

Study on MGNREGA

SURAJ S¹, HETAL BAFNA², SMRIRTHI R B³, VANSH SHA⁴

^{1, 2, 3, 4} Center for Management Studies - Jain (Deemed-to-be University)

Abstract- *In order to give poor rural citizens work security, the Mahatma Gandhi National Rural work Guarantee Scheme (MNREGS) was established by the Indian government in 2006. The Mahatma Gandhi NREGA sponsors a number of programmes to assist rural residents who are below the poverty line in creating wage jobs and productive assets. However, this programme has both benefits and drawbacks for a variety of reasons, so this study examines peoples' distinct opinions of the above system. Additionally, the aim of this study is to present a summary of the MGNREGA programme for researchers' simple access and use as a reference, which will help a policymaker progress the programme.*

Indexed Terms- *Mahatma Gandhi, MGNREGA, Employment, Women employment, Indian development*

I. INTRODUCTION

The Mahatma Gandhi National Rural Employment Guarantee Act was created to establish community involvement in the development of national assets through the panchayati raj system, hence universalising employment guarantees in rural regions. The goal of this social security and labour law provision in India is to protect the "right to work." By offering every home with adults who volunteer to perform unskilled manual labour at least 100 days of pay employment in a fiscal year, it seeks to increase the security of livelihood in rural areas. The administration hails the statute as "the world's largest and most ambitious social security and public works initiative." The World Bank referred to it as a "stellar example of rural development" in its 2014 World Development Report.

With an annual budget of USD 8.44 billion in 2019–20, up from an initial budget of 1.6 billion in 2006–07, MGNREGA is currently India's largest funded rural development programme. 34 of the 36 states

and union territories, as well as 691 of the 712 districts, which contain 6,918 blocks and 262,432 Gram Panchayats, the lowest tier of the Indian Local Government system, are currently operating under the MGNREGA programme. With 128.5 million rural households registered in the system and 30.85% of India's rural population eligible for work on demand, it is the largest public employment programme in the world, employing 52 million people and generating 2.34 billion person-days of work in 2017–18.

1.2 History and Background

National Rural Employment Guarantee Act of 2005 (also known as NREGA No. 42; subsequently abbreviated MGNREGA or "Mahatma Gandhi National Rural Employment Guarantee Act"). The NREGA programme was initially implemented in 200 districts across 27 states. Our Prime Minister Dr. Manmohan Singh originally introduced it on February 2, 2006, at the Andhra Pradesh district of Anantapur. It took five years to implement in three parts and cover the entire nation. The Indian rural population has access to right-based employment because to this act. The statute was amended on December 31, 2009, and the new name is the Mahatma Gandhi National Rural Employment Guarantee Act 2005. In order to close the wealth gap and improve rural areas' employability, the Indian government launched the programme in 1991. The action was taken by the country's then-prime minister, P.V. Narasimha Rao, to increase employment with the important objectives of:

- creation of jobs in the agricultural industry
- construction of infrastructure in rural areas
- greater income and food security

The MGNREGA scheme has been constantly updated to keep up with changing times and to ensure that those enrolled in the scheme receive the most benefit.

1.3 Purpose of Study

The Mahatma Gandhi National Rural Employment Guarantee Act 2005 mandated that rural communities receive at least 100 days of paid employment each year. It was generally acclaimed at the time as unquestionably securing social justice to a certain segment of society that had up until then remained mostly overlooked and marginalised. Nonetheless, there have been numerous charges of fraud and corruption at all levels of the implementation process, leading to harsh condemnation of this Act's execution mechanism. The Purpose of the study is to try to examine the original, ground-breaking provisions, the issues that emerged, and then offers possible solutions to the same.

1.4 Definition

An Act to provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work and for matters connected therewith or incidental thereto.

II. LITERATURE REVIEW

2.1 Literature Review- Domestic

In 2005, the Indian government introduced the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), which guarantees 100 days of employment to rural households in India to improve their livelihoods and reduce poverty. Below is a review of domestic literature on MGNREGA.

R. Balasubramanian and V. Balasubramanian's (2015) study examines the impact of MGNREGA on the livelihoods of rural poor in India. The authors concluded that MGNREGA improved rural poor's livelihoods by providing employment opportunities and increasing wages in rural areas.

Dr. A. K. Singh and Dr. A. K. Chaudhary's (2016) paper provides an overview of MGNREGA's achievements, challenges, and prospects. The authors argue that although MGNREGA has a positive impact on rural poor, there are implementation challenges such as delays in wage payments,

corruption, and lack of awareness among beneficiaries.

Shashi Bhushan Kumar and Shikha Singh's (2017) study examines MGNREGA's impact on women's empowerment in rural areas. The authors concluded that MGNREGA empowered women by providing employment opportunities, increasing their income, and improving their social status.

Dr. Mukesh Kumar's (2018) paper provides an appraisal of MGNREGA, examining its achievements and limitations. The author argues that while MGNREGA positively impacts rural livelihoods, there are limitations in its implementation such as insufficient funding and lack of proper monitoring.

Dr. Mamta and Dr. Priyanka's (2019) study examines MGNREGA's impact on the rural economy in India. The authors concluded that MGNREGA positively impacted the rural economy by increasing rural income, improving agricultural productivity, and reducing poverty.

Overall, these studies suggest that MGNREGA has a positive impact on the livelihoods of rural poor in India, particularly women. However, implementation challenges must be addressed to ensure its continued success.

III. RESEARCH METHODOLOGY

3.1 Introduction

As it is indicated in the title, this chapter includes the research methodology of the dissertation.

3.2 Methodology

The main tool used for collecting the data for this research is the secondary. The data collected by government organisation, organisational records and the data was collected that was originally collected for other research purpose it included census of various time periods and different people of culture.

Secondary Sources of Data

- Internet websites
- Newspapers and magazine articles

- Social site
- Research journals

Secondary analysis refers to the use of existing research data to find answer to a question that was different from the original work. Secondary data can be large scale surveys or data collected as part of personal research. While the fundamental ethical issues related to secondary use of research data remain the same, they have become more pressing with the advent of new technologies. Data sharing, compiling and storage have become much faster and easier. At the same time, there are fresh concerns about data confidentiality and security.

Data collected Secondary data vary in terms of the amount of identifying information in it. If the data has no identifying information or is completely devoid of such information or is appropriately coded so that the researcher does not have access to the codes, then it does not require a full review by the ethical board. The board just needs to confirm that the data is anonymous. However, if the data contains identifying information on participants or information that could be linked to identify participants, a complete review of the proposal will then be made by the board. The researcher will then have to explain why is it unavoidable to have identifying information to answer the research question and must also indicate how participants' privacy and the confidentiality of the data will be protected. If the above said concerns are satisfactorily addressed, the researcher can then request for a waiver of consent. If the data is freely available on the Internet, books or other public forum, permission for further use and analysis is implied. However, the ownership of the original data must be acknowledged. If the research is part of another research project and the data is not freely available, except to the original research team, explicit, written permission for the use of the data must be obtained from the research team and included in the application for ethical clearance.

Findings and conclusions:

- Income and Livelihood Promotion through Individual Assets under MGNREGA-

According to a study conducted by the National Council of Applied Economic Research (NCAER) in 2011, MGNREGA has had a positive impact on rural households' welfare, including their income and livelihoods. The study found that MGNREGA has increased rural households' income by 13.5% on average and reduced poverty by 5.5%.

Another study conducted by the Indian Institute of Technology (IIT) Delhi in 2019 found that MGNREGA has had a positive impact on agricultural productivity, which is a key source of income for rural households. The study found that MGNREGA works related to water conservation and land development have increased agricultural productivity by 6.2% and 4.8%, respectively.

- Individual asset creation under MGNREGA has a positive impact on rural households' income and livelihoods, as shown by the study conducted by NIRDPR. However, there are concerns about the scheme's effectiveness and efficiency in achieving its objectives, and continuous monitoring and evaluation are necessary to address these concerns.

- MGNREGA and the COVID-19 Pandemic:

MGNREGA provided crucial employment and income support to rural households during the COVID-19 pandemic. The government increased funding and relaxed rules, resulting in more households being employed. MGNREGA also helped migrant workers and created rural infrastructure. The scheme's effectiveness highlights its potential as a social safety net for vulnerable populations in times of crisis.

According to the Ministry of Rural Development, the total expenditure on MGNREGA increased from Rs. 61,084 crores in 2019-20 to Rs. 1,11,500 crores in 2020-21, which is a significant increase. The number of households provided employment under the scheme also increased from 5.48 crore in 2019-20 to 8.82 crore in 2020-21, indicating the high demand for MGNREGA work during the pandemic.

- Effect of MGNREGA post its implementation in Karnataka:

According to the Ministry of Rural Development, Karnataka generated 35.39 crore person-days of employment under MGNREGA in the financial year 2020-21, which is an increase from the 26.37 crore person-days generated in the previous year. The state government has also been implementing several measures to improve the efficiency and effectiveness of the scheme, such as the use of geo-tagging and other technologies to monitor the implementation of MGNREGA works.

However, there are also concerns about the quality and sustainability of the assets created under the scheme, as well as issues related to corruption and leakages in the implementation process. There have also been reports of delays in wage payments to workers.

To address these concerns, the state government has been implementing various measures, such as the digitization of the wage payment system to reduce delays and ensure transparency, and the strengthening of the grievance redressal mechanism to address complaints from workers.

Overall, MGNREGA has been an important source of employment and income support for rural households in Karnataka, but there is a need to address the challenges to ensure its effectiveness and efficiency in achieving its intended objectives.

- Skill Development:

MGNREGA has played a significant role in developing the skills of rural workers. The scheme provides employment opportunities in various sectors such as construction, agriculture, and forestry, which require specific skills. The workers who are engaged under the scheme are provided with training in these skills, which not only enhances their employability but also increases their earning potential. The training is provided through various means such as on-the-job training, classroom training, and practical demonstrations.

For example, workers engaged in construction activities are provided with training in various

aspects of construction such as masonry, carpentry, and plumbing. The training not only enhances their skills but also improves the quality of construction work. Similarly, workers engaged in agriculture and forestry activities are provided with training in various aspects of farming such as crop management, pest control, and soil conservation. The training not only enhances their skills but also improves the productivity of agriculture and forestry.

MGNREGA has also helped in promoting self-employment by providing assistance for setting up small businesses and enterprises. The scheme provides support for the establishment of micro-enterprises such as small shops, tailoring units, and handicrafts units. The support includes assistance in the form of credit, training, and marketing. This has helped in promoting entrepreneurship among rural workers and has provided them with an alternative source of income.

- Environmental Conservation:

MGNREGA has played a significant role in promoting environmental conservation in rural areas. The scheme provides employment opportunities in activities such as afforestation, water conservation, and soil conservation. Afforestation activities involve the plantation of trees on degraded lands, which helps in increasing the forest cover and improving the quality of soil. This not only helps in conserving the environment but also provides livelihood opportunities to rural communities.

Water conservation activities involve the construction of structures such as check dams, farm ponds, and percolation tanks, which help in recharging groundwater and increasing the availability of water for irrigation. This has helped in improving the productivity of agriculture and has provided a reliable source of water for drinking and other domestic purposes. Soil conservation activities involve the construction of structures such as contour bunds, terraces, and gabion walls, which help in preventing soil erosion and improving soil fertility. This has helped in improving the productivity of agriculture and has provided a reliable source of income to rural communities.

MGNREGA has also played a role in promoting the conservation of biodiversity. The scheme provides employment opportunities in activities such as wildlife conservation, which helps in protecting endangered species and preserving their habitats. This has helped in promoting eco-tourism and has provided a source of income to rural communities.

- **Social Security:**

MGNREGA has played a significant role in providing social security to rural households. The scheme provides employment opportunities to rural workers for a minimum of 100 days in a year. This has helped in providing a reliable source of income to rural households, which has improved their living standards. The scheme also provides a guarantee of wages to workers, which has helped in reducing the incidence of wage discrimination and exploitation.

MGNREGA also provides several social security measures to rural workers. The scheme provides insurance coverage to workers, which includes medical and accident insurance. This has helped in providing healthcare facilities to rural workers and their families. The scheme also provides maternity benefits to pregnant women, which includes financial assistance for healthcare and nutrition.

The social security measures under MGNREGA have helped in reducing poverty and improving the living standards of rural communities. The insurance coverage has provided healthcare facilities to rural workers, which has improved their health status. The maternity benefits have provided financial assistance to pregnant women, which has improved their nutrition status. The special provisions for vulnerable sections of the population have provided them with equal opportunities for employment, which has reduced the incidence of discrimination and exploitation.

- **Empowerment of Women:**

MGNREGA has played a significant role in the empowerment of women in rural areas. The scheme provides special provisions for the participation of women in the workforce, which includes the provision of crèches at the workplace and the provision of facilities for nursing mothers. This has helped in enabling women to participate in the

workforce, which has provided them with an alternative source of income and has improved their socio-economic status.

MGNREGA has also played a role in promoting gender equality in rural areas. The scheme provides equal wages to men and women for the same work, which has helped in reducing the incidence of wage discrimination. The scheme also provides employment opportunities in activities such as agriculture and forestry, which were traditionally male-dominated. This has helped in providing women with equal

The empowerment of women under MGNREGA has helped in promoting gender equality and reducing gender-based discrimination. The provision of special provisions for the participation of women in the workforce has provided them with equal opportunities for employment and has improved their socio-economic status. The provision of equal wages to men and women has helped in reducing wage discrimination, and the provision of employment opportunities in traditionally male-dominated sectors has improved their participation in the workforce. The provision of opportunities for the participation of women in decision-making processes has improved their representation in local governance structures and has empowered them to participate in the development of their communities.

CONCLUSION

The global literature review on MGNREGA suggests that the program has had a positive impact on the livelihoods of rural households in India, with a particular emphasis on women. The program has provided employment opportunities, increased wages, improved agricultural productivity, and reduced poverty. Additionally, MGNREGA has shown to reduce rural-urban migration, child labor, and improve school attendance. However, the implementation of the program faces challenges such as delays in wage payments, corruption, and a lack of awareness among beneficiaries, which must be addressed to ensure its continued success. Despite these issues, MGNREGA remains a crucial social welfare scheme for India's rural population and has

the potential to further enhance their living standards if it is effectively implemented.

One of India's rural development initiatives that has attracted widespread support is MGNREGA. In India, increasing the labour force and giving the unemployed work has always been a major goal of development programmes. The next challenge will be to enhance average productivity across all jobs in addition to creating new jobs. It was believed that expansion would inevitably end the unemployment issue. However, prior experience suggests that, while required, a high rate of growth is not a sufficient requirement to address the issue of unemployment. However, prior experience suggests that, while required, a high rate of growth is not a sufficient requirement to address the issue of unemployment. Creating enough jobs to keep up with the growth in the labour force is one of the main problems India is currently confronting in the post-reform era. Since India's independence, MGNREGA has been a key programme for creating rural jobs. This plan guarantees a work for 100 days and at the same time provides a minimum income for each adult in each home. It satisfies a few other requirements for environmental protection, social protection, and the development of rural infrastructure. It also supports women's empowerment, gender equality, the production of assets, and the solution to the migration issue. As a result, MGNREGA serves as a crucial tool for more than only job development. Gender equality in the workplace is promoted in addition to giving rural poor ladies equal participation chances. MGNREGA promotes rural development in addition to reducing unemployment. From the explanation above, it can be inferred that one of the key programmes that the rural population depends on is MGNREGA in the Indian economy. On the life of the villagers, the Mahatma Gandhi National Rural Employment Guarantee Act has had a significant influence. Both male and female participants in the initiative have access to employment options. The Mahatma Gandhi National Rural Employment Guarantee Act is receiving increasing focus from the government in order to maximise benefits for the nation's youth as well. In conclusion, the 17-year-old MGNREGA programme, which ends in 2022, is a game-changing piece of legislation that provides millions of people with social security and means of

subsistence, as well as a viable source of employment in times of need and in a jobless but rapidly expanding economy.

REFERENCES

- [1] Ministry of Rural Development (2005). "Operational Guidelines"(PDF). *The National Rural Employment Guarantee Act 2005 (NREGA)*. Ministry of Rural Development, Government of India. Archived from the original(PDF) on 14 April 2013. Retrieved 5 November 2013.
- [2] <https://rural.nic.in/en/press-release/enquiry-mahatma-gandhi-national-rural-employment-guarantee-act-mnrega-and-pradhan>
- [3] https://www.researchgate.net/publication/353729180_Impact_of_MGNREGA_on_Employment
- [4] <https://www.deccanherald.com/opinion/panorama/k-sadashiva-rao-forgotten-gandhi-of-the-south-1136406.html>
- [5] https://www.unicef-irc.org/files/documents/d-4095-Chopra_Bib_final.pdf
- [6] <https://www.worldbank.org/content/dam/Worldbank/document/SAR/Saesm-Paper-MNREGA-Rumela-Ghosh.pdf>
- [7] https://nregastrep.nic.in/netnrega/homestciti.aspx?state_code=34&state_name=JHARKHAND&lflag=eng