

Grassroots Democracy and Rural Housing Delivery: The Role of Local Governance Institutions in the Implementation of Pradhan Mantri Awaas Yojana–Gramin (PMAY-G)

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Abstract

The success of rural development programmes depends significantly upon the effectiveness of local governance institutions responsible for their implementation. The Pradhan Mantri Awaas Yojana–Gramin (PMAY-G), launched in 2016 with the objective of providing pucca houses to eligible rural households, relies extensively on decentralized administrative structures for beneficiary identification, implementation monitoring, grievance redressal, and community participation. Panchayati Raj Institutions (PRIs), particularly Gram Sabhas and Gram Panchayats, occupy a central position in the governance architecture of the programme. Their involvement reflects broader constitutional commitments to democratic decentralization and participatory development following the 73rd Constitutional Amendment Act of 1992.

This paper examines the role of local governance institutions in the implementation of PMAY-G with particular emphasis on beneficiary selection, social accountability, programme monitoring, and service delivery outcomes. Drawing upon theories of decentralization, participatory governance, and local self-government, the study adopts a qualitative and analytical approach based on secondary sources including government reports, policy documents, audit reports, and scholarly literature. The paper argues that local governance institutions serve as critical intermediaries between the state and rural citizens, enhancing programme legitimacy, transparency, and responsiveness.

The study finds that Gram Sabhas and Panchayats contribute significantly to beneficiary verification, grievance resolution, and community monitoring. However, their effectiveness is often constrained by administrative capacity limitations, political interference, resource shortages, and socio-economic inequalities. The paper concludes that strengthening local governance institutions is essential for improving the effectiveness and inclusiveness of PMAY-G and for advancing broader objectives of democratic decentralization and rural development.

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1. Introduction

Decentralization has emerged as one of the most influential governance reforms adopted by developing countries in recent decades. The transfer of administrative responsibilities, financial resources, and decision-making authority from central governments to local institutions is widely regarded as an effective strategy for improving public service delivery, enhancing citizen participation, and promoting democratic accountability (Rondinelli, 1981; Manor, 1999). In India, decentralization acquired constitutional status through the 73rd Constitutional Amendment Act, 1992, which established Panchayati Raj Institutions (PRIs) as the foundation of local self-government in rural areas.

The constitutional recognition of Panchayats represented a significant shift in India's development strategy. Rather than viewing local institutions merely as administrative agents of higher levels of government, the amendment envisioned them as democratic bodies capable of planning and implementing development programmes responsive to local needs. The Gram Sabha, Gram Panchayat, Panchayat Samiti, and Zila Parishad were expected to facilitate citizen participation, ensure accountability, and strengthen grassroots democracy.

The significance of local governance institutions has become increasingly evident in the implementation of welfare and development programmes. Effective service delivery often depends not only on policy design but also on the capacity of local institutions to identify beneficiaries, mobilize communities, monitor implementation, and address grievances. Consequently, scholars of public administration and development studies have emphasized the critical role of local governance in bridging the gap between state policies and citizen needs (Crook & Manor, 1998).

The Pradhan Mantri Awaas Yojana–Gramin (PMAY-G), launched in 2016, provides an important context for examining the role of local governance institutions in rural development. Designed to provide pucca houses with basic amenities to eligible rural households, PMAY-G represents one of India's largest social welfare programmes. While the programme incorporates advanced digital governance mechanisms such as AwaasSoft, geo-tagging, and Direct Benefit Transfer (DBT), its implementation remains heavily dependent on local institutions.

Gram Sabhas plays a crucial role in validating beneficiary lists generated through the Socio-Economic and Caste Census (SECC) database. Gram Panchayats facilitate beneficiary verification, support programme implementation, and assist in grievance redressal. Intermediate and district-level Panchayati Raj Institutions contribute to coordination, supervision, and monitoring activities. Thus, PMAY-G combines digital governance with decentralized governance, creating an institutional framework in which technology and local democracy operate simultaneously.

The involvement of local governance institutions is particularly important because housing delivery is not merely a technical exercise. Housing programmes often involve issues of social inclusion, local power relations, land ownership, community participation, and resource allocation. Decisions regarding beneficiary eligibility can have significant social and political implications. Consequently, the participation of local institutions is expected to enhance programme legitimacy, accountability, and responsiveness.

However, the effectiveness of local governance institutions varies considerably across regions. While decentralization can improve service delivery, it may also be affected by challenges such as elite capture, political interference, inadequate financial resources, limited administrative capacity, and social inequalities (Bardhan & Mookherjee, 2006). The implementation of PMAY-G therefore provides an opportunity to examine both the strengths and limitations of grassroots governance in contemporary India.

This paper seeks to analyse the role of local governance institutions in the implementation of PMAY-G. It examines how Panchayati Raj Institutions contribute to beneficiary identification, programme monitoring, social accountability, and service delivery. The study further evaluates the challenges faced by local institutions and explores policy measures for strengthening decentralized governance in rural housing programmes.

Research Objectives

1. To examine the role of Panchayati Raj Institutions in the implementation of PMAY-G.
2. To analyse the contribution of Gram Sabhas and Gram Panchayats to beneficiary identification and programme monitoring.
3. To evaluate the effectiveness of local governance institutions in promoting transparency and accountability.
4. To identify challenges affecting decentralized implementation of PMAY-G.



5. To suggest policy measures for strengthening grassroots governance in rural housing delivery.

Research Methodology

The study adopts a qualitative and analytical research design based on secondary data. Information is drawn from government reports, PMAY-G implementation guidelines, reports of the Ministry of Rural Development, Panchayati Raj policy documents, Comptroller and Auditor General reports, and relevant scholarly literature. The analysis is informed by theories of decentralization, participatory governance, and democratic local self-government.

2. Literature Review and Theoretical Framework

2.1 Literature Review

The role of local governance institutions in development administration has been a major subject of academic inquiry for several decades. Scholars have argued that centralized administrative systems often struggle to respond effectively to local needs because decision-making processes are removed from the communities they seek to serve. Decentralization emerged as an alternative governance strategy aimed at improving responsiveness, participation, accountability, and service delivery by transferring authority from central governments to local institutions (Rondinelli, 1981).

Rondinelli (1981) defines decentralization as the transfer of planning, decision-making, and administrative authority from central governments to lower levels of administration. According to this perspective, local institutions possess greater knowledge of local conditions and are therefore better positioned to identify community needs and implement development programmes effectively. Decentralization is expected to improve efficiency, increase citizen participation, and enhance governmental legitimacy.

The relationship between decentralization and development has been extensively explored by Manor (1999), who argues that democratic decentralization can strengthen governance by bringing government closer to citizens. Local governments are more accessible to citizens than distant bureaucratic institutions and are therefore more likely to be responsive to local concerns. Manor's work highlights the importance of political accountability and citizen participation in improving development outcomes.

Similarly, Crook and Manor (1998) emphasize that local governance institutions can play a critical role in service delivery by facilitating community involvement and improving administrative responsiveness. Their comparative studies indicate that decentralized governance structures often contribute to more



effective implementation of public programmes, particularly when local institutions possess adequate resources and authority.

The literature on participatory governance further reinforces the importance of citizen involvement in development administration. Participatory governance refers to institutional arrangements that enable citizens to engage directly in decision-making processes affecting their lives (Fung & Wright, 2003). Scholars argue that participation enhances programme legitimacy, improves accountability, and promotes more equitable distribution of public resources.

Elinor Ostrom's work on collective action and local governance provides additional theoretical support for decentralized development administration. Ostrom (1990) demonstrates that local communities can effectively manage common resources and public affairs when appropriate institutional arrangements are established. Her research challenges assumptions that centralized bureaucracies are inherently superior to local governance structures and highlights the value of community participation in governance processes.

In the Indian context, decentralization acquired constitutional significance through the 73rd Constitutional Amendment Act, 1992. The amendment established Panchayati Raj Institutions (PRIs) as constitutionally recognized local self-government bodies and sought to deepen democratic participation at the grassroots level (Mathew, 1994). The amendment created a three-tier Panchayati Raj system comprising Gram Panchayats, Panchayat Samitis, and Zila Parishads while recognizing the Gram Sabha as the foundation of participatory democracy.

Scholars of Indian local governance have extensively examined the implications of democratic decentralization. Mathew (1994) argues that Panchayati Raj Institutions represent one of the most significant democratic reforms in post-independence India. By providing institutional spaces for citizen participation, Panchayats have the potential to improve accountability and strengthen local development planning.

However, the literature also identifies several challenges affecting decentralized governance. Bardhan and Mookherjee (2006) caution that decentralization may be vulnerable to elite capture, political patronage, and local inequalities. In some contexts, local elites may dominate decision-making processes and influence resource allocation to their advantage. Consequently, the effectiveness of decentralization depends not only on institutional design but also on broader socio-political conditions.



Research on Panchayati Raj Institutions reveals mixed outcomes regarding their effectiveness in service delivery. Some studies report positive impacts on citizen participation, accountability, and local development (Chattopadhyay & Duflo, 2004). Others highlight persistent constraints arising from inadequate financial resources, administrative dependence on higher levels of government, limited technical capacity, and political interference (Oommen, 2004).

The implementation of welfare programmes has become an important arena for examining the functioning of local governance institutions. Programmes such as the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), National Rural Health Mission (NRHM), and Swachh Bharat Mission have relied extensively on Panchayati Raj Institutions for implementation and monitoring. Studies indicate that local institutions can improve beneficiary targeting and community participation when appropriate accountability mechanisms are in place (Aiyar & Samji, 2009).

The literature on rural housing programmes similarly emphasizes the importance of local governance. Housing assistance programmes involve beneficiary identification, community verification, resource allocation, and monitoring activities that require local knowledge and citizen participation. Scholars argue that local institutions are often better positioned than centralized bureaucracies to identify genuinely needy households and monitor programme implementation (Gilbert, 2004).

Within the context of PMAY-G, Panchayati Raj Institutions occupy a central role in programme governance. The Ministry of Rural Development (2016) assigns important responsibilities to Gram Sabhas and Gram Panchayats in beneficiary verification, public disclosure, monitoring, and grievance redressal. Beneficiary lists generated through SECC data are subject to validation by Gram Sabhas, reflecting the programme's commitment to participatory decision-making.

Recent studies on PMAY-G suggest that local governance institutions contribute significantly to programme legitimacy and accountability. Community verification processes help reduce errors in beneficiary selection and enhance public trust in programme implementation. At the same time, researchers identify challenges relating to local political dynamics, capacity limitations, and uneven participation levels (Dreze & Khera, 2017).

Despite the growing literature on PMAY-G, relatively few studies have focused specifically on the role of Panchayati Raj Institutions in programme implementation. Much of the existing research emphasizes digital governance mechanisms such as geo-tagging, AwaasSoft, and Direct Benefit Transfer systems.

Consequently, there remains a need for greater scholarly attention to the interaction between digital governance and decentralized governance structures.

This study seeks to address that gap by examining how local governance institutions contribute to PMAY-G implementation and how decentralization influences programme outcomes. By focusing on beneficiary selection, monitoring, accountability, and service delivery, the study contributes to broader debates regarding the effectiveness of grassroots governance in rural development administration.

2.2 Theoretical Framework

The present study is informed by three interrelated theoretical perspectives: Democratic Decentralization Theory, Participatory Governance Theory, and Institutional Governance Theory.

Democratic Decentralization Theory

Democratic decentralization refers to the transfer of authority, resources, and decision-making powers to elected local governments (Manor, 1999). The theory is based on the assumption that local governments are more responsive and accountable because they operate closer to citizens than centralized bureaucratic institutions.

According to decentralization theory, local governments possess better information regarding local conditions and community needs. This informational advantage enables them to design and implement development programmes more effectively. Decentralized institutions are also expected to improve accountability because citizens can directly monitor elected representatives and participate in decision-making processes (Randinelli, 1981).

In the context of PMAY-G, democratic decentralization is reflected in the role assigned to Gram Sabhas and Panchayats in beneficiary identification, programme monitoring, and grievance redressal. The programme recognizes that local institutions can provide valuable contextual knowledge that complements centralized data systems.

Participatory Governance Theory

Participatory governance theory emphasizes the direct involvement of citizens in public decision-making processes (Fung & Wright, 2003). Participation is viewed not only as a democratic value but also as a mechanism for improving governance outcomes.

The theory argues that citizen involvement enhances transparency, strengthens accountability, and improves the quality of public decisions. Participation enables local knowledge to inform policy implementation and helps ensure that development programmes reflect community priorities.

The Gram Sabha represents one of the most important participatory institutions within India's decentralized governance framework. Through Gram Sabha meetings, citizens can review beneficiary lists, monitor programme implementation, and raise grievances. PMAY-G incorporates participatory governance principles by requiring community verification of beneficiary selections and encouraging local oversight.

Institutional Governance Theory

Institutional governance theory focuses on the role of formal institutions in shaping governance outcomes. Institutions establish rules, procedures, incentives, and accountability mechanisms that influence administrative performance (North, 1990).

From an institutional perspective, the effectiveness of PMAY-G depends not only on policy objectives but also on the quality of institutions responsible for implementation. Panchayati Raj Institutions, district administrations, and digital governance platforms collectively form an institutional framework that shapes programme outcomes.

Strong institutions promote transparency, accountability, and responsiveness, while weak institutions may contribute to implementation failures. Consequently, the study examines how institutional arrangements within PMAY-G facilitate or constrain effective service delivery.

Analytical Framework

Drawing upon these theoretical perspectives, the study analyses the role of local governance institutions through four dimensions:

1. Beneficiary Identification and Verification

- Role of Gram Sabhas in validating beneficiary lists.
- Community participation in identifying eligible households.

2. Programme Monitoring and Supervision

- Role of Panchayats in overseeing construction progress.
- Coordination between local governments and administrative agencies.

3. Transparency and Accountability

- Public disclosure of information.
- Social audits and grievance redressal mechanisms.

4. Service Delivery Outcomes

- Effectiveness of local institutions in facilitating housing delivery.
- Challenges affecting decentralized implementation.

By integrating insights from decentralization theory, participatory governance, and institutional analysis, the study seeks to evaluate how grassroots governance institutions influence the implementation and effectiveness of PMAY-G.

3. Panchayati Raj Institutions and the Governance Architecture of PMAY-G

3.1 Constitutional Foundations of Local Governance in India

The contemporary framework of local governance in India is rooted in the 73rd Constitutional Amendment Act, 1992, which came into effect on 24 April 1993. The amendment marked a significant milestone in the evolution of democratic decentralization by granting constitutional status to Panchayati Raj Institutions (PRIs) and establishing them as institutions of local self-government. The amendment introduced a three-tier Panchayati Raj system consisting of Gram Panchayats at the village level, Panchayat Samitis at the intermediate level, and Zila Parishads at the district level (Government of India, 1993).

The amendment sought to deepen democratic participation by enabling rural citizens to engage directly in governance processes. It also aimed to strengthen accountability, improve development planning, and enhance the effectiveness of public service delivery. The Eleventh Schedule of the Constitution assigned twenty-nine subjects to Panchayats, including rural housing, poverty alleviation, social welfare, and rural

development. Consequently, Panchayati Raj Institutions became key actors in the implementation of development programmes, including PMAY-G.

The constitutional framework reflects the belief that development initiatives are more likely to succeed when local communities participate in decision-making processes. As Manor (1999) argues, democratic decentralization improves governance by bringing decision-making closer to citizens and creating opportunities for greater public accountability. PMAY-G embodies this principle by assigning important implementation responsibilities to local governance institutions.

3.2 Institutional Architecture of Panchayati Raj Institutions

The Panchayati Raj system in India operates through a multi-tier governance structure designed to facilitate coordination between different levels of government while ensuring local participation.

Gram Sabha

The Gram Sabha occupies a central position within the Panchayati Raj system and is often described as the foundation of grassroots democracy. It consists of all registered voters residing within a village or group of villages. Unlike elected bodies, the Gram Sabha functions as a direct democratic institution through which citizens participate in governance and development decision-making.

The importance of the Gram Sabha lies in its capacity to provide a forum for public deliberation, transparency, and accountability. Citizens can review development programmes, discuss local priorities, and scrutinize the performance of elected representatives. In theory, the Gram Sabha serves as an important safeguard against elite capture and administrative arbitrariness by enabling community oversight of public programmes (Mathew, 1994).

Gram Panchayat

The Gram Panchayat is the elected executive body at the village level and serves as the primary institution responsible for local governance. It is headed by a Sarpanch and consists of elected representatives from different wards. Gram Panchayats are responsible for implementing development programmes, maintaining public infrastructure, and delivering basic services.

In the context of PMAY-G, Gram Panchayats play a crucial role in facilitating beneficiary verification, assisting in programme implementation, maintaining records, and coordinating with higher administrative

authorities. Their proximity to local communities enables them to understand local conditions and provide valuable support during programme execution.

Panchayat Samiti

The Panchayat Samiti functions at the intermediate or block level and serves as a coordinating institution between Gram Panchayats and district authorities. It supervises development programmes, provides technical support, and monitors implementation across multiple villages.

Under PMAY-G, Panchayat Samitis assist in administrative coordination, review programme progress, and help resolve implementation challenges that exceed the capacity of individual Gram Panchayats. Their role is particularly important in ensuring consistency and coordination across different local jurisdictions.

Zila Parishad

The Zila Parishad represents the highest tier of the Panchayati Raj system at the district level. It is responsible for district-wide development planning, coordination, and monitoring. Zila Parishads facilitate communication between local institutions and district administrations while contributing to policy implementation and programme oversight.

In PMAY-G implementation, Zila Parishads support district-level planning, monitor progress, and assist in addressing systemic implementation issues. Their involvement helps integrate local priorities into broader district development strategies.

3.3 Role of Gram Sabha in PMAY-G Implementation

Among all local governance institutions involved in PMAY-G, the Gram Sabha occupies perhaps the most critical position. The PMAY-G Framework for Implementation explicitly recognizes the Gram Sabha as the primary institution responsible for validating beneficiary lists generated through the Socio-Economic and Caste Census (SECC) database (MoRD, 2016).

Beneficiary selection has historically been one of the most controversial aspects of rural housing programmes. Earlier schemes frequently faced allegations of favouritism, political influence, and exclusion of deserving households (CAG, 2014). To address these concerns, PMAY-G combines objective data-based targeting with community verification. Beneficiary lists generated through SECC data are presented before the Gram Sabha for scrutiny and validation.

This process serves several important governance functions. First, it allows community members to verify the accuracy of beneficiary information. Second, it provides opportunities for citizens to identify errors or omissions in the beneficiary list. Third, it strengthens programme legitimacy by ensuring that decisions are subject to public scrutiny.

The involvement of the Gram Sabha reflects principles of participatory governance and democratic accountability. Community participation reduces dependence on bureaucratic discretion and increases public confidence in programme implementation. However, the effectiveness of Gram Sabhas varies significantly across regions depending on attendance levels, social dynamics, and awareness among citizens.

3.4 Role of Gram Panchayats in Housing Delivery

Gram Panchayats serve as the operational backbone of PMAY-G implementation at the village level. Their responsibilities extend beyond beneficiary verification and encompass multiple aspects of programme administration.

One of the key functions of Gram Panchayats is facilitating communication between beneficiaries and higher administrative authorities. Beneficiaries often require assistance regarding documentation, bank account linkage, construction procedures, and grievance submission. Gram Panchayats provide institutional support that helps beneficiaries navigate these administrative processes.

Gram Panchayats also contribute to monitoring construction progress. Local officials and elected representatives regularly interact with beneficiaries and can identify implementation challenges at an early stage. Their proximity to communities enables continuous oversight that complements digital monitoring systems such as geo-tagging and AwaasSoft.

Another important responsibility involves promoting awareness regarding programme guidelines and eligibility criteria. Information dissemination helps ensure that citizens understand their rights and responsibilities under the scheme. Effective communication is particularly important in areas characterized by low literacy levels or limited access to digital information.

The role of Gram Panchayats demonstrates that digital governance mechanisms alone cannot ensure successful implementation. Local institutions remain essential intermediaries between technological systems and rural citizens.

3.5 Panchayat Samiti and Zila Parishad: Coordination and Supervision

While Gram Sabhas and Gram Panchayats operate directly at the community level, intermediate and district-level Panchayati Raj Institutions play important coordinating and supervisory roles.

Panchayat Samitis facilitate coordination among Gram Panchayats and provide administrative support where required. They assist in resolving implementation bottlenecks, organizing training programmes, and ensuring compliance with programme guidelines. Their position between village and district levels allows them to identify common challenges affecting multiple Gram Panchayats and develop coordinated responses.

Zila Parishads contribute to broader monitoring and planning functions. They review programme performance across districts, facilitate coordination with government departments, and support district administrations in achieving implementation targets. Their involvement strengthens vertical integration within the governance framework and promotes consistency in programme delivery.

The participation of multiple levels of Panchayati Raj Institutions reflects the principle of multi-level governance. Different tiers perform complementary functions that collectively contribute to effective programme implementation.

3.6 Social Accountability and Local Governance

One of the most significant contributions of Panchayati Raj Institutions to PMAY-G implementation lies in promoting social accountability. Social accountability refers to mechanisms through which citizens hold public institutions accountable for their actions and performance (World Bank, 2004).

Local governance institutions facilitate accountability through several channels. Gram Sabha meetings provide forums for public discussion and scrutiny. Public disclosure of beneficiary lists enables community monitoring. Local grievance mechanisms allow citizens to report irregularities and seek corrective action.

These mechanisms contribute to transparency by reducing information asymmetries between citizens and administrators. They also create opportunities for corrective feedback that can improve programme implementation. Scholars argue that accountability mechanisms are particularly important in welfare programmes because they help ensure that benefits reach intended beneficiaries (Fox, 2015).

The effectiveness of social accountability depends on active citizen participation, access to information, and institutional responsiveness. Consequently, strengthening Panchayati Raj Institutions is closely linked to improving accountability within PMAY-G.

3.7 Local Governance and Digital Governance: A Complementary Relationship

PMAY-G is often viewed as a digitally driven programme due to its extensive use of technology. However, the programme's success depends equally on local governance institutions. Digital governance and decentralized governance should therefore be understood as complementary rather than competing approaches.

Digital technologies improve transparency, monitoring, and administrative efficiency, while local institutions provide contextual knowledge, citizen engagement, and social legitimacy. AwaasSoft can generate beneficiary lists, but Gram Sabhas validate them. Geo-tagging can monitor construction progress, but Gram Panchayats help beneficiaries address practical implementation challenges. Direct Benefit Transfer can transfer funds electronically, but local institutions assist beneficiaries in accessing and utilizing these resources.

This interaction between technology and local governance represents one of the most innovative features of PMAY-G. It demonstrates that effective service delivery requires both technological capacity and institutional participation.

3.8 Assessment

The governance architecture of PMAY-G reflects a deliberate effort to integrate democratic decentralization with modern administrative technologies. Panchayati Raj Institutions perform essential functions relating to beneficiary verification, monitoring, community participation, and accountability. Their involvement enhances programme legitimacy and strengthens connections between government agencies and rural citizens.

At the same time, the effectiveness of local governance institutions depends on factors such as administrative capacity, citizen participation, financial resources, and political context. While PMAY-G provides an institutional framework for decentralized implementation, the actual performance of Panchayati Raj Institutions varies across regions and communities.

The analysis therefore suggests that local governance institutions are not merely implementing agencies but central actors in the governance of rural housing delivery. Their contribution extends beyond administration to include democratic participation, social accountability, and community empowerment. Understanding their role is therefore essential for evaluating the effectiveness of PMAY-G and the broader project of democratic decentralization in rural India.

4. Role of Local Governance Institutions in Beneficiary Selection, Monitoring, Accountability and Service Delivery under PMAY-G

4.1 Local Governance and Rural Housing Delivery

The effectiveness of any welfare programme depends not only on policy design but also on the institutions responsible for implementation. While PMAY-G incorporates sophisticated digital governance mechanisms such as AwaasSoft, geo-tagging, and Direct Benefit Transfer (DBT), its success ultimately depends upon the functioning of local governance institutions. Panchayati Raj Institutions (PRIs) act as the interface between the state and rural citizens, translating policy objectives into tangible outcomes at the grassroots level.

Local governance institutions perform multiple functions under PMAY-G, including beneficiary identification, verification, monitoring, grievance redressal, community mobilization, and accountability enforcement. Their participation reflects the principle that development programmes are more effective when local communities are actively involved in implementation processes (Manor, 1999). Through direct interaction with beneficiaries, Panchayats help ensure that programme benefits reach intended households while also providing opportunities for citizen participation and oversight.

The role of local governance institutions is particularly significant because housing programmes involve complex socio-economic realities that cannot always be captured through centralized administrative systems. Issues such as land ownership, household vulnerability, social exclusion, and local power relations often require contextual understanding that only local institutions can provide. Consequently, Panchayati Raj Institutions serve as essential actors in the governance of PMAY-G.

4.2 Beneficiary Identification and Gram Sabha Validation

Beneficiary identification represents one of the most important stages in PMAY-G implementation because it determines who receives housing assistance. Errors in beneficiary selection can undermine programme

legitimacy, generate social conflict, and weaken public trust in government institutions. Recognizing these risks, PMAY-G employs a two-stage selection process involving both centralized data systems and local community verification.

The first stage relies on data from the Socio-Economic and Caste Census (SECC) 2011. Eligible households are identified using objective deprivation indicators and ranked according to housing vulnerability criteria (MoRD, 2016). This data-driven approach seeks to minimize discretionary decision-making and reduce political interference.

However, PMAY-G does not rely exclusively on administrative databases. Beneficiary lists generated through SECC data are subsequently presented before the Gram Sabha for verification and approval. This process introduces an important participatory dimension into programme implementation.

The involvement of the Gram Sabha serves several governance functions. First, it allows local communities to verify whether identified beneficiaries genuinely meet eligibility criteria. Second, it creates opportunities to identify errors in administrative records. Third, it promotes transparency by ensuring that beneficiary selection occurs in a public forum rather than through closed bureaucratic procedures.

From the perspective of participatory governance theory, Gram Sabha validation enhances democratic legitimacy because citizens participate directly in decisions affecting resource allocation (Fung & Wright, 2003). Community verification also draws upon local knowledge that may not be available within centralized databases.

Nevertheless, the effectiveness of Gram Sabha validation depends on the quality of participation. In some areas, attendance rates remain low, reducing the representative character of decision-making processes. Social inequalities may also influence participation, with marginalized groups occasionally facing difficulties in expressing their concerns. These limitations highlight the importance of strengthening participatory mechanisms within local governance institutions.

4.3 Role of Gram Panchayats in Programme Facilitation

Gram Panchayats perform a critical facilitative role throughout the implementation process. Their responsibilities extend beyond beneficiary verification and encompass multiple aspects of programme administration.



One of their primary functions involves assisting beneficiaries with administrative procedures. Many rural households face challenges related to documentation, bank account linkage, Aadhaar authentication, and understanding programme guidelines. Gram Panchayats help beneficiaries navigate these procedures and access programme benefits.

The importance of this role should not be underestimated. Digital governance systems can improve efficiency, but they often require beneficiaries to interact with formal administrative processes that may be unfamiliar or difficult to access. Panchayats therefore function as intermediaries that bridge the gap between technological systems and rural citizens.

Gram Panchayats also facilitate communication between beneficiaries and higher administrative authorities. Information regarding programme updates, eligibility criteria, construction standards, and fund releases is frequently disseminated through local institutions. This communication function enhances transparency and helps reduce information asymmetries.

In addition, Panchayats often coordinate with line departments and development agencies involved in programme convergence. Their involvement contributes to more integrated service delivery and strengthens the developmental impact of housing assistance.

4.4 Monitoring of Housing Construction

Monitoring constitutes one of the most important responsibilities performed by local governance institutions under PMAY-G. Effective monitoring helps ensure that houses are constructed according to programme guidelines, financial resources are utilized appropriately, and implementation delays are minimized.

Digital governance systems provide important monitoring tools through geo-tagged photographs and online management information systems. However, local institutions remain indispensable because physical verification and continuous supervision often require direct engagement with beneficiaries.

Gram Panchayat representatives frequently visit construction sites, review progress, and identify implementation challenges. Their proximity to beneficiaries enables them to detect problems that may not be visible through digital monitoring systems alone. Issues such as construction delays, material shortages, labour constraints, or technical difficulties can often be addressed more effectively when local institutions are actively involved.



Panchayat Samitis and Zila Parishads contribute additional layers of supervision by reviewing programme performance and facilitating coordination across administrative units. Their involvement strengthens accountability and helps ensure compliance with programme standards.

The monitoring role of local governance institutions illustrates the complementary relationship between digital governance and decentralized governance. While technology provides data and oversight tools, local institutions provide contextual understanding and human engagement.

4.5 Social Accountability and Community Participation

Social accountability has become an increasingly important component of contemporary development administration. Unlike traditional accountability mechanisms that rely primarily on bureaucratic oversight, social accountability emphasizes citizen participation in monitoring public programmes (Fox, 2015).

Panchayati Raj Institutions facilitate social accountability through multiple mechanisms. Gram Sabha meetings provide opportunities for citizens to discuss programme implementation, review beneficiary lists, and raise concerns regarding irregularities. Public disclosure of beneficiary information enhances transparency and enables community monitoring.

These processes contribute to accountability by creating channels through which citizens can scrutinize governmental actions. Community oversight can help identify errors, discourage corruption, and improve programme responsiveness. The visibility of beneficiary lists and implementation data reduces opportunities for arbitrary decision-making and strengthens public confidence in programme administration.

Social accountability mechanisms are particularly important in welfare programmes because they promote fairness and inclusiveness. By involving citizens directly in monitoring processes, local governance institutions help ensure that programme benefits are distributed according to established criteria rather than political or personal considerations.

However, effective social accountability requires active participation and institutional responsiveness. Public participation alone cannot improve governance outcomes unless institutions are willing and able to respond to citizen concerns. Consequently, accountability mechanisms must be supported by adequate administrative capacity and political commitment.

4.6 Grievance Redressal and Conflict Resolution

Housing programmes frequently generate grievances relating to beneficiary eligibility, fund disbursement, construction quality, and implementation delays. Effective grievance redressal mechanisms are therefore essential for maintaining programme legitimacy and citizen trust.

Local governance institutions often serve as the first point of contact for beneficiaries seeking redress. Gram Panchayats provide accessible forums through which citizens can report concerns and seek clarification regarding programme procedures. Their proximity to communities enables them to respond more quickly than distant administrative authorities.

Gram Sabha meetings also function as spaces for collective discussion and conflict resolution. Community-based deliberation can help address disputes regarding beneficiary selection and implementation practices while promoting transparency and consensus-building.

The involvement of local institutions in grievance redressal contributes to citizen-centric governance by ensuring that beneficiaries have accessible mechanisms for voicing concerns. At the same time, the effectiveness of grievance systems depends on the willingness of authorities to address complaints in a timely and transparent manner.

4.7 Challenges Facing Local Governance Institutions

Despite their significant contributions, Panchayati Raj Institutions face several challenges that affect their ability to implement PMAY-G effectively.

Administrative Capacity Constraints

Many Panchayats operate with limited staff, inadequate technical expertise, and insufficient administrative resources. The increasing complexity of welfare programmes places substantial demands on local institutions, often exceeding their available capacity (Oommen, 2004).

Political Interference

Political considerations occasionally influence beneficiary selection and programme implementation. Although PMAY-G employs objective eligibility criteria, local political dynamics can affect decision-



making processes. Scholars of decentralization have noted that local institutions may be vulnerable to patronage networks and electoral pressures (Bardhan & Mookherjee, 2006).

Elite Capture

One of the most frequently discussed challenges in decentralization literature is elite capture. In socially unequal communities, influential individuals or groups may dominate decision-making processes and shape resource allocation to their advantage. Such dynamics can undermine the participatory and inclusive objectives of decentralized governance.

Social Inequalities

Participation in local governance institutions is often affected by broader social inequalities related to caste, gender, class, and ethnicity. Marginalized groups may face barriers to effective participation in Gram Sabha meetings and other governance forums. Consequently, formal participation mechanisms do not automatically guarantee equitable representation.

Resource Limitations

Many Panchayats continue to depend heavily on higher levels of government for financial and technical support. Limited fiscal autonomy can restrict their ability to address implementation challenges independently and reduce their effectiveness as local governance institutions.

Digital Divide

The increasing integration of digital governance mechanisms creates new challenges for local institutions. Limited digital literacy, inadequate internet connectivity, and technological infrastructure gaps can affect programme implementation, particularly in remote and economically disadvantaged regions.

4.8 Assessment

The analysis demonstrates that local governance institutions perform a central role in the implementation of PMAY-G. Their contributions extend beyond administrative functions to include democratic participation, social accountability, grievance redressal, and community engagement. Through beneficiary verification, monitoring, and citizen participation, Panchayati Raj Institutions enhance programme legitimacy and strengthen the relationship between citizens and the state.



At the same time, the effectiveness of local governance institutions remains influenced by administrative capacity, social inequalities, political dynamics, and resource constraints. These challenges suggest that decentralization should not be viewed as a complete solution to governance problems. Rather, effective implementation requires continuous institutional strengthening and supportive policy frameworks.

The PMAY-G experience demonstrates that successful rural housing delivery depends upon the interaction between digital governance systems and decentralized governance institutions. Technology can improve efficiency and transparency, but local institutions remain essential for ensuring participation, accountability, and responsiveness. The future effectiveness of PMAY-G will therefore depend not only on technological innovation but also on the continued strengthening of grassroots democratic institutions.

5. Major Findings and Discussion

The analysis of PMAY-G implementation demonstrates that local governance institutions play a pivotal role in translating policy objectives into effective service delivery outcomes. While PMAY-G is often recognized for its extensive use of digital governance technologies, the findings of this study indicate that the programme's effectiveness depends equally upon the functioning of Panchayati Raj Institutions (PRIs). The interaction between decentralized governance and digital governance constitutes one of the most significant features of the programme's institutional design.

The first major finding is that Gram Sabhas serve as important mechanisms for enhancing transparency and democratic legitimacy in beneficiary selection. The validation of beneficiary lists through community participation helps reduce the likelihood of arbitrary decision-making and strengthens public confidence in programme implementation. This finding supports participatory governance theory, which argues that citizen involvement improves both the legitimacy and effectiveness of public policies (Fung & Wright, 2003). The Gram Sabha's role demonstrates how local knowledge can complement centralized administrative databases and contribute to more inclusive decision-making processes.

Second, the study finds that Gram Panchayats function as critical intermediaries between beneficiaries and administrative authorities. Their involvement in programme facilitation, information dissemination, monitoring, and grievance redressal significantly improves accessibility and responsiveness. In many rural contexts, beneficiaries depend upon local institutions to navigate administrative procedures and access programme benefits. Consequently, Panchayats perform an essential service delivery function that extends beyond formal administrative responsibilities.



Third, the findings indicate that local governance institutions contribute substantially to accountability and programme oversight. Through public meetings, beneficiary verification, and community monitoring, Panchayats create opportunities for social accountability and citizen scrutiny. These mechanisms complement formal administrative oversight and help ensure that programme benefits are distributed in accordance with established guidelines. The findings therefore support broader arguments within governance literature regarding the role of local institutions in strengthening accountability and improving development outcomes (Crook & Manor, 1998).

Fourth, the study reveals that PMAY-G represents an important example of the integration of digital governance and decentralized governance. Digital technologies such as AwaasSoft, geo-tagging, and Direct Benefit Transfer have improved transparency, monitoring, and financial accountability. However, these technologies remain dependent upon local institutions for implementation and community engagement. The programme's success therefore illustrates the importance of combining technological innovation with institutional participation.

Despite these achievements, several challenges continue to affect the effectiveness of local governance institutions. Administrative capacity constraints remain a significant concern, particularly in resource-poor rural areas. Limited technical expertise, staffing shortages, and inadequate infrastructure can restrict the ability of Panchayats to perform their responsibilities effectively. Political interference and elite capture also remain persistent challenges in certain contexts, potentially undermining the participatory and inclusive objectives of decentralization.

The findings further indicate that social inequalities continue to influence local governance processes. Marginalized groups, including Scheduled Castes, Scheduled Tribes, women, and economically disadvantaged households, may encounter barriers to effective participation in local decision-making forums. While PMAY-G incorporates participatory mechanisms, achieving genuinely inclusive governance requires addressing broader structural inequalities.

Overall, the study demonstrates that Panchayati Raj Institutions remain indispensable actors in rural development administration. Their contributions to participation, accountability, monitoring, and service delivery highlight the continuing relevance of democratic decentralization in contemporary governance. However, realizing the full potential of local governance requires sustained investments in institutional capacity, citizen participation, and administrative reform.

6. Policy Recommendations

The findings of the study suggest several policy measures that could strengthen the role of local governance institutions in PMAY-G implementation and improve overall programme effectiveness.

6.1 Strengthening Gram Sabha Participation

The effectiveness of Gram Sabha validation depends upon active citizen participation. Governments should undertake awareness campaigns to encourage greater attendance and participation in Gram Sabha meetings. Special efforts should be made to ensure the involvement of women, Scheduled Castes, Scheduled Tribes, and other marginalized groups. Increasing participation would enhance transparency, strengthen accountability, and improve the legitimacy of beneficiary selection processes.

6.2 Capacity Building of Panchayati Raj Institutions

Administrative capacity remains one of the most important determinants of programme success. Comprehensive training programmes should be organized for elected representatives and Panchayat officials involved in PMAY-G implementation. Training should focus on programme guidelines, digital governance tools, grievance redressal mechanisms, financial management, and community engagement strategies. Continuous capacity-building initiatives would improve administrative efficiency and strengthen local governance outcomes.

6.3 Enhancing Financial and Administrative Autonomy

Many Panchayati Raj Institutions continue to depend heavily on higher levels of government for financial resources and administrative support. Greater financial autonomy and improved access to resources would enable local institutions to respond more effectively to implementation challenges. Strengthening fiscal decentralization could enhance the ability of Panchayats to perform their governance functions and support rural development initiatives.

6.4 Strengthening Social Accountability Mechanisms

Social accountability mechanisms should be institutionalized more effectively within PMAY-G implementation. Regular social audits, public disclosure of programme information, and citizen feedback systems should be encouraged. Local institutions should facilitate community monitoring and ensure that



citizens have access to relevant information regarding beneficiary selection, fund utilization, and construction progress.

6.5 Addressing Elite Capture and Political Interference

Measures should be adopted to minimize the influence of local elites and political pressures on programme implementation. Transparent procedures, independent monitoring, and public disclosure of decisions can help reduce opportunities for manipulation. Strengthening accountability mechanisms and promoting civic awareness would further contribute to protecting the integrity of decentralized governance processes.

6.6 Promoting Inclusive Participation

Inclusive governance requires deliberate efforts to address barriers faced by marginalized groups. Panchayats should adopt strategies to encourage participation by women, tribal communities, and socially disadvantaged populations. Capacity-building programmes, targeted awareness campaigns, and institutional safeguards can help ensure that local governance processes remain representative and equitable.

6.7 Improving Digital Infrastructure and Digital Literacy

As PMAY-G increasingly relies on digital governance systems, investments in digital infrastructure become essential. Expanding internet connectivity, improving access to digital devices, and promoting digital literacy among both beneficiaries and local officials would strengthen programme implementation. Local governance institutions should receive adequate technical support to effectively utilize digital platforms and monitoring systems.

6.8 Strengthening Grievance Redressal Mechanisms

Accessible and responsive grievance redressal systems are essential for citizen-centric governance. Panchayats should be empowered to address routine complaints while ensuring that unresolved grievances are referred to higher authorities in a timely manner. Digital complaint management systems integrated with local governance structures could significantly improve responsiveness and accountability.

6.9 Deepening Convergence with Rural Development Programmes

The developmental impact of PMAY-G can be enhanced through stronger convergence with other rural development initiatives. Panchayati Raj Institutions should play a coordinating role in linking housing assistance with sanitation, drinking water, electrification, livelihood generation, and social protection programmes. Such convergence would contribute to more comprehensive and sustainable development outcomes.

7. Conclusion

The implementation of rural development programmes in India increasingly depends upon the effective functioning of local governance institutions. The Pradhan Mantri Awaas Yojana–Gramin (PMAY-G) provides a valuable example of how decentralized governance structures can contribute to the delivery of welfare services while simultaneously strengthening democratic participation and accountability.

This study examined the role of Panchayati Raj Institutions in the implementation of PMAY-G and found that local governance institutions perform critical functions in beneficiary identification, programme monitoring, grievance redressal, social accountability, and service delivery. The involvement of Gram Sabhas and Gram Panchayats enhances transparency and democratic legitimacy by ensuring that citizens participate directly in key implementation processes. Community verification mechanisms, public disclosure of information, and local oversight contribute significantly to accountability and programme effectiveness.

The study also demonstrates that PMAY-G reflects an innovative governance model that combines digital governance with democratic decentralization. Technologies such as AwaasSoft, geo-tagging, and Direct Benefit Transfer have improved efficiency and transparency, while Panchayati Raj Institutions provide local knowledge, community engagement, and institutional legitimacy. The interaction between these two governance approaches represents a significant advancement in the administration of rural welfare programmes.

However, the findings indicate that several challenges continue to affect decentralized implementation. Administrative capacity limitations, resource constraints, political interference, elite capture, and social inequalities remain important obstacles to effective local governance. These challenges highlight the need for continued institutional strengthening and policy reforms aimed at improving the functioning of Panchayati Raj Institutions.

From a theoretical perspective, the study supports the arguments advanced by democratic decentralization and participatory governance theories. The findings suggest that local governance institutions can improve development outcomes when they possess adequate authority, resources, and accountability mechanisms. At the same time, the study underscores the importance of recognizing the socio-political conditions that shape the performance of decentralized institutions.

In conclusion, Panchayati Raj Institutions remain indispensable actors in the governance of rural development programmes. Their role in PMAY-G extends beyond administrative implementation to encompass democratic participation, community empowerment, and social accountability. Strengthening local governance institutions is therefore essential not only for improving housing delivery but also for advancing the broader goals of democratic decentralization and inclusive rural development in India.

The experience of PMAY-G demonstrates that sustainable development outcomes are most likely to emerge when technological innovation is combined with active citizen participation and strong local institutions. Future policy reforms should therefore focus on deepening decentralization, strengthening local capacity, and ensuring that governance remains responsive to the needs and aspirations of rural communities.

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