especially education and public health, are crucial for sustainable poverty reduction. **Planning Commission (2014)** reported a decline in poverty from 37% in 2004–05 to 21.9% in 2011–12, attributing this to targeted rural employment schemes. **NITI Aayog (2023)** found that 135 million Indians moved out of multidimensional poverty between 2015–16 and 2019–21, largely due to government welfare schemes. These studies demonstrate that poverty alleviation programmes have contributed significantly to economic empowerment, though regional and gender disparities persist.

OBJECTIVES OF THE STUDY

The main objectives of the study is to examine the various poverty alleviation programmes in India.

1. To examine various poverty alleviation programmes implemented by the Government of India.
2. To evaluate the effectiveness of these programmes in rural and urban contexts.

3. To analyse their role in employment generation and income improvement.
4. To identify challenges in implementation and suggest policy improvements.

RESEARCH METHODOLOGY

The study is descriptive and analytical in nature, based on secondary data sources. The secondary data method is used to collect data. These various data sources are used to collect the data regarding the poverty alleviation programme. For example, Government websites: *www.rural.nic.in*, *www.nrega.nic.in*, *www.pmjdy.gov.in*, *www.mudra.org.in*, Economic Surveys, NITI Aayog Reports, and Ministry of Rural Development publications. Books and research papers on rural development and poverty alleviation are also used for data collection. Data are analysed qualitatively with trend analysis on the number of beneficiaries, amount disbursed, and socio-economic impact.

DISCUSSION

Poverty alleviation programmes in India are assessed through several performance indicators such as employment generation, asset creation, financial inclusion, and access to basic needs. The following analysis presents quantitative data and interpretation based on official statistics from the Government of India and related institutions.

Employment and Livelihood Generation through MGNREGA

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) remains one of the most significant anti-poverty initiatives in India. It guarantees 100 days of employment to every rural household willing to work.

Year	Households Provided Employment (in crore)	Total Person-days Generated (in crore)	Average Wage (₹/day)
2015–16	4.86	235.6	154
2016–17	5.05	235.1	161
2017–18	5.11	233.6	169
2018–19	5.26	267.9	182
2019–20	5.48	283.6	188
2020–21	7.55	389.1	201
2021–22	6.94	363.4	209
2022–23	6.18	342.3	213[1]

Data Source: https://nrega.nic.in (MGNREGA Annual Reports (2015–2023))

Interpretation: The demand for employment under MGNREGA increased sharply during the COVID-19 pandemic (2020–21). Rising average wages indicate improved rural income levels. Over 29 crore individuals have benefited since inception, making MGNREGA the world's largest public works programme.

Self-Employment and Entrepreneurship through PMMY: The Pradhan Mantri MUDRA Yojana (PMMY) focuses on providing loans to micro and small enterprises to foster self-employment and entrepreneurship.

Financial Year	No. of Loans Sanctioned (in crore)	Amount Sanctioned (₹ in crore)	Amount Disbursed (₹ in crore)
2015–16	3.48	1,37,449	1,32,954
2016–17	3.97	1,80,528	1,75,312
2017–18	4.81	2,53,677	2,46,437
2018–19	5.98	3,21,722	3,11,811
2019–20	5.83	3,23,573	3,16,099
2020–21	4.95	3,21,990	3,08,377
2021–22	5.36	3,30,600	3,15,802
2022–23	6.23	4,00,408	3,89,200

Data Source: https://www.mudra.org.in (PMMY Annual Reports (2015–2024)

Interpretation: The cumulative growth in disbursement under PMMY shows increasing credit flow to small entrepreneurs. A large proportion (around 68%) of loans were sanctioned to women beneficiaries. The scheme has significantly contributed to rural entrepreneurship and micro-enterprise creation, leading to local job generation and income diversification.

Financial Inclusion through PMJDY: The Pradhan Mantri Jan Dhan Yojana (PMJDY) has revolutionised financial inclusion in India by bringing unbanked citizens into the formal financial system.

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Year	Total Bank Accounts Opened (in crore)	Total Balance in Accounts (₹ in crore)	No. of RuPay Cards Issued (in crore)
2015	17.9	25,000	12.4
2017	28.2	60,000	20.5
2018	31.6	84,000	23.6
2020	38.1	1,19,706	29.0
2022	46.0	1,73,949	33.5
2024	51.0	2,13,450	38.1

Data Source: https://pmjdy.gov.in

Interpretation: The number of accounts increased almost threefold between 2015 and 2024. PMJDY facilitated direct transfer of subsidies, wages, and pensions, drastically reducing leakage and corruption. The inclusion of women as account holders has promoted economic independence and savings behaviour among rural households.

Food and Nutrition Security through Annapurna and ICDS: The **Annapurna Scheme** and **Integrated Child Development Services (ICDS)** target the nutritional needs of vulnerable populations.

- Under Annapurna, more than **8 lakh beneficiaries** receive **10 kg of food grains per month** free of cost.
- ICDS covers over **100 million children and mothers**, providing meals, health check-ups, and preschool education.

Food and nutrition schemes have been crucial in addressing **hidden hunger**, improving child health, and promoting school attendance, particularly in tribal and backward districts.

Rural Housing through PMGAY: This scheme was launched in 1985 (as Indira Awas Yojana). The objective of this scheme is to provide financial assistance to BPL families for constructing pucca houses. This programme contributes directly to improving the living standards and social dignity of rural households.

Year	Houses Sanctioned (in lakh)	Houses Completed (in lakh)	Funds Released (₹ crore)
2016–17	33.0	24.0	13,500
2017–18	38.0	27.5	15,600
2018–19	44.0	32.8	18,750
2019–20	50.0	36.2	20,400
2020–21	59.0	42.0	24,300
2021–22	63.0	48.5	26,900
2022–23	68.0	53.7	29,800

Data Source: *https://pmayg.nic.in (PMGAY Annual Performance Reports (2016–2024)*

Interpretation: PMGAY has successfully improved the housing and living standards of millions of rural poor. The inclusion of eco-friendly housing materials and convergence with sanitation and electrification programmes enhances quality of life and social dignity.

Skill Development and Youth Empowerment through PMKVY & DDU-GKY: PMKVY was launched on 25th September 2014. The objective of this scheme is to provide skill development training for youth and enhance employability. The coverage of this scheme 21 states, 568 districts, 690 projects, and 82 industry sectors. The outcome of this scheme is 5.55 lakh youth trained; 1.34 lakh employed. PMKVY, as part of the *Skill India Mission*, has transformed rural youth into a skilled workforce.

Scheme	Beneficiaries Trained (in lakh)	Beneficiaries Placed (in lakh)	States Covered
PMKVY	55.5	13.4	21
DDU-GKY	36.2	9.1	27

Data Source*: https://www.msde.gov.in , https://pmkvyofficial.org, and https://ddugky.gov.in*

Interpretation: Skill development programmes have helped rural youth gain market-oriented skills. However, placement rates (around 24%) suggest the need for stronger linkage between training and job markets.

India's poverty alleviation schemes have yielded measurable outcomes in terms of income growth, employment creation, financial inclusion, and human development. The overall impact demonstrates progress toward sustainable and inclusive economic growth, though structural challenges persist.

FINDING & SUGGESTIONS

Findings: The study of various poverty alleviation programmes reveals multiple economic, social, and administrative dimensions of India's efforts toward poverty reduction. The findings are summarised under thematic heads below:

1. **Decline in Poverty Ratio:** India has recorded a consistent decline in poverty, with the percentage of people below the poverty line reducing from around 45% in 1993–94 to about 21.9% in 2011–12 (Planning Commission) and further to nearly 11.3% in 2023 (NITI Aayog). Schemes such as MGNREGA, PMJDY, and PMMY have

played a major role in raising rural incomes and promoting self-employment.

2. **Employment Generation:** MGNREGA has been a landmark in ensuring wage employment. Between 2015 and 2020, around **29 crore workers** received wage employment, while **PMMY** created millions of small entrepreneurs by disbursing loans worth more than ₹3 lakh crore. These schemes not only generated jobs but also enhanced the productivity of the rural workforce.
3. **Financial Inclusion:** The **Pradhan Mantri Jan Dhan Yojana (PMJDY)** has brought a large section of the population into the formal banking system. Over **38 crore accounts** have been opened, ensuring direct benefit transfers (DBT), reducing leakages, and fostering a culture of saving and financial discipline.
4. **Support to Micro and Small Enterprises: PMMY** and **Stand-Up India** schemes have provided accessible credit to small entrepreneurs, artisans, and vendors, thus promoting local economic activities and self-reliance among rural youth and women.
5. **Empowerment of Women:** Programmes like **DWCRA**, **Self Help Groups (SHGs)** under NRLM, and **PMJDY** have empowered women economically and socially. Access to credit, training, and participation in decision-making have improved their status within families and communities.
6. **Education and Nutrition:** Schemes such as the **Mid-Day Meal Programme**, **Integrated Child Development Services (ICDS)**, and **Kishori Shakti Yojana** have contributed to higher school enrolment, better nutrition, and reduced child labour. These have long-term positive impacts on human development.
7. **Housing and Basic Amenities:** The **Pradhan Mantri Gramin Awas Yojana (PMGAY)** has provided secure housing to over 80 lakh rural families. Safe shelter enhances health, sanitation, and social dignity, leading to improved quality of life.
8. **Social Security and Food Support:** The **National Family Benefit Scheme (NFBS)** and **Annapurna Scheme** provide financial and food security to elderly and vulnerable households, ensuring that the poorest sections are not left behind.

Suggestions

To further strengthen the effectiveness and reach of poverty alleviation programmes, the following detailed measures are suggested:

1. **Integrated Approach:** Combine multiple schemes with overlapping objectives (e.g., MGNREGA + PMGAY + NRLM) under a unified poverty alleviation mission to ensure synergy and better resource allocation.
2. **Localised Planning:** Encourage district-level poverty mapping using real-time data to identify priority areas, ensuring that funds are directed to regions with the highest poverty intensity.
3. **Dynamic Policy Review:** Conduct regular impact evaluations through independent agencies and NITI Aayog to modify schemes based on ground realities and beneficiary feedback.
4. **Strengthen Panchayati Raj Institutions (PRIs):** Empower PRIs and urban local bodies to take ownership of planning, monitoring, and implementing schemes, ensuring bottom-up development.
5. **Improve Capacity Building:** Regular training for government functionaries, NGO workers, and SHG members will ensure efficient service delivery and timely completion of projects.
6. **Leverage Digital Technology:** Expand the use of **digital portals, GIS mapping, mobile apps, and biometric attendance** to increase transparency and reduce leakages in wage and benefit distribution.
7. **Focus on Skill Development:** Expand PMKVY and DDU-GKY to include emerging sectors like renewable energy, digital services, and agro-processing. Skill mapping should be aligned with local industry demand.
8. **Microfinance and Rural Credit Access:** Strengthen microfinance institutions and cooperative banks to provide low-interest credit to SHGs, farmers, and rural artisans.
9. **Support for Start-ups in Rural Areas:** Introduce special incentives and incubation centres to promote youth-led rural enterprises using local resources and traditional crafts.
10. **Gender Equity:** Introduce more targeted initiatives for women entrepreneurs and ensure equal wage distribution under employment schemes.
11. **Health and Education Integration:** Link poverty alleviation with public health and education programmes to break the intergenerational cycle of poverty.
12. **Targeting Vulnerable Groups:** Ensure focused support for Scheduled Castes, Scheduled Tribes, minorities, and differently-abled persons through special components in every scheme.
13. **Link Poverty Alleviation with Sustainable Development Goals (SDGs):** Integrate national programmes with UN SDG targets, particularly SDG 1 (No Poverty), SDG 5 (Gender Equality), and SDG 8 (Decent Work and Economic Growth).

CONCLUSION

India's poverty alleviation policies have gradually transformed from traditional welfare schemes to comprehensive human development programmes. Initiatives such as MGNREGA, PMJDY, PMMY, and PMKVY have significantly improved living standards, employment, and financial security. However, the ultimate success of these programmes depends not merely on the number of beneficiaries or funds allocated but on the quality of implementation, community engagement, and policy adaptability to changing socio-economic conditions. A holistic approach combining economic empowerment, education, health care, and environmental sustainability is essential to achieve the long-term vision of a Poverty-Free and Self-Reliant India.

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