



India's Welfare Architecture- Equity, Efficiency, and Empowerment

The editorial is based on "[The Technocratic Calculus of India's Welfare State](#)," published on 06/08/2025, in The Hindu. It discusses India's shift towards a data-driven welfare system with Aadhaar and Direct Benefit Transfers (DBT), aimed at improving efficiency and coverage. It also highlights concerns about the welfare regime and emphasizes the need for a more inclusive welfare framework.

For Prelims: [Mahatma Gandhi National Rural Employment Guarantee Act \(MGNREGA\)](#), [AB-Pradhan Mantri Jan Arogya Yojana \(PMJAY\)](#), [National Rural Livelihood Mission \(NRLM\)](#), [Centralized Public Grievance Redress and Monitoring System](#)

For Mains: Welfare Regime in India: Related Challenges & Way Forward

India's social protection coverage has doubled from 24.4% in 2021 to 48.8% in 2024, marking significant progress in expanding welfare reach, according to the [International Labour Organization \(ILO\)](#). India's welfare system is increasingly adopting a data-driven approach, with [Direct Benefit Transfers \(DBT\)](#) improving efficiency. Despite this progress, concerns such as declining social sector spending and weakened transparency and accountability mechanisms persist. These issues highlight the need for a more inclusive and democratic welfare framework that ensures fairness and accountability.

What are the Achievements of the Key Welfare Programmes in India?

- **Poverty Alleviation and Employment Programs:**
 - **Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA):** Provides at least 100 days of guaranteed wage [employment](#) to registered adult rural households willing to undertake unskilled manual work.
 - Work demand under the flagship scheme in December 2024 was 8.3% higher compared to the same period in 2023.
 - **National Rural Livelihood Mission (NRLM):** Aims to eliminate rural [poverty](#) through the promotion of multiple livelihoods and improved access to financial services for the rural poor households across the country.
 - As of February 2025, **10.05 crore rural women households** have been mobilized into more than 90.90 lakh [SHGs](#).
 - **Public Distribution System (PDS):** An Indian food Security System established to address [food scarcity](#) by providing foodgrains at affordable prices, governed by the [National Food Security Act \(NFSA\), 2013](#).

- As of 2023, **80.10 crore beneficiaries** across the country are availing the benefits of the PDS.

▪ Health and Social Security Initiatives:

- **National Health Mission (NHM):** Aims to provide accessible, affordable, and quality healthcare, focusing on vulnerable and underserved populations.
 - Between FY 2021-24, NHM engaged over **12 lakh additional healthcare workers**.
 - Additionally, 1.56 lakh **Ni-kshay** Mitra volunteers supported over 9.4 lakh TB patients under the **Pradhan Mantri TB Mukh Bharat Abhiyan**, improving healthcare delivery in rural areas.
- **AB-Pradhan Mantri Jan Arogya Yojana (PMJAY):** It is the world's largest health coverage scheme, covering approximately 45% of India's population.
 - As of 2024, over **35.4 crore Ayushman cards** have been issued, empowering millions of families with health coverage.
- **National Social Assistance Program (NSAP):** Aims to provide support to aged persons, widows, disabled persons and bereaved families on the death of the primary income producer, belonging to BPL households.
 - As of 2024, the NSAP **caters to 3.09 crore** BPL beneficiaries.
- **POSHAN Abhiyaan:** Aims to address the nutrition needs of adolescent girls, pregnant women, lactating mothers, and children (0-6 years) through a targeted and convergent approach.
 - As per the **NFHS-5**, the nutrition indicators for children under 5 years have improved as compared with NFHS-4.
 - **Stunting has reduced from 38.4% to 35.5%**, wasting has reduced from 21.0% to 19.3% and Underweight prevalence has reduced from 35.8% to 32.1%.

▪ Education and Skill Development Schemes:

- **Sarva Shiksha Abhiyan (SSA):** Focused on universal primary education.
 - During the implementation of SSA, the total enrolment in elementary schools has risen from 18.79 crore children in 2009-10 to **19.67 crore children in 2015-16**.
- **Pradhan Mantri Kaushal Vikas Yojana (PMKVY):** Aims to provide free, short-term, quality-assured skill training to enhance the employability of youth.
 - Since 2015, the scheme has trained/oriented 1.48 crore candidates by 30th June, 2024.
- **PM- Vidyalaxmi Scheme:** It aligns with the **National Education Policy (NEP) 2020** and aims to provide collateral-free, guarantor-free loans to students.
- **PM e-VIDYA:** A comprehensive initiative that unifies all efforts related to digital/online/on-air education to enable multi-mode access to education.
 - This **will benefit nearly 25 crore school going children** across the country.

▪ Women and Child Welfare Programs:

- **Sukanya Samriddhi Yojana:** Aims to provide financial security for the future of the girl child through bank accounts, focusing on education and empowerment.
 - As of November 2024, over **4.1 crore Sukanya Samriddhi accounts have been opened**.
- **Beti Bachao Beti Padhao (BBBP) Campaign:** Launched to address the declining **Child Sex Ratio (CSR)**, **prevent gender-biased sex-selective elimination**, and promote the survival, protection, and education of the girl child.
 - As per the NFHS-5, **the sex ratio of the population** (females per 1,000 males) for the country was estimated as 1,020.
 - Girls' enrollment in secondary education has increased significantly, with the **Gross Enrollment Ratio (GER)** for girls rising from 75.51% in 2014-15 to 78% in 2023-24.
- **PM Matru Vandana Yojana:** It provides maternity benefits to eligible pregnant and lactating women.
 - As of 2022, more than 3.11 crore beneficiaries have been enrolled under the scheme.

▪ Financial and Digital Inclusion:

- **Jan Dhan Yojana:** A financial inclusion program that aims to ensure access to financial services, namely, basic savings & deposit accounts, remittance, credit, insurance, pension

in an affordable manner.

- PMJDY has **grown significantly**, from 147 million accounts in March 2015 to 520 million accounts by March 2024.
- **Digital India:** Launched to transform India into a digitally empowered society and knowledge-based economy by strengthening digital infrastructure, ensuring digital delivery of services, and promoting financial inclusion.
 - India's **internet penetration rose from 250 million users in 2014 to over 970 million by 2023**, with growing connectivity in rural areas.
- **Tribal and Specially Abled Welfare:**
 - **Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan (PM-JANMAN):** Launched for the socio-economic welfare of **PVTGs**.
 - The scheme allocation has **doubled to Rs 300 crore in Budget 2025-26** to enhance healthcare, education, and livelihoods for PVTGs.
 - **Dharti Aaba Janjatiya Gram Utkarsh Abhiyan (DA- JGUA):** A transformative initiative to drive inclusive and sustainable development in tribal regions.
 - It will cover 63,843 villages, benefiting over 5 crore tribal citizens.
 - **Sugamya Bharat Abhiyan:** Focuses on creating accessible infrastructure, digital spaces, and services for PwDs.

What are the Key Issues Undermining the Effectiveness of India's Welfare Ecosystem?

- **Widening Inequality and Inadequate Coverage:** India's growth story has been marked by widening **inequality**. Despite overall economic growth, the benefits have not been equally distributed, **leaving a significant portion of the population in poverty and at a margin**.
 - **India ranks 4th globally in income equality**, with a **Gini score** of 25.5, yet the top 1% of the population owns 40.1% of the country's wealth.
 - Moreover, a **NITI Aayog** report identifies a "**missing middle**" of about **40 crore individuals** who are not covered by any form of financial protection for health.
 - Over **90% of India's workforce is in the informal sector**, yet most social security schemes are designed for formal employment, leaving a vast population outside the welfare net.
- **Administrative and Implementation Challenges:** Many welfare programs, especially the **PDS**, have been marred by corruption and leakages in the distribution network. These **inefficiencies have reduced the effectiveness of welfare schemes**, preventing them from reaching the intended beneficiaries.
 - According to a report by the Indian Council for Research on International Economic Relations (ICRIER), **approximately 28% of the grains supplied through India's PDS fail to reach the intended beneficiaries**.
 - CAG report on the Ayushman Bharat scheme reveals irregularities, including **invalid mobile numbers and potential fraud**. It also highlighted that in some cases patients **earlier shown as "dead" continued to avail treatment** under the scheme.
 - Initiatives like **ICDS and Mid-Day Meal Scheme (MDMS)** have consistently faced challenges primarily due to poor implementation. While there has been some improvement, the execution of these programs remains inconsistent.
 - For instance, in Mumbai, 30,000 to 50,000 children miss out on ICDS services due to **migration and poor documentation, highlighting gaps in access**.
- **Limitations of Schemes in Addressing Long-Term Challenges:** India's welfare structure is built around isolated schemes rather than a comprehensive social protection system. These schemes often **provide short-term support but fail to offer long-term solutions** to the multidimensional challenges faced by citizens.
 - Many welfare programs have focused on immediate needs (**e.g., food, cash transfers**) without addressing the underlying causes of deprivation. This has **limited the effectiveness of social welfare policies in fostering lasting social mobility**.
 - For instance, while MGNREGS provides short-term employment and income support to rural households, it **does not address long-term livelihood security or sustainable development**.
 - Also, while **Minimum Support Price** is intended to protect farmers, it

has **encouraged a paddy-wheat monoculture** in states like Punjab and Haryana. This has resulted in environmental issues such as **groundwater depletion** and limited crop diversification.

- **Lack of Effective Grievance Redressal Mechanism:** Despite the establishment of the **Centralized Public Grievance Redress and Monitoring System**, there is a lack of political accountability.
 - Between 2022 and 2024, it successfully resolved over 70 lakh grievances. However, despite these achievements, **challenges persist in ensuring local accountability**.
 - This algorithmic insulation **limits the ability of local authorities to effectively address issues**, undermining the efficiency and impact of welfare programs, especially for marginalized communities.
 - Without local involvement, welfare schemes remain disconnected from beneficiaries' needs.
 - Moreover, a recent parliamentary committee has noted that the **focus is often on the "quantity of disposal" rather than the "quality of redressal."**
- **Digital Barriers in Welfare Delivery:** The increasing reliance on Aadhaar-linked and DBT-based welfare schemes has led to significant challenges, particularly for marginalized groups.
 - **45% of the Indian population lack internet access** preventing them from accessing essential welfare services.
 - A **Parliamentary Public Accounts Committee (PAC)** report released in July 2025 highlighted the high failure rate of Aadhaar biometric verification as a serious concern.
 - **Aadhaar authentication failures and data mismatches exclude many eligible beneficiaries**, especially farmers and women, from key programs like **PM KISAN**.
 - Digital illiteracy, particularly among women and the elderly, further limits access to government services.
 - Moreover, **privacy concerns around Aadhaar data** compromise trust and accessibility, leaving marginalized communities vulnerable to exclusion.
- **Budgetary Constraints Affecting Welfare Program Implementation:** Social sector spending has witnessed a notable decline, **falling from an average of 21% of GDP during 2014-2024 to 17% in the 2024-25 fiscal year**.
 - Critical welfare areas, including minority affairs, labour and employment, nutrition, and social security, experienced a sharp reduction in budgetary allocation, **dropping from 11% of total expenditure in the pre-Covid period to just 3% post-Covid**.
 - In the FY 2024-25, the **social sector's share in total expenditure declined to 17%, the lowest in the last decade**.
 - This reduction in funding has led to challenges in the effective implementation of welfare programs, particularly in areas such as health, education, and rural development.
- **Poor Monitoring, Evaluation, and Impact Assessment:** Despite having social audit mechanisms like MGNREGA's, there are significant gaps in their execution.
 - For instance, a 2023 report revealed that **out of 34 states and union territories, only six had completed social audits for over 50% of works** done under the MGNREGS at the gram panchayat level.
 - This **indicates poor oversight** and hinders the ability to assess whether the welfare schemes are effectively reaching beneficiaries and achieving desired outcomes.
 - Without proper evaluation and continuous feedback, **many welfare programs fail to realize their full potential**, allowing inefficiencies and corruption to persist.

How can India Strengthen Its Welfare Delivery System and Ensure Inclusivity?

- **Citizen-Centric Welfare Delivery:** Strengthen the role of local governance bodies such as **Gram Panchayats** and municipalities in designing context-sensitive welfare programs.
 - **Village-level welfare committees** can be set up to oversee the implementation of schemes like MGNREGA or PM-KISAN, **conducting regular surveys and feedback sessions with beneficiaries** to assess whether the programs are reaching the intended

populations and achieving their desired outcomes.

- Institutionalizing community-driven impact audits, as **suggested by the UN Special Rapporteur on Extreme Poverty**, can enhance accountability.
- Programs like **Rashtriya Gram Swaraj Abhiyan and Gram Panchayat Development Plans**, alongside **Kerala's Kudumbashree Initiative**, effectively empower marginalized communities, especially women, by providing economic opportunities and promoting inclusivity.
- **Improve Budgetary Allocations for Social Sectors:** Increase the allocation for the social sector to ensure that welfare programs can effectively reach marginalized communities.
 - **Prioritize investments in healthcare, nutrition, and education** to build a resilient economic security system that benefits all citizens, particularly the vulnerable.
 - There is a need to **blend India's primary healthcare system with a preventive one** through enhanced budget allocation. For instance, **Kerala's healthcare system**, with a focus on primary healthcare and preventive measures, demonstrates how investment in healthcare can significantly improve overall well-being and **can be replicated across the country**.
- **AI-Driven Beneficiary Targeting and De-duplication:** Deploy AI and [machine learning](#) tools to identify eligible but excluded populations, detect ghost beneficiaries, and rationalize welfare allocations.
 - These systems **can analyze consumption patterns, geospatial data, and transaction footprints** to refine targeting. Integration with data from upcoming Census enables dynamic updates.
 - This **enhances efficiency, fiscal prudence, and equity in delivery**. It transitions from static lists to adaptive targeting systems.
- **Reducing Resource Leakages and Improving Efficiency:** A major challenge in India's welfare programs has been the issue of resource leakages, where a significant portion of aid intended for beneficiaries never reaches them due to mismanagement, and inefficient implementation.
 - **Aadhaar-based biometric authentication** can be **enhanced to minimize errors and data mismatches**, improving accuracy in welfare delivery.
 - The **use of smart cards and POS devices** at ration shops further ensures accurate distribution and monitoring of food grain subsidies.
 - India can **actively pursue the adoption of e-Rupi**, a digital voucher system where beneficiaries receive vouchers in the form of an SMS or QR code on their phones.
 - This **system can streamline welfare delivery**, ensuring that benefits reach the intended recipients directly and efficiently.
- **Ensuring Universal Digital Inclusion:** Along with improving digital infrastructure, it is essential to launch digital literacy campaigns targeting marginalized communities, especially women, the elderly, and rural populations.
 - Offline alternatives, such as **SMS-based services and mobile vans, should be developed**, much like the [PMGDISHA \(Pradhan Mantri Gramin Digital Saksharta Abhiyan\)](#), which uses mobile vans to train rural citizens.
 - Furthermore, **simplifying digital platforms by making them user-friendly** and available in multiple languages, as seen with the Aadhaar enrollment process, will ensure accessibility.
 - **Collaborating with local authorities and NGOs**, which have helped empower women digitally, will further bridge the digital divide, ensuring inclusive access to all citizens.
- **Community-Led Inclusion Audits:** Institutionalize annual inclusion audits at the **panchayat and ward level, conducted by community-based organizations and SHGs, to identify exclusion errors**.
 - These audits should feed directly into scheme databases for mid-year course corrections. Empowering communities **ensures social accountability and participatory governance**.
 - It democratizes monitoring and fosters citizen ownership of welfare systems. This **creates an inclusion loop that is both bottom-up and iterative**.
- **Focusing on Holistic Development:** Welfare programs must go beyond addressing immediate needs such as food, cash transfers, and healthcare, and instead focus on long-term empowerment by integrating various facets of an individual's well-being.
 - **PMKVY** should be **linked with employment guarantee schemes** to provide a continuous pathway from training to work, enabling a cycle of self-sustained growth.

- A holistic approach will address **not only the symptoms of poverty but also its root causes**, enabling sustainable progress for marginalized groups building upon [Article 38 of the Indian Constitution](#).
- **Welfare Portability beyond PDS through ‘One Nation, One Entitlement:** India can pilot to extend portability of entitlements beyond food security to schemes like pensions, scholarships, health insurance, and housing, enabling migrant and urban poor to access benefits anywhere.
 - Build a **unified One Nation, One Entitlement (ONOE) framework** with geo-tagged digital verification. Leverage cloud-based MIS and Aadhaar-linked platforms for real-time service delivery.
 - This ensures that mobility does not mean exclusion. **It creates a welfare net that follows the citizen, not the address.**

Conclusion

For a Viksit Bharat, India must reimagine its welfare architecture by integrating democratic decentralization with digital governance, making citizens not just beneficiaries but active stakeholders in the development process. Strengthening **local governance, improving budget allocations, ensuring inclusivity, and addressing inefficiencies** will build a more resilient welfare framework. By reducing leakages and promoting long-term empowerment, India can create an equitable and transparent system **guided by Amartya Sen’s welfare economics** that benefits all citizens, particularly the marginalized, fostering lasting social mobility and economic security.

Drishti Mains Question

Despite the shift towards a data-driven welfare model, challenges like inequality, inefficiency, and digital barriers persist in India’s welfare regime. How can India improve its welfare delivery to ensure inclusivity and long-term empowerment?

UPSC Civil Services Examination, Previous Year Question (PYQ)

Prelims

Q. Among the following who are eligible to benefit from the “Mahatma Gandhi National Rural Employment Guarantee Act”? (2011)

- Adult members of only the scheduled caste and scheduled tribe households
- Adult members of below poverty line (BPL) households
- Adult members of households of all backward communities
- Adult members of any household

Ans: (d)

Q. Which of the following are the objectives of ‘National Nutrition Mission’? (2017)

- To create awareness relating to malnutrition among pregnant women and lactating mothers.
- To reduce the incidence of anaemia among young children, adolescent girls and women.
- To promote the consumption of millets, coarse cereals and unpolished rice.
- To promote the consumption of poultry eggs.

Select the correct answer using the code given below:

- 1 and 2 only
- 1, 2 and 3 only
- 1, 2 and 4 only

(d) 3 and 4 only

Ans: (a)

Mains

Q. Performance of welfare schemes that are implemented for vulnerable sections is not so effective due to absence of their awareness and active involvement at all stages of policy process. Discuss. **(2019)**

Q. “Besides being a moral imperative of a Welfare State, primary health structure is a necessary precondition for sustainable development.” Analyse. **(2021)**

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