## **OPEN ACCESS**

# MNREGA Evaluation: Fostering Inclusive Rural Development

Volume: 11 N. Chithravel

Research Scholar, Department of Economics, A M Jain College, Chennai

Special Issue: 1 Month: January

Year: 2024

E-ISSN: 2581-9402

Received: 07.11.2023

Accepted: 15.12.2023

Published: 27.01.2024

Citation:

Chithravel, N.
"MNREGA Evaluation:
Fostering Inclusive Rural
Development." *Shanlax International Journal of Management*, vol. 11,
no. S1, 2024, pp. 100–05.

DOI:

https://doi.org/10.34293/ management.v11iS1 -Jan 7147

#### Abstract

Rural people have been actively involved in MNREGA from its inception, notably from marginalised groups like as Scheduled Castes (SCs) and Scheduled Tribes (STs). Throughout the program's implementation, the percentage of Scheduled Castes (SCs) and Scheduled Tribes (STs) engaging in MGNREGA job possibilities has continuously remained high at the national level, ranging from 40 to 60 percent. Even throughout the outbreak, the plan was fairly successful in terms of employment creation. The study's findings show that the effort had a positive impact on developing sustainable lives for rural residents. Furthermore, it has improved rural labourers' capacity to bargain in the rural labour market.

Keywords: MNREGA, At the Micro Level, Livelihoods of Marginalized Communities

#### Introduction

Gandhi, Mahatma On a global scale, NREGA is the first legislation of its kind to ensure massive wage employment. Increasing wage employment is the principal goal of the Act. In order to promote sustainabledevelopmentandalleviatechronic poverty, the planal so aims to improve natural resource management by tackling issues including soil erosion, deforestation, and drought. Not only does the method economically benefit the rural populace, but it also improves democracy at the grassroots level. Widespread, equitable, and pro-poor development are all components of inclusive growth. All people should be a part of this progress, and it should improve everyone's life. It ought to result in monetary inclusion, political inclusion, and social inclusion. In addition to the poor, other marginalised groups, including those who identify as transgender, members of other backward castes. those with disabilities, and scheduled tribes, should be the focus of our efforts. Economic empowerment and participation should be the fundamental purpose. The purpose of this research study is to investigate the effects of this plan on rural development and inclusivity.

#### **Literature Review**

In their study, Chahal and Kumar (2020) examined the influence of MNREGA on the creation of job opportunities in Haryana. The results indicate that the programme has significantly contributed to job creation in the region. The initiative not only ensures the safety of food but also promotes the development of rural areas. In her thesis, Kobaku Keerthi (2014) has examined the influence of MNREGA on the formation of individual and communal assets, as well as their long-term viability. The

sample size included 120 individuals who were beneficiaries of the MNREGA system. The sample methodology used was stratified random sampling. The research approach is ex-post facto, indicating that the occurrence under study has already taken place. The research findings indicate the formation of assets at both the individual and communal levels. In addition, the justification for the sustainability of assets generated by MNREGA was provided. In their research, L. Malangmeih et al. (2014) examined the effects of MNREGA. This research focuses on the Bankura area of West Bengal and has a sample size of 100 respondents. The researchers used a paired t-test to examine the means before to and during the implementation of MNREGA, as well as Linear Discriminant Analysis. The researchers used multiple regression analysis to determine the extent to which savings are influenced by changes in income. The study's results demonstrate that the programme significantly increased both the income and savings of rural families. Following the establishment of the system, there was a 15% rise in the average number of individuals in the labour force per family, and a 24% increase in the average yearly income. S. Das (2014) conducted a study that examined the influence of MNREGA on the livelihood security of impoverished rural individuals in India, using data from the national sample survey. The research findings indicate that the rise in spending ability among families not receiving MNREGA benefits exceeded that of those receiving MNREGA benefits. Augmenting the total expenditure has a more significant effect on enhancing the well-being of the specific families in question. In their study, S. Patwardhan and Luca Tasciotti (2022) examined the influence of MNREGA on the magnitude of unpaid loans in rural India. The research spanned from 2004-05 to 2009-10. The results indicate that the average debt has decreased by INR 4349. The estimations of the Ordinary Least Squares (OLS) model demonstrate a noteworthy decrease in the level of debt, and the findings are statistically significant. Based on the literature evaluations, it can be concluded that MNREGA has had a good impact on the rural people.

### **Objectives of the Study**

- To examine the several amenities and aspects of MNREGA.
- To examine the influence of MNREGA in achieving inclusivity.

#### Research Methodology

The research encompasses both descriptive and analytical aspects. The researchers have gathered secondary data to evaluate the influence of MNREGA on enhancing inclusivity. The data has been gathered from official government of India websites and other published papers. The factors considered include total expenditures, employment generation across various socio-economic categories, construction of productive assets, and economic empowerment, among others.

### Data Analysis and Interpretation Assets Creation

The primary advantage recorded from the establishment of communal assets was an augmentation in irrigation potential. Both individual and community recipients saw a rise in the groundwater level. It has facilitated the enhancement of livelihood prospects for small and marginal farmers. In addition, a substantial number of households receiving benefits reported an increase in availability to water for their cattle. These elements play a crucial role in ensuring the long-term viability of rural livelihoods for small and marginalised farmers. Therefore, it can be said that both individual and communal resources are aiding the rural community in certain crucial areas, which in turn helps to the maintenance and enhancement of livelihoods.

Finished Projects - Anganwadi The allocation for rural infrastructure is 48,382, for coastal areas is 77, for drought proofing is 152,781, for rural drinking water is 375, for food grain is 48, for flood control and protection is 57, and for micro irrigation is 74.

**Employment Generation (Households Availed Employment)** 

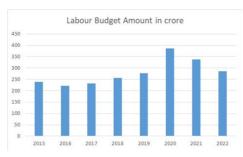
]	Fin. Year 2021-22	Fin. Year 2022-23			
January 2022 February 2022 March		March 2022	1 April 2022 to December 2022		
1.99 crore	2.01 crore	1.99 crore	5.38 crore		

The proportion of involvement by Schedule Caste (SC) individuals in the total person-days created is 19.75%. The proportion of Schedule Tribe (ST) involvement in the total person-days produced is 17.47%. The proportion of women's involvement in terms of total person-days created is 56.19%.

#### **Authorised Labour Budget (in Crore)**

**Table 1 Authorised Labour Budget** 

2015	2016	2017	2018	2019	2020	2021	2022
239.110	220.920	231.310	256.560	277.630	385.670	337.760	285.330

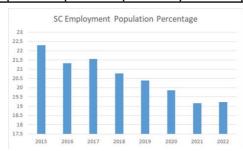


**Chart 1 Authorised Labour Budget** 

The allocated labour budget for MNREGA has consistently risen over the last five years. The surge is mostly significant during the pandemic era, as the government shown a strong commitment to assisting rural labourers who were returning as a result of reverse migration.

Scheduled Caste (SC) Person Days as % of Total Person Days
Table 2 SC Employment Population Percentage

2015	2016	2017	2018	2019	2020	2021	2022
22.290	21.320	21.560	20.770	20.380	19.870	19.170	19.220



**Chart 2 SC Employment Population Percentage** 

The data shown in the table and graph demonstrates a consistent decline in the proportion of person days attributed to SC individuals, suggesting a decrease in work opportunities for this demographic.

# Women Person Days as a Percentage of Total

Table 3 Women Person Days as a Percentage of Total

2015	2016	2017	2018	2019	2020	2021	2022
55.260	56.160	53.530	54.590	54.780	53.190	54.820	57.460



Chart 3 Women Person Days as a Percentage of Total

The above table 3 and chart3 above demonstrate that women make up a significant majority, accounting for over 50% of the total person days. This demonstrates the increased involvement of women in economic endeavours, which promotes the empowerment of women in rural regions.

The Proportion of Spending on Agriculture and Related Activities

Table 4 The Proportion of Spending on Agriculture and Related Activities

2015	2016	2017	2018	2019	2020	2021	2022
62.85	66	66.07	63.39	66.13	65.01	64.68	65.36

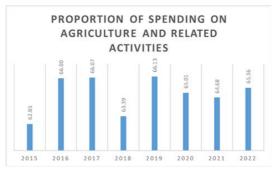


Chart 4 The Proportion of Spending on Agriculture and Related Activities

Chart4 and Table 4 above demonstrate that over 60% of the overall MNREGA budget has been allocated to agriculture and related activities. This guarantees that the advantages of this initiative must have mostly impacted the rural people and resulted in an overall augmentation of agricultural and rural revenue. Consequently, the increased allotment of funds must have benefitted farmers and the rural populace nationwide.

# Notable Accomplishments The source of the information is the Press Information Bureau, Government of India

The Ministry has implemented a thorough strategy for developing Gramme Panchayats (GPs) by using a Geographical Information System (GIS) that is based on concepts of watershed development and covers the full topographical range. As of December 15, 2022, a total of 262,654 General Practitioners (GPs) have been scheduled for a duration of three years. The Yuktdhara Portal, created by the National Remote Sensing Centre, ISRO, utilises Geographic Information System (GIS) technology for the purpose of planning. The National Electronic Fund Management System (NeFMS)/DBT guarantees the direct transfer of 99% of wages under Mahatma Gandhi NREGA into the accounts of beneficiaries. The SECURE programme, which is used to estimate MGNREGA operations, has been implemented in 27 states and 3 union territories, including a total of 701 districts. The Geo-MGNREGA initiative has successfully geotagged more than 5.17 crore assets, hence improving transparency. The social audit criteria have been determined, and a total of 270,325 Gramme Panchayats (GPs) have been selected for social audit for the fiscal year 2022-23. The "UNNATI" programme seeks to augment the abilities and provide training to a total of 27,383 recipients by December 15, 2022. The Cluster Facilitation Project runs in 29 States/ Union Territories with the aim of enhancing the implementation of MGNREGA. As of December 15, 2022, a total of 25,951 AmritSarovars have been constructed in accordance with the Prime Minister's direction to have 75 of them in each district. The Jaldoot App, introduced on September 27, 2022, gauges the water levels in Gramme Panchayats (GPs), with a total of 366,354 wells assessed by December 7, 2022. The Ombudsperson application, launched on February 24, 2022, seeks to improve openness and accountability in the operation of MGNREGA. As of December 15, 2022, a total of 505 Ombuds persons have been appointed.

#### **Conclusions**

The Mahatma Gandhi National Rural job Guarantee Act (NREGA) is a groundbreaking worldwide law that aims to provide extensive wage job opportunities. Its main objective is to foster sustainable development and alleviate persistent poverty. The Act focuses on mitigating soil erosion, combating deforestation, and alleviating drought in order to improve the management of natural resources. In addition to its economic advantages, NREGA enhances democracy at the local level and aims to achieve broad, fair, and poverty-reducing development, embodying the core principles of inclusive growth. This study examines the influence of NREGA on rural development and inclusion by doing an extensive literature review and analysing data. Significant accomplishments include the use of geotagging to track assets via Geo-MGNREGA, the effectiveness of the SECURE programme in assessing MGNREGA operations, and the launch of the "UNNATI" programme to augment talents. The Jaldoot App and Ombudsperson application enhance water management and promote accountability. These projects combined demonstrate a dedication to attaining comprehensive rural development and inclusive economic expansion in India.

#### References

- 1. Iyappan, A., Rajamohan, S., & Illankumaran, G. Farmer Producer Organizations: A Strategy for Revamping Self-Reliant Economy in India.
- 2. Sudarshan, R.M., Bhattacharya, R., & Fernandez, G. (2010). Women's participation in the NREGA: Some observations from the field work in Rajasthan, Kerala and Himachal Pradesh. *IDS Bulletin*, *41*(4), pp. 77-83.
- 3. Khera, R., & Nayak, N. (2009). Women workers and perceptions of the National rural employment Guarantee act. *Economic and Political Weekly*, pp. 49-57.

- 4. Malangmeih, L., Bhattacharyya, K., & Mitra, A. (2014). Impact of MGNREGA on livelihood security of rural households: A case study in Bankura district of West Bengal State, India. *Economic Affairs*, 59(2), pp. 137-146.
- 5. Samajpaty, S., & Ray, S. (2020). Innovation strategies in health economics: A force that makes blood move and game of gravity in it-futuristic economic plans. Московский экономический экономический экурнал, (9), pp. 397-409.
- 6. Korchagina, E.V., & Ray, S. (2021). Triple helix concept in innovative university development model.
- 7. Akbar, A., Akbar, M., Nazir, M., Poulova, P., & Ray, S. (2021). Does working capital management influence operating and market risk of firms? *Risks*, 9(11), 201.
- 8. Das, S. (2016). Impact of MGNREGA on the livelihood security of rural poor in India: A study using national sample survey data. *Oxford Development Studies*, 44(4), pp. 420-440.
- 9. Vinita, A., Kulshreshtha, L.R., & Upadhyay, V. (2013). Mahatma Gandhi National Rural Employment Guarantee Scheme: a unique scheme for Indian rural women. *International Journal of Economic Practices and Theories*, *3*(2), pp. 108-114.
- 10. Xavier, G., & Mari, G. (2014). Impact of MGNREGA on women empowerment with special reference to Kalakkanmoi Panchayat in Sivgangai District, Tamil Nadu. *International Journal of Economics and Management Studies*, *1*(1).
- 11. Sharma, A. (2012). SC/ST employment guarantee: Women's empowerment in rural India by MGNREGA. *International Journal of Human Development and Management Sciences*, *1*(1), pp. 1-22.
- 12. Narayanan, S., & Das, U. (2014). Women participation and rationing in the employment guarantee scheme. *Economic and Political Weekly*, pp. 46-53.
- 13. Ravi, S., & Engler, M. (2009). Workfare in low income countries: An effective way to fight poverty? The case of NREGS in India. Unpublished Manuscript. Retrieved from: http://knowledge.nrega.net/869/1/ShamikaRavi.pdf.
- 14. Chahal, M., & Kumar, P. (2020). Impact of MGNREGA on employment generation in Haryana. *Journal of Economic policy and Research*, *16*(1), pp. 56-63.
- 15. Keerthi., K. (2014). Impact of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) on individual and community assets creation and their sustainability in selected village of Prakasam District of Andhra Pradesh. Doctoral Dissertation, Acharya NG Ranga Agricultural University, Hyderabad.
- 16. Patwardhan, S., & Tasciotti, L. (2023). The effect of the Mahatma Gandhi National Rural Employment Guarantee Act on the size of outstanding debts in rural India. *Journal of Development Effectiveness*, 15(4), pp. 353-372.

http://www.shanlaxjournals.com