



## PERFORMANCE OF MGNREGS IN TELANGANA – A STUDY

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### ABSTRACT

*Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was notified on September 2005 and implemented all over the country in three phases. The Act covered 200 districts in its first phase, implemented on February 2, 2006, and was extended to 130 additional districts in 2007- 2008. All the remaining rural areas have been notified with effect from April 1, 2008. The objective of the programme is to provide guaranteed employment for at least 100 days in rural areas in a financial year to every rural household whose adult members volunteer to do unskilled manual work. Besides generating wage employment, the novel idea involved in NREGA is creation of assets both at individual level and the community level in rural areas. The Act envisages strengthening the natural resources management and addressing causes for chronic poverty like drought, deforestation and soil erosion and thereby to achieve sustainable development. The present study is undertaken to assess 1) the employment generated by MGNREG, 2) The nature of assets generated by the programme, 3) the growth in wage rates and growth in productivity and 4) Categories of persons secured employment in Andhra Pradesh. The present study relies on secondary sources for information to analyze and infer the conclusions. The study also depends on the reports published by the Government of India and the research works published by the scholars and professionals. Performance of MGNREGA is evaluated for the period 2012-13 to 2014-15 by considering number of persons employed, categories of persons employed, and type of assets created.*

KEY WORDS: MGNREGA Wages Employment Assets Labour

### INTRODUCTION

The past century has been marked by the transformation of India from a colonial agrarian economy in to a modern industrialization, knowledge based economy within the

framework of a liberal and secular democracy. Indeed, India is on the threshold of great power status. Commentators both at home and abroad are extolling India's dramatic rise. Goldman Sachs Economic Research Report on Global Economics (2007)<sup>1</sup> even speaks of India becoming the second largest economy after China by 2050. India is now getting used to its much higher rate of growth (8 percent) and occasionally touching even 9 percent. In the last quarter of financial year 2006-07 the economy grew at 9.7 percent. As a consequence of this, sustained span of economic expansion, the country now boasts of middle class variously estimated between 150-300 million. Since independence, the Government of India has implemented several schemes in its all five year plans for the improvement of rural poor and weaker section of society.

According to the Ministry of Rural Development, India has been a welfare state ever since her Independence and the primary objective of all governmental endeavor has been the welfare of its million, planning has been one of the pillars of Indian policy since Independence and the country's strength is derived from the achievement of planning. The policies and programmes have been designed to alleviate rural poverty, one of the primary objectives of planned development in India.

The unemployment has become a global problem and it has brought serious economic problem particularly in developing countries. The problem of unemployment in developing countries differs from that of the developed countries. The unemployment in developed countries is merely a social problem rather than an economic curse. In developing countries unemployment differs from the developed countries in its origin, form and composition. In a rural agrarian labour surplus economy especially, most of them has zero or negative marginal productivity; section of rural population depends on the wage they earn through unskilled, casual, manual labour. They are vulnerable to the possibility of sinking from transient to chronic poverty in the event of inadequate labour demand or in the face of unpredictable crises that may be general in nature, like natural disaster or personal, like ill-health, all of which adversely impact their employment opportunities.

In the context of poverty and unemployment welfare programme have been important programme intervention in developed as well as developing countries for many years. These programmes typically provide unskilled manual workers with short-term employment on public work such as irrigation infrastructures, afforestation, soil conservation and road construction. The rationale for welfare programmes rests on some basic considerations. The programmes provide income transfer to poor household during

critical times and therefore enable consumption smoothing especially during slack agricultural seasons or years.

The study of poverty in India by Dandekar and Rath (1971)<sup>2</sup> proved to be the turning point for study and analysis as they provided useful definition of poverty as well as meaningful detail about the incidence and severity of poverty in rural and urban settings in India. It coincided with the call of eradicating poverty (*Garibi Hatao*) by Prime Minister Indira Gandhi during the historical mid-term general elections of 1971, Planning Commission itself had said in its approach paper of the Fifth plan “the elimination of abject poverty will not be attained as a corollary to a certain acceleration in the rate of growth of the economy alone. It will be necessary to launch a direct attack on the problems of unemployment, underemployment and massive low end poverty”. It gave her grand success with clear mandate for the promise to fight poverty and unemployment.

The government implemented workfare programme that offered wage employment on public work on minimum wages. The wage employment programmes started as pilot project in the form of Rural Manpower (RMP) [1960-61], Crash Scheme for Rural Employment (CRSE) [1971-72], Pilot Intensive Rural Employment Programme (PIREP) [1972], Small Farmers Development Agency (SFDA), Marginal Farmers and Agricultural Labour Scheme (MFALS) to the poorest of the poor. These experiments were translated into a full-fledged wage-employment programme in 1977 in the form of Food for Work Programme (FWP). During 1980s this programme was further streamlined into the National Rural Employment Programme (NREP) and Rural Landless Employment Guarantee Programme (RLEGP), Jawahar Rozgar Yojana (JRY 1993-94), Employment Assurance Scheme (EAS). The EAS and Jawahar Gram Samridhi Yojana (JGSY) were merged into the Sampoorna Grameen Rozgar Yojana from 2001-02. The Jawahar Rozgar Yojana (JRY) was merged with JGSY, Integrated Rural Development Programm (IRDP) which emerged with five other scheme- TRESEM, DWCRA, SITRA, Ganga Kalyan Yojana and MWS has been merged newly introduced scheme namely Swarna Jayanthi Grama Swaorgar Yojana (SJGSY) in 1999. These wage-employment programmes implemented by the state governments with Centre’s assistance were self-targeting, and the objective was to provide enhance livelihood security, especially of those dependent on casual manual labour. At the state level, the Government of Maharashtra formulated the Maharashtra Employment Guarantee Scheme (MEGS) and Maharashtra Employment Guarantee Act, 1977 to provide wage-employment to those who demanded it.

Thus we have a long history and experience in implementing wage employment programmes and poverty alleviation programmes. Giving a statutory framework to wage employment programme- based on the experience of these programmes, the National Rural Employment Guarantee Act (NREGA) was enacted to reinforce the commitment towards livelihood security in rural areas in 2005 expressing the consensus of the state to use fiscal and legal instruments to address the challenges of unemployment and poverty. The Act was notified on 7<sup>TH</sup> September, 2005 in which the ongoing programmes of Sampoorna Grameen Rozgar Yojana (SGSY-2001) and National Food for Work Programme (NFFWP-2004) were subsumed within the scheme. It was “an Act to provide for the enhancement of livelihood security of the households in the rural area of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members’ volunteers to do unskilled manual work and for matters connected or incidental thereto....” (NREGA-2005)<sup>3</sup>. Besides employment generation, the objective of the scheme is to create durable community assets for strengthening of the livelihood source on sustainable basis. It serves as a social safety net by providing a source of guaranteed employment as such it is an “employer of last resort”.

Today, the NREGA is implemented in the entire country. The process of implementation has proceeded in a various phases. In phase one it was implemented in 200 backward districts of the country, additional 130 district in phase two 2007-08 and remaining 266 districts notified on September 2008 and the scheme has now been extended to all the districts of the country. The programme was dedicated to the ‘Father of the Nation’ from 2<sup>nd</sup> October 2009, the birth day of Mahatma Gandhi and since then it is known as Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

This Act is the most significant legislation of our times in many ways. For the first time, the power elite recognize the people’s right to fight endemic hunger and poverty with dignity, accepting that their labour will be the foundation for infrastructure and economic growth. The rural communities have been given not just a development programme but a regime of rights. The MGNREGA can give people an opportunity to make the entire system truly transparent and accountable. Properly supported, people’s struggles for basic entitlements can, in turn, become the strongest political initiatives to strengthen our democratic fabric. Independent India has to acknowledge the critical role the MGNREGA has played in providing a measure of inclusive growth. It seeks to reach out to those in need of livelihood security. It gives employment, income, livelihood, and a chance to live a life of

self- respect and dignity. The government has referred to it as an “*Act of the people, by the people and for the people*”.

**Table 1**

**Milestones of the Indian Journey towards NREGA (1952-2009)**

<b>Date</b>	<b>Main Provisions of Bills/Acts</b>
1952	Community Development Programme (CDP)
1960-61	Rural Manpower (RMP)
1971-72	Crash Scheme for Rural employment (CRSE)
1972	Pilot Intensive Rural Employment Programme (PIREP)
1973-76	Marginal Farmers and Agricultural Labour Scheme (MFAL), Drought-prone Area Programme (DPAP)
1974	Small Farmers Development Agency (SFDA)
1975	Twenty –Point Programme (TPP)
1977	Food for Work Programme (FWP) and Antyodaya Programme
1979	Training Rural Youth for Self-Employment (TRYSEM)
1980	The National Rural Employment Programme (NREP), Integrated Rural Development Programme (IRDP)
1983	Rural Landless Employment Guarantee Programme (RLEGP), Development of Women and Children in Rural Areas (DWCRA)
1989-94	Jawahar Rozgar Yojana (JRY), Employment Assurance Scheme (EAS), Prime Ministers Rozgar Yojana (PMRY), Nehru Rozgar Yojana (NRY)
1999-2000	The Jawahar Rozgar Yojana (JRY) was merged with JGSY was made a rural infrastructure programme, Swarnajayanthi Gram Swarozgar Yojana (SGSY), Antyodaya Anna Yojana (AAY), Pradan Manthri Gram Sadak Yojana (PMGSY).
2001	The Sampoorna Grameen Rozgar Yojana (SGRY)
2004	National Food for Work (NFFWP)
7 <sup>th</sup> September 2005	Notification of NREGA
2 <sup>nd</sup> February, 2006.	NREGA introduced in 200 districts
2007	NREGA Phase II- Extended to additional 130 Districts.
1 <sup>st</sup> April 2008	NREGA Phase III-Extended to cover all districts of India
2 <sup>nd</sup> October 2009	NREGA renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)

**Review of Literature:**

NREGA (2005)<sup>4</sup> mentioned that it is an Act which provides 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. Every person who has done the work given to him under the scheme shall be entitled to receive wages at the wage rate for each day of work. If authority is failed to provide employment within 15 days of demand, the unemployment allowance payable to, the household of an applicant jointly shall be sanctioned and disbursed by the Programme Officer or such local authority (including the Panchayat at the district, intermediate or village level) as the state government may, by notification, authorize in this behalf.

CSE (2008)<sup>5</sup> found that MGNREGA is focusing on job creation rather than local development through creation of productive assets. The study found that most of MGNREGA money has gone to road construction projects instead of works related to water conservation and harvesting that are the priority. Of the 27 states where MGNREGA was implemented, only five have made substantial allocation to water conservation. Working on productive assets like water harvesting structures does not fetch good wages to people under the irrational and complex wage calculation methods. The CSE analysis also found that many works had been left incomplete and abandoned and there was lack of maintenance of completed works – in fact, maintenance of water harvesting structures is not a permissible activity under MGNREGA.

Jacob Naomi (2008)<sup>6</sup> argued that aspect of MGNREGA where it can be used to curb rural-urban migration is conditional on the MGNREGA being implemented well in that region, otherwise, if work is not supplied, if wages aren't paid on time and if money is just being siphoned off, then workers will have no incentive to stop migrating. However it should be clear that the primary aim of the Act is to provide welfare for the section of the population that does not even earn the minimum wage the fact that it can also curb distress migration is just a positive secondary impact of the Act.

NCEUS (2009)<sup>7</sup> observes that ‘...MGNREGS has potential to lead the economy towards a labour-intensive growth path, especially in light of the low and declining growth rate of productive employment...’. Thus, the wage-work programme needs to be seen in a long term perspective, with a strong planning component, converging with ongoing development efforts, incorporating decentralized planning, and implementation, skill training, maintenance of public assets, and eventually absorbing wage-earners into mainstream employment.



Ashok and Rukmini (2010)<sup>8</sup> confirmed that empowerment of rural women has emerged as an unintended consequence of MGNREGS. Women have benefited more as workers than as a community. Women as individuals have gained because of their ability to earn independently, made possible due to the paid employment opportunity under MGNREGS. Independent and monetized earnings have increased consumption choices and reduced economic dependence. This has helped women in registering their tangible contribution to the household's income. The overall effects of these have translated into an increased say for women in household affairs. Women as a community, however, have been slow in realizing the potential benefits of the scheme.

Mukherjee and Sinha (2011)<sup>9</sup> find that in case of the labour surplus economy, the impact of MGNREGA depends on the relative magnitude of MGNREGA work and the amount of surplus labour in the economy. If the amount of MGNREGA work is below the surplus labour available in each poor household then there would be no impact of MGNREGA work on the employment decision for their own cultivation and the decision to supply labour for the rich households. As a result of MGNREGA work, the level of outputs in both rich and poor households remains the same but the MGNREGA work would increase the income of the poor households. This prediction is based on the presumption that that MGNREGA work of 100 labour days does not still allow the poor household to reach their target level of income. If the amount of MGNREGA works available is more than the surplus labour available in each poor household then there would be some change in the employment decision of the poor households and the analysis is similar to what is given below for any economy with or without surplus labour. This additional demand from MGNREGA work would reduce the supply of labour to the rich households.

### **Objectives:**

The following objectives are:

1. To assess the socio-economic background of the beneficiaries of NREGS
2. To examine the implementation & impact of NREGS on beneficiaries.
3. To identify underlying difficulties in the implementation of the scheme.
4. To assess the utility of the social audit.
5. To focus on case studies to have a deeper understanding and insight of the scheme on beneficiaries.

## Methodology:

Both types of data i.e., primary and secondary, have been collected for the purpose of this study. While the primary data have been collected through direct personal interview schedules, Focus Group Discussions (FGDs), and involving workers, non-workers, Grama Panchayat representatives, district, block and Grama Panchayat etc.. The secondary data have been from Economic Survey, Government of India, Government of Telangana, Economic Review, Annual Reports of MGNREGS, The research intends to cover at random all BC, SC and ST categories benefited under the NREGS.

## Performance of MGNREGS in Telangana

**Table-2 District wise Household Employment Details in Telangana State during the Year 2015-16**

S No	District Name	No of HHs working	No of HHs completed 100 days	No of HHs completed 75 - 100 days	No of HHs completed 50 - 75 days	No of HHs completed < 50 days	Total Wage(Rs in Lakhs)	Avg. Wage per Day	Avg. Days of Emp Provided per HH
1	2	3	4	5	6	7	8	9	10
1	Adilabad	2,91,416	31,034	44,952	57,502	1,57,928	21,798.26	145.56	51.39
2	Karimnagar	2,84,414	19,825	23,760	41,345	1,99,484	15,311.75	134.47	40.04
3	Khammam	2,08,100	13,720	21,712	30,341	1,42,327	10,107.04	121.83	39.87
4	Mahabubnagar	3,09,310	36,693	30,067	49,355	1,93,195	18,990.54	126.89	48.39
5	Medak	2,53,227	60,178	34,600	45,706	1,12,743	20,494.00	124.23	65.15
6	Nalgonda	4,20,492	27,505	35,181	60,453	2,97,353	19,691.48	117.49	39.86
7	Nizamabad	2,60,500	76,551	38,307	47,797	97,845	22,321.33	118.22	72.48
8	Ranga Reddy	1,37,248	51,086	19,879	22,040	44,243	15,283.84	137.35	81.08
9	Warangal	3,14,204	27,405	29,627	48,708	2,08,464	16,649.59	121.8	43.51
-	<b>Total</b>	<b>24,78,911</b>	<b>3,43,997</b>	<b>2,78,085</b>	<b>4,03,247</b>	<b>14,53,582</b>	<b>1,60,647.86</b>	<b>126.93</b>	<b>51.06</b>

Source: Ministry of Rural Development, Govt. of Telangana

**Table-3 Caste wise House Holds Employment Analysis in Telangana State**

S No	Year	No of HHs issued Job cards	No of HH working	% of Households working	SC HH working	% of SC HH working	ST HH working	% of ST HH working	BC HH working	% of BC HH working	Others HH working	% of Others HH working
1	2013-14	5604769	2517352	44.91	600668	47.27	429578	48.44	1325446	45.47	161660	30.38
2	2014-15	5604769	2517352	44.91	600668	47.27	429578	48.44	1325446	45.47	161660	30.38
3	2015-16	5604769	2455742	43.82	584145	45.97	398934	44.98	1314348	45.09	158315	29.75

Source: Ministry of Rural Development, Government of Telangana



**Table -4 Respondents rating of the quality of work executed under  
MGNREGS**

S. No.	Items	Caste Wise Coverage of Respondents				Grand Total
		ST	SC	BC	OC	
1	Very good	16 (48.48)	41 (44.57)	42 (34.00)	23 (41.82)	122 (40.67)
2	Good	10 (30.30)	28 (30.43)	52 (43.33)	19 (34.55)	109 (36.33)
3	Average	3 (9.09)	12 (13.04)	16 (13.33)	7 (12.73)	38 (12.67)
4	Poor	2 (6.06)	7 (7.61)	6 (4.00)	2 (3.64)	17 (4.66)
5	Very poor	2 (6.06)	4 (4.35)	4 (3.33)	4 (7.27)	14 (4.67)
Total		33 (100.00)	92 (100.00)	120 (100.00)	55 (100.00)	300 (100.00)

Source: Field Data

It is welcome move to note that as many as 77 per cent of sample respondents rated the MGNREGS very good to good. To be more precise, nearly 40.67 per cent of respondents rated the works undertaken under MGNREGS as very good. About 36.33 per cent rated them as good. The works under taken in the study area under MGNREGS are rated as average by 12.67 per cent of respondents. Around 10.33 per cent of respondents rated the works as very poor and poor. Very poor rating is given by 4.67 per cent of respondents and poor scoring is given by 4.66 per cent of respondents. The statistical chi-square value is lower than the table value. This implies that there is a close relationship between caste and the rating of the quality of work executed under MGNREGS.

**Table 5 Respondents Regularity to MGNREGS works**

S. No.	Status of Regularity to MGNREGS work	Caste Wise Coverage of Respondents				Grand Total
		ST	SC	BC	OC	
1	Regular	28 (84.85)	79 (84.87)	83 (69.17)	22 (40.00)	212 (70.67)
2	Irregular	5 (14.15)	13 (14.13)	37 (30.83)	33 (60.00)	88 (29.33)
Total		33 (100.00)	92 (100.00)	120 (100.00)	55 (100.00)	300 (100.00)

Source: Field Data

It is crystal clear from table 4.18 that a preponderant majority i.e. 70.67 per cent of sample respondent households are regular to MGNREGS works. But there are wider

variations among various sOCial categories with regard to regularity of works. Around 84.87 per cent of Scheduled Caste respondents are regular to works. It slightly decreased to 69.17 per cent in case of BC respondent households. It further declined to 40 per cent in case of OC respondent households. On the whole, 29.33 per cent of sample respondent households are irregular to the MGNREGS works. This irregularity results low per cent of household in completion 100 days of employment. The statistical chi-square value is higher than the table value. This implies that there is no relationship between caste and the regularity to MGNREGS works.

**Table- 6 Number of years the Household got 100 days of Employment during 2006-07 to 2011-12**

S. No.	No. of years households got 100 days employment	Caste Wise Coverage of Respondents				Grand Total
		ST	SC	BC	OC	
1	None	19 (57.58)	61 (66.30)	76 (63.33)	38 (69.09)	194 (64.67)
2	One Year	4 (12.12)	7 (7.61)	8 (6.67)	9 (16.36)	28 (9.33)
3	Two Years	4 (12.12)	16 (17.39)	12 (10.00)	3 (4.45)	35 (11.67)
4	Three Years	3 (9.09)	4 (4.35)	12 (10.00)	2 (3.64)	21 (7.00)
5	Four Years	1 (3.03)	3 (3.26)	8 (6.67)	2 (3.64)	14 (4.67)
6	Five Years	2 (6.06)	1 (1.09)	4 (3.33)	1 (1.82)	8 (2.67)
7	Six Years	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)
Total		33 (100.00)	92 (100.00)	120 (100.00)	55 (100.00)	300 (100.00)

Source: Field Data

It is regrettable to note that as many as 64.67 per cent of households not availed 100 days of employment, during first 6 years of its implementation in the study area. About 9.33 per cent of sample households availed 100 days of employment only one year out of six years. Nearly 11.67 per cent of sample households got 100 days of employment for 2 out of 6 years of study. The number of households who got 100 days of employment for three and four years is confined 4.67 per cent and 2.67 per cent respectively. None of the sample households got 100 days of employment during all 6 years of study. The statistical chi-square value is higher than the table value. This implies that there is no relationship between caste

and the rating of the number of years the household got 100 days of employment during 2006-07 to 2011-12.

**Table-7 Impact of MGNREGS on Annual Income Levels of Sample Respondents**

S. No.	Responses	Caste Wise Coverage of Respondents				Grand Total
		ST	SC	BC	OC	
1	Increased	21 (63.64)	56 (60.87)	79 (64.83)	27 (49.09)	183 (61.00)
2	Decreased	7 (21.21)	21 (22.83)	32 (26.67)	24 (43.64)	84 (28.00)
3	Status Quo	5 (14.15)	13 (14.13)	6 (4.00)	4 (7.27)	28 (9.33)
4	Can't Say	0 (0.00)	2 (2.17)	3 (2.50)	0 (0.00)	5 (1.67)
Total		33 (100.00)	92 (100.00)	120 (100.00)	55 (100.00)	300 (100.00)

Source: Field Data

It is clear from table explains that the participation of households in MGNREG scheme has positive impact on the income levels of sample households. A preponderant majority i.e. 64.83 per cent of Backward Class (BC) respondents reported that the MGNREG scheme has increased annual income of the family. They are followed by Scheduled Tribe (ST) and Scheduled Caste (SC) respondent households with 63.64 per cent and 60.87 per cent respectively. With regard to Others (OC), the positive impact of the scheme on income levels is confined to 49.09 per cent households. The scheme has negative impact on the income of 43.64 per cent of OC category respondents. In this case, they are followed by BC, SC and ST respondents with 26.67 per cent, 22.83 and 21.21 per cent respectively. No change or status quo in income levels is expressed by 14.15 per cent of ST, 14.13 per cent of SC, 7.27 per cent of OC and 5 per cent of BC sample households. About 2.50 per cent of BC and 2.17 per cent of SC respondents were unable to express their views on income front of their families.

On the whole, nearly 61 per cent of sample respondent households reported that the MGNREG scheme has positive impact on the annual income of the family. About 28 per cent of them expressed negative impact on income front. Around 9.33 per cent of sample households reported neither positive nor negative impact on income levels. The remaining 1.67 per cent was unable to answer. The statistical chi-square value is lower than the table

value. This implies that there is a close relationship between caste and the impact of MGNREGS on annual Income Levels Sample respondents.

**Table-8 Impact of MGNREGS on Agricultural wages**

S. No.	Responses	Caste Wise Coverage of Respondents				Grand Total
		ST	SC	BC	OC	
1	Increased	23 (69.70)	61 (66.30)	83 (69.17)	28 (50.91)	195 (64.00)
2	Decreased	6 (18.18)	18 (19.57)	29 (24.17)	21 (38.18)	74 (24.67)
3	Status Quo	3 (9.09)	11 (11.96)	8 (6.67)	5 (9.09)	27 (9.00)
4	Can't Say	1 (3.03)	2 (2.17)	0 (0.00)	1 (1.82)	4 (1.33)
Total		33 (100.00)	92 (100.00)	120 (100.00)	55 (100.00)	300 (100.00)

Source: Field Data

As per table shows that the scheme has positive impact on agricultural wages as reported by 65 per cent of sample respondents. More than 69 per cent of ST and BC households reported that the MGNREGS has positive impact on agricultural wages. Only 50.91 per cent of OCs reported that the scheme has increased agricultural wages. About 24.67 per cent of total sample reported that the scheme has negative impact on agricultural wages. About 9 per cent of sample respondent households reported that there are no changes in agricultural wages, with the implementation of MGNREG scheme. The remaining 1.33 per cent is unable to answer. The statistical chi- square value is lower than the table value. This implies that there is a close relationship between caste and the impact of MGNREGS on agricultural wages sample respondents.

**Table-9 Impact of MGNREGS on Food Security**

S. No.	Responses	Caste Wise Coverage of Respondents				Grand Total
		ST	SC	BC	OC	
1	Increased	27 (81.82)	77 (83.70)	73 (60.83)	22 (40.00)	199 (66.33)
2	Decreased	4 (12.12)	11 (11.96)	38 (31.67)	21 (38.18)	74 (24.67)
3	Status Quo	2 (6.06)	4 (4.35)	7 (4.83)	11 (20.00)	24 (8.00)
4	Can't Say	0 (0.00)	0 (0.00)	2 (1.67)	1 (1.82)	3 (1.00)
Total		33 (100.00)	92 (100.00)	120 (100.00)	55 (100.00)	300 (100.00)

Source: Field Data

Table 4.22 shows that the MGNREGS improved the food security in rural areas as per the reports of sample respondents. Nearly two-thirds of the respondents reported that with the introduction of MGNREG Scheme the food security in rural areas increased. A preponderant majority i.e. 83.70 per cent of Scheduled Caste reported that the MGNREGS increased food security. About 24.67 per cent of sample respondents stated that the MGNREGS has negative impact on the food security. In this regard OCs tops the list with 38.18 per cent. Around 8 per cent of the sample respondents reported either positive or negative impact on food security. Again, here also OCs stood at the top of the ladder with 20 per cent. Only 3 out of 300 respondents expressed their inability to answer. The statistical chi-square value is higher than the table value. This implies that there is no relationship between caste and the impact of MGNREGS on food security of sample respondents.

## **Conclusion**

MGNREGA is introduced to mitigate rural distress a consequence of agrarian crisis caused by the implementation of the neo-liberal policies in our country. The implementation of MGNREGA resulted in right to employment for at least 100 days in a year in rural areas. The Act creating community assets and right to employment benefitted small and marginal farmers and agricultural labourers. The assets created resulted in increasing the productivity of agriculture ([www.mgnrega.nic.in](http://www.mgnrega.nic.in)). It prevented distress migration to some extent. However, there are people who claim that implantation of MGNREGA resulted in increasing the wages and non availability of farm labour for agricultural operations. But, the research findings and also the fact that job cards are not issued to 100 percent households and also the fact that very few households completed 100 days work through MGNREGA indicates that there is no scarcity of labour in rural areas ([www.mgnrega.nic.in](http://www.mgnrega.nic.in)). Even if scarcity exists it is not due to MGNREGA but some other factor, which we have to look out. MGNREGA through wage employment and assets creation, which improve agricultural productivity, enhanced the demand in rural areas. Besides, public investment in employment and asset creation is necessary to compensate the deficiency of private investment to revive agrarian economy. MGNREGA is not only necessary but also it has to be strengthened through convergence of various departments to pool technology, skill and resource for efficient delivery. MGNREGA created employment and hence income to hitherto excluded sections and thereby it lead to achieve inclusive growth in rural areas. MGNREGA not only delivered economic benefits but also many social benefits to the society to attain sustainable development. Hence, financial allocations to MGNREGA should not be curtailed but it should be strengthened by removing any pitfalls in its implementation. The continuation of

MGNREGA is essential to curtail excess migration to urban areas and given the literacy rate in rural areas.

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