

# Demand for Grants 2021-22 Analysis

## Rural Development

The Ministry of Rural Development is responsible for the development of and welfare activities in rural areas. It aims at increasing livelihood opportunities, providing social safety nets, and improving infrastructure for growth. The Ministry has two departments: (i) rural development, and (ii) land resources. This note presents the budgetary allocations to the Ministry for 2021-22, and analyses various issues related to the schemes implemented by it.

*As 2020-21 had extra-ordinary expenditure on account of Covid-19, we have used annualised increase (CAGR) over the 2019-20 figures for comparison across all our Tables.*

### Allocation in Union Budget 2021-22

The Ministry of Rural Development has the fourth highest allocation across Ministries in 2021-22, at Rs 1,33,690 crore.<sup>1</sup> Table 1 gives the trend in budgetary allocation towards the Ministry over the past three years.

**Table 1: Budgetary allocation to the Ministry of Rural Development (Rs crore)**

Department	Actuals 19-20	RE 20-21	BE 21-22	Annualised change (Actuals 19-20 to BE 21-22)
Rural Development	1,22,098	1,97,377	1,31,519	4%
Land Resources	1,524	1,252	2,170	19%
<b>Total</b>	<b>1,23,622</b>	<b>1,98,629</b>	<b>1,33,690</b>	<b>4%</b>

Note: BE is budget estimate and RE is revised estimate.  
Sources: Demands for Grants 2021-22, Ministry of Rural Development; PRS.

In 2021-22, the Department of Rural Development has been allocated Rs 1,31,519 crore, accounting for 98% of the Ministry's allocation. This is a 4% annual increase over the actual expenditure in 2019-20.

On the other hand, the Department of Land Resources has an allocation of Rs 2,170 crore, which is a 19% annual increase over the actual expenditure in 2019-20. In 2020-21, the Department was allocated Rs 2,251 crore, which decreased by Rs 999 crore (44%) at the revised estimates stage.

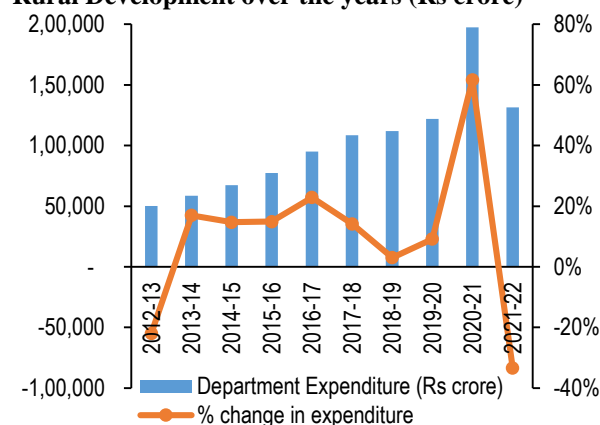
### Department of Rural Development

The Department of Rural Development under the Ministry is responsible for implementation of

schemes targeted at poverty reduction, provision of basic services, employment generation, rural infrastructure, and habitation development.

In the past 10 years, the expenditure of the Department has seen an annual growth of 11.3%. In 2020-21, the Department was allocated Rs 1,20,147 crore, which increased by Rs 77,229 crore (64%) at the revised estimates stage. This was due to increased expenditure on schemes such as MGNREGS and the National Social Assistance Programme, to combat the effects of the Covid-19 pandemic. Thus, in 2021-22 the estimated expenditure is 33% less than the revised estimates for 2020-21.

**Figure 1: Expenditure by the Department of Rural Development over the years (Rs crore)**



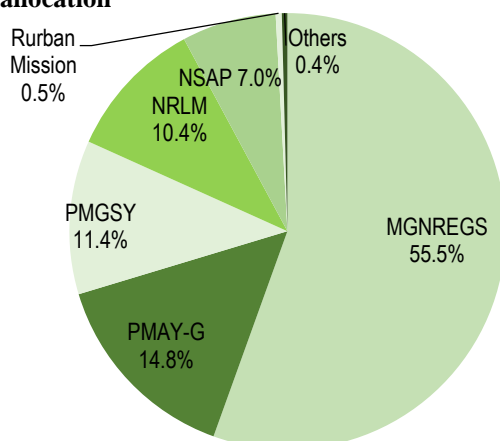
Note: Values for 2020-21 and 2021-22 are revised estimates and budget estimates respectively.  
Sources: Union Budgets 2012-13 to 2021-22; PRS.

The Standing Committee on Rural Development (2020-21) noted that the allocation for the Department has not increased substantially over the past few years.<sup>2</sup> It highlighted that the dearth of funds might be an obstacle to the progress of the schemes under the Department and recommended the Department to seek increased fund allocation.<sup>2</sup>

### Major schemes under the Department

In 2021- 22, 56% of the Department's expenditure is estimated to be on the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). This is followed by the rural component of Pradhan Mantri Awaas Yojana – Gramin (PMAY-G) (15%), and Pradhan Mantri Gram Sadak Yojana (PMGSY) (1%). Figure 2 shows the composition of expenditure of the Department.

**Figure 2: Top expenditure heads in 2021-22, as a percentage of total departmental allocation**



Note: MGNREGS is Mahatma Gandhi National Rural Employment Scheme, PMAY-G is Pradhan Mantri Awas Yojana – Gramin, PMGSY is Pradhan Mantri Gram Sadak Yojana, NRLM is National Rural Livelihood Mission, NSAP is National Social Assistance Program, Others include Rurban Mission, and projects like socio-economic and caste survey. Sources: Demands for Grants 2021-22, Department of Rural Development; PRS.

Table 2 represents the budgetary allocation for major schemes under the Department of Rural Development.

**Table 2: Allocation to various schemes under the Department of Rural Development (Rs crore)**

Scheme	Actuals 19-20	RE 20-21	BE 21-22	Annualised
				change (Actuals 19-20 to BE 21-22)
MGNREGS	71,687	1,11,500	73,000	1%
PMAY-G	18,116	19,500	19,500	4%
PMGSY	14,017	13,706	15,000	3%
NRLM	9,022	9,210	13,678	23%
NSAP	8,692	42,617	9,200	3%
Rurban Mission	304	372	600	41%
Others	259	471	541	44%
<b>Total</b>	<b>1,22,098</b>	<b>1,97,377</b>	<b>1,31,519</b>	<b>4%</b>

Note: BE is budget estimate and RE is revised estimate. Others include projects like management support to rural development programs, socio-economic and caste census survey and centre's expenditure.

Sources: Demands for Grants 2021-22, Department of Rural Development, Ministry of Rural Development; PRS.

- MGNREGS continues to account for more than half of the Department's budget. The funds allocated to it saw a marginal 1% annualised increase over the actual expenditure in 2019-20.
- Funds allocated to the National Rural Livelihood Mission (NRLM) has seen an annualised increase of 23% over the actual expenditure in 2019-20.

## Financial allocations comparing outcomes

### Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)

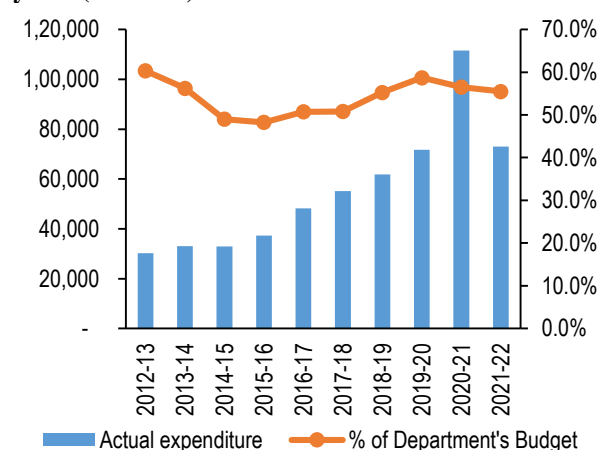
MGNREGS seeks to provide guaranteed 100 days of wage employment per year to every rural household whose adult members volunteer to do unskilled manual work.<sup>3</sup>

The Mahatma Gandhi National Rural Employment Guarantee Act, 2005 specifies a list of works that can be undertaken to generate employment. These are related to water conservation, land development, construction, and agriculture, among others. The scheme at present covers all districts of the country with the exception of those with 100% urban population.<sup>4</sup>

In 2021-22, the scheme has been allocated Rs 73,000 crore. The budget allocation for the scheme was increased by Rs 40,000 crore in 2020-21 (under the Atmanirbhar Bharat package) to address the need for more work during the Covid-19 pandemic including for returning migrant workers during the lockdown.<sup>5</sup>

**Budgeted versus actual expenditure:** Figure 3 shows the expenditure on the scheme from 2012-13 to 2021-22.

**Figure 3: Expenditure on MGNREGS over the years (Rs crore)**



Note: Values for 2020-21 are revised estimates and values for 2021-22 are budgeted estimates.

Sources: Union Budgets from 2012-13 to 2021-22; PRS.

The actual expenditure on the scheme from 2015-16 to 2019-20 has been higher than the budget estimates for the year. However, in 2020-21, the revised estimate is 81% higher than the budgeted estimate to provide for employment initiatives during the Covid-19 pandemic. Table 3 shows the trends in allocation and actual expenditure on MGNREGS over the past nine years.

**Table 3: Budgeted versus actual expenditure on MGNREGS (Rs crore)**

Year	Budgeted	Actuals	% of Budgeted
2012-13	33,000	30,273	92%
2013-14	33,000	32,992	100%
2014-15	34,000	32,977	97%
2015-16	34,699	37,341	108%
2016-17	38,500	48,215	125%
2017-18	48,000	55,166	115%
2018-19	55,000	61,815	112%
2019-20	60,000	71,687	119%
2020-21	61,500	1,11,500	181%
2021-22	73,000	-	-

Note: The 'actuals' figure for 2020-21 is the revised estimate.  
Sources: Union Budgets from 2012-13 to 2021-22; PRS.

**Demand for work:** MGNREGS is a demand driven scheme. From 2015-16 to 2019-20, the average demand from registered households was 42% (in the range of 40% to 43%). However, in 2020-21, the demand for work under the scheme increased to 51% of the registered households. The share of households that were provided employment as compared to the ones demanding employment, reduced slightly from 90% in 2015-16 to 87% in 2020-21.<sup>6</sup>

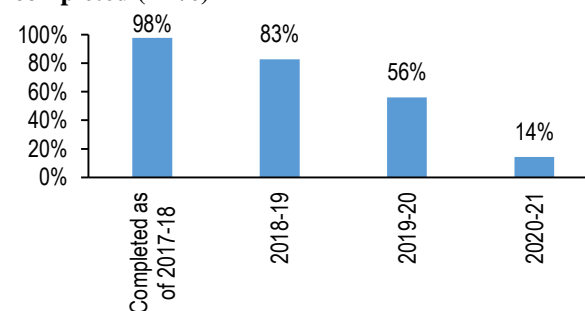
**Employment provided:** The scheme guarantees 100 days of employment. However, from 2016-17 to 2020-21, the average number of days of employment has been 47 days, with a maximum of 51 days of employment in 2018-19. As MGNREGS is a demand driven scheme, this could be either due to lower demand for such work (signalling sufficient opportunities to obtain work in the open market) or not providing employment when demanded.

**Table 4: Average days of employment provided per household**

Year	Employment days / household
2016-17	46
2017-18	46
2018-19	51
2019-20	48
2020-21	46

Sources: MGNREGS MIS Report 2018-19; PRS.

**Work Completed:** The scheme also aims to create durable assets to improve rural livelihood through the work done while providing employment. As indicated in figure 4, the percentage of work completed under the scheme has been falling for the last four years. In 2020-21 (as of February 2021) percentage of work completed was at 14%.

**Figure 4: Percentage of work completed (in %)**

Sources: MGNREGS MIS Report (as on February 8, 2021); PRS.

**Delayed payments:** MGNREGS stipulates that wage payments must be made within 15 days of the date of closure of the muster roll.<sup>4</sup> Delays in payments are calculated from the 16<sup>th</sup> day onwards. Table 5 shows the percentage of delayed payments out of the total payments over the past six years. It also indicates the number of days by which payments were delayed. As shown in the table, the proportion of delayed payments has reduced from 63% in 2015-16 to 2% in 2020-21. The Economic Survey 2018-19, stated that the implementation of direct benefit transfers has helped in reducing delays in payments.<sup>7</sup>

**Table 5: Trends in delayed payment of wages under MGNREGS (in %)**

Year	% Delayed Payment	Composition of delayed payments(%)			
		>90 days	61-90	31-60	15-30
2015-16	63.1%	9.5%	8.1%	19.0%	26.5%
2016-17	56.6%	14.2%	8.4%	15.9%	18.1%
2017-18	15.5%	1.8%	0.9%	3.6%	9.2%
2018-19	10.5%	1.9%	0.7%	2.0%	5.8%
2019-20	6.2%	1.8%	0.7%	1.1%	2.6%
2020-21	2.0%	0.3%	0.2%	0.4%	1.1%

Sources: MGNREGS MIS Report, Delayed Payments (as on February 8, 2021); PRS.

**Unemployment allowance:** Currently under MGNREGS, unemployment allowance (if employment is not provided by the state government within 15 days of application) is paid from state government funds.<sup>3</sup> A CAG report (2013) on the scheme states that this puts an additional burden on the states.<sup>8</sup> It suggested that the Ministry of Rural Development should consider partial reimbursement of unemployment allowance.<sup>8</sup>

Further, the Standing Committee on Rural Development (2020) noted that in the financial year 2019-20, only four states had paid unemployment allowances to the tune of Rs 12,000 (in total).<sup>2</sup> It expressed doubts on

whether all other job seekers were provided jobs in the stipulated time and noted this as states not providing the unemployment allowance.<sup>2</sup> It recommended that the Department of Rural Development devise measures to oversee the implementation of the provision of unemployment allowance.<sup>2</sup>

**Indexing of minimum wage rate:** The minimum wage rate under the scheme is fixed by the central government on the basis of the Consumer Price Index-Agricultural Labourers (CPI-AL). If this is not available, the minimum wage rate fixed by the states for agricultural labourers is considered.<sup>9</sup> The Standing Committee on Rural Development (2020) noted that the wage rate under MGNREGS is much less than the minimum wages fixed by states.<sup>2</sup> Further, the agricultural labourers receive wages higher than the MGNREGS workers. The Committee noted that this may be discouraging labourers from enrolling under MGNREGS and migrating to cities for work.<sup>2</sup> It recommended increasing the minimum wages under MGNREGS periodically after taking inflation into account.<sup>2</sup>

The Committee on Alignment of MGNREGS wages under the Ministry of Rural Development (2017) also noted that the type of work done by agricultural labourers and MGNREGS workers is different.<sup>10</sup> Thus, there should be difference in their minimum wages. It also noted that the Consumer Price Index-Rural was more recent and provided for higher expenditure on education and medical care compared to CPI-AL.<sup>10</sup> It recommended using CPI-Rural instead of the existing CPI-AL for revising MGNREGS wages.<sup>10</sup>

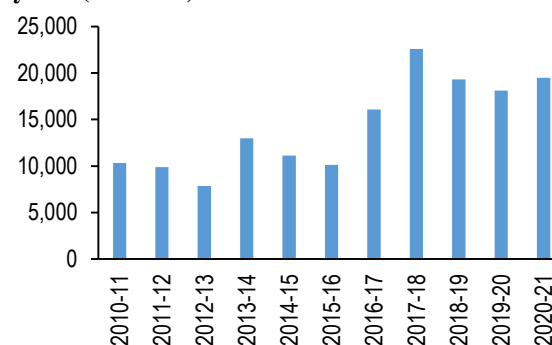
Further, every state has its defined Schedule of Rates for defining work output and calculating wages, thus the wage can be different for every state. The Standing Committee on Rural Development (2020) noted the existing disparity in MGNREGS wages in various states.<sup>2</sup> The Committee on Alignment of MGNREGS (2017) noted that this variation is not desirable for a programme where wage component is fully funded by the centre. It recommended convergence on Schedule of Rates across states to avoid variation.<sup>10</sup>

### Pradhan Mantri Awaas Yojana- Gramin

Pradhan Mantri Awaas Yojana- Gramin (PMAY-G) has the second highest allocation in the Department's budget in 2021-22. The funds allocated to the scheme (Rs 19,500 crore) comprise 15% of the Department's finances.

In the past eleven years, the expenditure on the scheme has seen an average annual growth of 7%.

**Figure 5: Expenditure on PMAY-G over the years (Rs crore)**

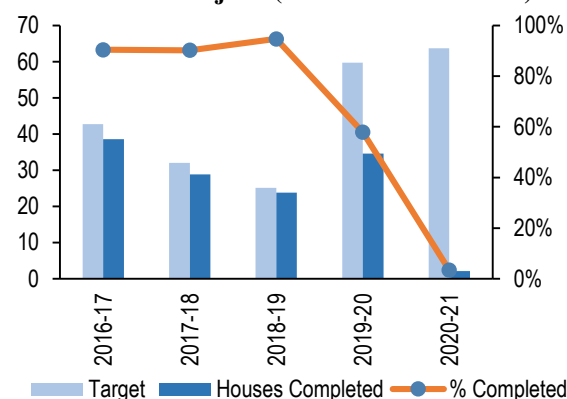


Note: Value for 2020-21 is revised estimate.

Sources: Union Budgets from 2010-11 to 2021-22; PRS.

**Target construction of houses:** Figure 6 shows the number of houses completed compared to the target construction in the last five years. The construction rate has been lower than the target for all these years. However, the construction rate declined substantially in 2019-20 and 2020-21. Till October 2020, the completion rate for 2020-21 was at 3%. This may be due to the inability to carry out construction due to the lockdown enforced due to the Covid-19 pandemic.

**Figure 6: Construction performance of Pradhan Mantri Awaas Yojana (no. of houses in lakhs)**



Note: Data for 2020-21 is as of October 30, 2020.

Sources: Awaassoft (MIS), PMAY-G; PRS.

The Standing Committee on Rural Development (2020) noted the slow pace of progress under the scheme.<sup>2</sup> It observed that one of the biggest hurdles for the timely completion of houses, is delay in the release of instalments under PMAY-G to beneficiaries. It recommended the Department of Rural Development to streamline the method for the timely release of instalments and explore ways to ensure that construction of houses is completed within the targeted time frame.<sup>2</sup>

### Increase in financial assistance under PMAY-G:

Under PMAY-G, financial assistance of Rs 1,20,000 in plain areas and Rs 1,30,000 in hilly areas is provided to rural BPL households for construction of a dwelling unit. The Standing Committee on Rural Development (2019) noted

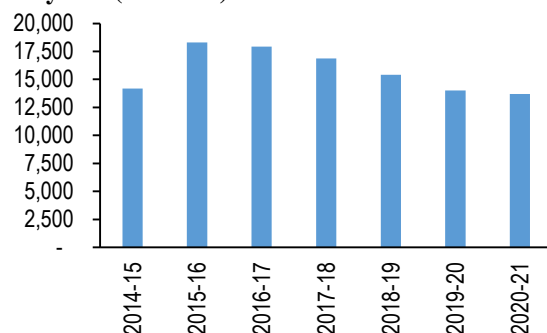
that the financial assistance provided is not proportionate with the rising inflationary cost of the construction, material and other aspects of house building.<sup>11</sup> Further, Standing Committee on Rural Development (2020-21) noted the disparity in assistance for constructing a house in rural and urban areas (assistance of about Rs 2,50,000 per house).<sup>2</sup> It noted that there are several logistical issues in rural areas that may not be there in urban areas. It recommended the Ministry to increase the assistance provided by them under the PMAY-G scheme and bring parity between the per-unit assistance in rural and urban areas.<sup>2,11</sup>

### Pradhan Mantri Gram Sadak Yojana

Pradhan Mantri Gram Sadak Yojana (PMGSY) seeks to provide all-weather road connectivity to all eligible unconnected habitations, existing in the core network in rural areas of the country. The scheme has been allocated Rs 15,000 crore in 2021-22, accounting for 11.4% of the Department's budget.

As Figure 7 indicates, the expenditure on the scheme has been decreasing since 2015-16.

**Figure 7: Expenditure on PMGSY over the years (Rs crore)**



Note: Value for 2020-21 is the revised estimates.  
Sources: Union Budgets from 2014-15 to 2021-22; PRS.

**Underutilisation of funds:** Table 6 shows the trends in allocation and actual estimates of expenditure on PMGSY. Since 2017-18, there has been significant underutilisation of funds.

**Table 6: Budgeted versus actual expenditure on PMGSY (Rs crore)**

Year	Budgeted	Actuals	% of Budgeted
2014-15	14,391	14,188	99%
2015-16	14,291	18,290	128%
2016-17	19,000	17,923	94%
2017-18	19,000	16,862	89%
2018-19	19,000	15,414	81%
2019-20	19,000	14,017	74%
2020-21	19,500	13,706	70%
2021-22	15,000	-	-

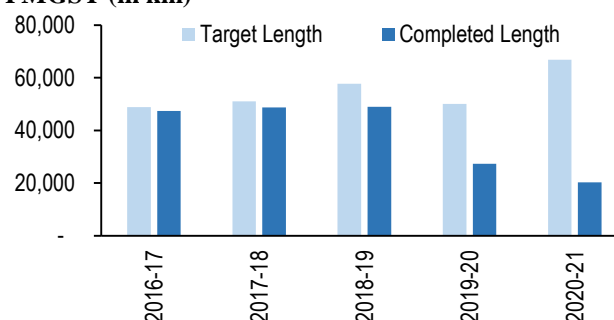
Note: The 'Actuals' figure for 2020-21 is the revised estimate.  
Sources: Union Budgets from 2014-15 to 2021-22; PRS.

**Slow pace of work:** The Standing Committee on Rural Development (2020-21) noted that the pace of work under the scheme has been slow, especially in hilly states like Uttarakhand.<sup>2</sup> It noted that the delay in approval of Detailed Project Reports is the main cause for the slow pace of the scheme. It recommended that the Department of Rural Development ensure timely preparation and approval of Detailed Project Reports and increase the pace of completion of projects.<sup>2</sup>

### Difference between targets and achievements:

Figures 8 and 9 give details of length of roads constructed and habitations connected in the last five years, under the scheme.

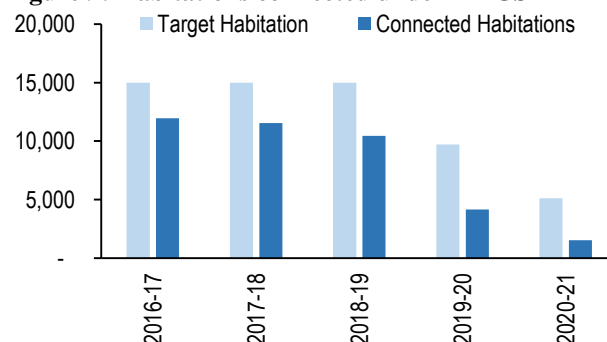
**Figure 8: Length of road constructed under PMGSY (in km)**



Note: Data for 2020-21 is as of February 4, 2021.  
Sources: Pradhan Mantri Gram Sadak Yojana Online Management, Monitoring and Accounting System (OMMAS), Ministry of Rural Development; PRS.

Since 2016-17, the Ministry has not been able to achieve its targets for both the number of habitations to be connected and the road length to be constructed. Between April 2020 and Feb 2021, only 30% of the targets for roads to be constructed and target habitations to be connected were completed. While slow pace of construction in 2020-21 could be attributed to the Covid-19 induced lockdown, note that the rate of construction was low in 2019-20 as well (54% of target length was completed and 43% of target habitations were connected).

**Figure 9: Habitations connected under PMGSY**



Note: Data for 2020-21 is as of February 4, 2021.  
Sources: Pradhan Mantri Gram Sadak Yojana Online Management, Monitoring and Accounting System (OMMAS), Ministry of Rural Development; PRS.



**Maintenance of roads:** For ensuring sustainability of roads built under PMGSY, each contractor has to provide for: (i) defect liability for five years, and (ii) paid routine maintenance after completion of work. The Standing Committee on Rural Development (2020-21) noted that the upkeep and maintenance of roads has been poor. It recommended the Ministry to ensure stricter norm compliance and hold the contractors and agencies accountable for their negligence.<sup>2</sup>

### National Social Assistance Program

National Social Assistance Program (NSAP) is a welfare program comprising of sub-schemes aimed at providing public assistance to citizens in case of unemployment, old age, sickness, and any form of disability. The major schemes include Indira Gandhi National Old Age Pension Scheme, Indira Gandhi National Widow Pension Scheme, and Indira Gandhi National Disability Pension Scheme.

In 2021-22, the scheme has been allocated Rs 9,200 crore (7% of the Department's finances), which is a 4% annualised increase over the actual expenditure in 2019-20. The expenditure on the scheme was increased substantially in 2020-21, owing to Rs 30,957 crore spent on direct benefit transfers to women account holders of Pradhan Mantri Jan Dhan Yojana (Rs. 500 for three months).<sup>12</sup> This was an initiative under the PM Garib Kalyan Package to combat the economic effects of the Covid-19 pandemic.

Table 7 shows the budget estimates and actual expenditure under the scheme from 2014-15 to 2020-21. It can be noted that the allocation towards the scheme has been similar since 2014-15.

**Table 7: Expenditure under NSAP (Rs crore)**

Year	Budgeted	Actuals	% of Budgeted
2014-15	10,635	7,087	67%
2015-16	9,082	8,616	95%
2016-17	9,500	8,854	93%
2017-18	9,500	8,694	92%
2018-19	9,975	8,418	84%
2019-20	9,200	8,692	94%
2020-21	9,197	42,617	463%
2021-22	9,200	-	-

Note: The 'Actuals' figure for 2020-21 is the revised estimate. Sources: Union Budgets from 2014-15 to 2021-22; PRS.

**Increase of assistance amount:** The Standing Committee on Rural Development (2020-21) noted that the assistance amount (ranging from Rs 200 to Rs 500 per month) under the different components of the scheme is inadequate.<sup>2</sup> It recommended the Department of Rural Development to increase the assistance amounts under the scheme.<sup>2</sup>

### National Rural Livelihoods Mission

National Rural Livelihoods Mission (NRLM) aims to reduce poverty through promotion of diversified and gainful self-employment and skilled wage employment opportunities. In 2021-22, the funds allocated to the scheme (Rs 13,678 crore) comprise 10.4% of the Department's finances.

Table 8 shows the actual expenditure by states under the scheme from 2012-13 to 2019-20.

**Table 8: Expenditure under NRLM (Rs crore)**

Year	Budgeted	Actuals	% of Budgeted
2012-13	3,915	2,195	56%
2013-14	4,000	2,022	51%
2014-15	4,000	1,413	35%
2015-16	2,505	2,514	100%
2016-17	3,000	3,157	105%
2017-18	4,500	4,327	96%
2018-19	5,750	5,783	101%
2019-20	9,024	9,022	100%
2020-21	9,210	9,210	100%
2021-22	13,678	-	-

Note: From 2015-16, allocation to start-up village entrepreneurship program has also been included. Sources: Union Budgets from 2012-13 to 2021-22; PRS.

### Department of Land Resources

The Department of Land Resources aims to increase productivity of degraded land through the process of integrated watershed management. It also aims to develop an integrated land information management system to improve real-time information on land, and to optimise use of land resources.

The Department of Land Resources implements two key schemes: (i) Integrated Watershed Development Component of Pradhan Mantri Krishi Sinchai Yojana (WDC-PMKSY), and (ii) Digital India Land Records Modernisation Programme (DILRMP).

In 2021-22, the Department was allocated Rs 2,170 crore, which is a 19% annualised increase over the actual expenditure in 2019-20.

**Table 9: Budgetary allocation to the Department of Land Resources (Rs crore)**

Major Heads	Actuals 19-20	Revised 20-21	Budgeted 21-22	Annualised change (Actuals 19-20 to BE 21-22)
WDC - PMKSY	1,467	1,000	2,000	17%
DILRMP	44	238	150	85%
Secretariat	13	14	20	28%
<b>Total</b>	<b>1,524</b>	<b>1,252</b>	<b>2,170</b>	<b>19%</b>

Note: WDC - Watershed Development Component PMKSY is Pradhan Mantri Krishi Sinchai Yojana. DILRMP is Digital India Land Records Modernisation Programme. BE is budget estimate and RE is revised estimate.

Sources: Demands for Grants 2021-22, Department of Land Resources, Ministry of Rural Development; PRS.

### Watershed Development Component of Pradhan Mantri Krishi Sinchai Yojana

The Integrated Watershed Management Programme aims to develop rain fed portions of net cultivated area and culturable wastelands.<sup>13</sup> In 2015, it was subsumed as one of the components of Pradhan Mantri Krishi Sinchayee Yojana (PMKSY).

The activities under Watershed Development Component are drainage line treatment, soil and moisture conservation, rain water harvesting, and afforestation, among others.

The scheme received the highest allocation of Rs 2,000 crore (92%) under the Department's budget. Table 10 shows the actual expenditure under the scheme from 2015-16 to 2020-21. Note that there is under-utilisation of the budgeted amounts for the last five years.

**Table 10: Expenditure under WDC-PMKSY (Rs crore)**

Year	Budgeted	Actuals	% of Budgeted
2015-16	1,530	1,527	100%
2016-17	1,550	1,510	97%
2017-18	2,150	1,671	78%
2018-19	2,251	1,786	79%
2019-20	2,066	1,467	71%
2020-21	2,000	1,000	50%
2021-22	2,000	-	-

Note: The 'Actuals' figure for 2020-21 is revised estimate. Sources: Union Budgets from 2015-16 to 2021-22; PRS.

**Completion of projects:** The Standing Committee on Rural Development (2020-21) noted the slow pace of completion of projects under the scheme.<sup>2</sup> As of November 2020, of the 8,214 sanctioned projects, 4,486 (55%) projects have been reported completed.<sup>14</sup> The Committee recommended accelerating the pace of project completion.<sup>2</sup>

### Digital India Land Records Modernisation Programme (DILRMP)

DILRMP is a part of the Digital India initiative.<sup>15</sup> The scheme was changed into a Central Sector Scheme in April 2016.<sup>16</sup> With this change, the scheme is now implemented by the central government with 100% of the grants coming from the centre.

The major components of the programme include: (i) computerisation of all existing land records, (ii) digitisation of maps, (iii) survey/re-survey, and updating of all settlement records, and (iv) computerisation of registration and its integration with the land records maintenance system.

In 2021-22, the programme has been allocated Rs 150 crore, which is an 85% annualised increase over the actual expenditure in 2019-20. Table 11 shows the trends in allocation and actual expenditure on the programme over the past six years. Note that there is significant underspending across all the years except 2020-21.

**Table 11: Budgeted versus actual expenditure on DILRMP (Rs crore)**

Year	Budgeted	Actuals	% of Budgeted
2015-16	90	40	44%
2016-17	150	139	93%
2017-18	150	93	62%
2018-19	250	68	27%
2019-20	150	44	29%
2020-21	239	238	100%
2021-22	150	-	-

Note: The 'utilised' figure for 2020-21 is the revised estimate. Sources: Union Budgets 2015-16 to 2021-22; PRS.

### Progress of components under DILRMP:

DILRMP is currently being implemented in all states, but with differential progress.<sup>17</sup>

Land records have been computerised for 91% of the villages.<sup>17</sup> However, the mutation records (recording the transfer of ownership) have been computerised for only 71% of the villages.<sup>17</sup> This means that the remaining 27% of the villages do not have updated records with the current data on ownership. If the intent of digitising records is to have easy access to correct data, real time updating of property records becomes essential.

Further, real time updation of Record of Right (RoR) and maps has been done for only 30% of the villages.<sup>17</sup> The RoR is the primary record that shows how rights on land are derived for the land owner, and records the property's transactions from time to time. 30 states/ UTs have started issuing digitally signed RoRs.<sup>17</sup>

**Slow pace of work:** The Standing Committee on Rural Development (2020-21) noted that the work under the programme is being completed at a slow

pace.<sup>2</sup> It recommended the Ministry to ensure expeditious completion of modernisation of land records in all states.<sup>2</sup>

<sup>1</sup> Demand No. 86, Department of Rural Development, Ministry of Rural Development, Union Budget 2021-22, <https://www.indiabudget.gov.in/doc/eb/sbe86.pdf>; Demand No. 87, Department of Land Resources, Ministry of Rural Development, Union Budget 2021-22, <https://www.indiabudget.gov.in/doc/eb/sbe87.pdf>.

<sup>2</sup> “Standing Committee on Rural Development, Demand for Grants 2020-21, Department of Rural Development, Ministry of Rural Development”, [http://164.100.47.193/lssccommittee/Rural%20Development/17\\_Rural\\_Development\\_4.pdf](http://164.100.47.193/lssccommittee/Rural%20Development/17_Rural_Development_4.pdf).

<sup>3</sup> The National Rural Employment Guarantee Act, 2005 [https://nrega.nic.in/amendments\\_2005\\_2018.pdf](https://nrega.nic.in/amendments_2005_2018.pdf).

<sup>4</sup> Mahatma Gandhi National Rural Employment Guarantee Act, 2005, Operational Guideline 2013, [https://nrega.nic.in/Circular\\_Archive/archive/Operational\\_guidelines\\_4thEdition\\_eng\\_2013.pdf](https://nrega.nic.in/Circular_Archive/archive/Operational_guidelines_4thEdition_eng_2013.pdf).

<sup>5</sup> 15<sup>th</sup> Finance Commission Report, Volume III, February 1, 2021, [file:///C:/Users/Prs/Downloads/XVFC%20Complete\\_Report.pdf](file:///C:/Users/Prs/Downloads/XVFC%20Complete_Report.pdf)

<sup>6</sup> MNREGA MIS Report, 2015-16 to 2021-22, Ministry of Rural Development, <http://mnregaweb4.nic.in/netnrega/MISreport4.aspx>.

<sup>7</sup> Effective use of technology for welfare schemes – Case of MGNREGS. Economic Survey 2018-19, Volume I. [https://www.indiabudget.gov.in/economicsurvey/doc/vol1chapter/echap10\\_Vol1.pdf](https://www.indiabudget.gov.in/economicsurvey/doc/vol1chapter/echap10_Vol1.pdf).

<sup>8</sup> “Report No. 6, Performance Audit of Mahatma Gandhi National Rural Employment Guarantee Scheme”, Comptroller and Auditor General of India, 2013, [http://www.cag.gov.in/sites/default/files/audit\\_report\\_files/Union\\_Performance\\_Civil\\_Ministry\\_Rural\\_Development\\_6\\_2013.pdf](http://www.cag.gov.in/sites/default/files/audit_report_files/Union_Performance_Civil_Ministry_Rural_Development_6_2013.pdf).

<sup>9</sup> The National Rural Employment Guarantee Act, 2005, [https://nrega.nic.in/amendments\\_2005\\_2018.pdf](https://nrega.nic.in/amendments_2005_2018.pdf).

<sup>10</sup> “Report of the Committee on Alignment of MGNREGA Wages with Minimum Agricultural Wages.” July, 2017. Ministry of Rural Development, MGNREGA Division. <http://www.im4change.org/siteadmin/tinymce/uploaded/Draft%20report%20of%20Nagesh%20Singh%20Committee%20July%202017.pdf>.

<sup>11</sup> “Standing Committee on Rural Development, 2019-20, Department of Land Resources, Ministry of Rural

Development” [http://164.100.47.193/lssccommittee/Rural%20Development/17\\_Rural\\_Development\\_3.pdf](http://164.100.47.193/lssccommittee/Rural%20Development/17_Rural_Development_3.pdf).

<sup>12</sup> “Direct cash transfer to women PMJDY account holders under PM Garib Kalyan Package for the month of April 2020 in the light of COVID-19 pandemic”, Ministry of Rural Development, April 3, 2020.

<sup>13</sup> Programme Details, Watershed Development Component Of Pradhan Mantri Krishi Sinchai Yojana (WDC-PMKSY), Department Of Land Resources, Ministry of Rural Development <https://dolr.gov.in/programme-schemes/pmkSY/watershed-development-component-pradhan-mantri-krishi-sinchai-yojana-wdc-pmkSY>.

<sup>14</sup> Unstarred Question no. 1587, Ministry of Agriculture and Farmer Welfare, September 2020, <http://164.100.24.220/loksabhaquestions/annex/174/AU1587.pdf>.

<sup>15</sup> Digital India Land Records Modernization Program, Department of Land Resources, Ministry of Rural Development, <http://nlrmp.nic.in/faces/common/home.xhtml>.

<sup>16</sup> “Rationalization of Centrally Sponsored Scheme DILRMP as Central Sector Scheme”, Department of Land Resources, Ministry of Rural Development, September 22, 2016. <http://dolr.nic.in/dolr/downloads/PDFs/DILRMP%20Clarifications%202016-09-22.pdf>.

<sup>17</sup> “Digital India Land Records Modernization Programme – MIS, last accessed on February 11, 2021, <http://dilrmp.gov.in/#>.

DISCLAIMER: This document is being furnished to you for your information. You may choose to reproduce or redistribute this report for non-commercial purposes in part or in full to any other person with due acknowledgement of PRS Legislative Research (“PRS”). The opinions expressed herein are entirely those of the author(s). PRS makes every effort to use reliable and comprehensive information, but PRS does not represent that the contents of the report are accurate or complete. PRS is an independent, not-for-profit group. This document has been prepared without regard to the objectives or opinions of those who may receive it.