

# Performance of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)

## (A study of Veldurthi Mandal in Guntur District, AP)

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**Abstract:** Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a one of the important wage employment programme/Act to provide assured employment for rural poor by Government of India (GoI). It encapsulates inclusive growth strategy to reduce chronic poverty and regional imbalances in the country. This paper tries to analyze the Implementation and performance of MGNREGS in study area. For the purpose of this study I have selected veldurthi mandal from Narasaraopet division of Guntur District. The study has found that MGNREGS is a very significant public programme to helps rural poor to come out of chronic poverty with certain assured provision of employment. It has a positive impact on rural livelihood, to eliminate distress migrations from backward areas and it has also promoted women economic empowerment. The programme has involved cross section of the society irrespective of caste/class at the study area. Apart from this it also assisted in enhancing the savings of poor in tern helped in gaining productive resources to ensure reduction of poverty.

**Key Words:** Implementation, Performance, Impact, Rural poor, Poverty, Employment, Unemployment, Act, Scheme, Programmes, Veldurthi, Guntur.

### 1. Introduction:

Unemployment is measured as one of the foremost foundations of poverty in developing nations like India. The number of unemployed and underemployed has been increasing over time. More than 44 million families living in rural parts of India are reported to below the poverty line. These families suffer from no work, less work and low productivity. Employment opportunities in rural regions where labour is mainly agriculture-oriented are limited unless special efforts are made to generate work. Eradication of poverty and hunger through employment in the community has been one of the main goals of planning in India. Rural

development programmes has been intended to recover the socioeconomic life of the poorer segment of the society. Significant achievement could not be achieved and did not cover the poorest people in rural areas spread over the whole country, though a large number of programmes, beginning with community development programmes have been in operation for the development of rural poor.

The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is an Indian Job Guarantee Scheme enacted by legislation on August 25<sup>th</sup>, 2005. The scheme provides a legal guarantee for 100 days of employment in every financial year to adult members of any rural household willing to do public work – related unskilled manual work at the statutory minimum wage of Rs.120/- per day. This scheme was introduced with an aim of improving the purchasing power of the rural people, primarily semi or un-skilled workers living in rural India, whether or not they are below the poverty line. Around one-third of the stipulated workforce is women. The scheme was initially called the National Rural Employment Guarantee Act (NREGA) but was renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) by the Government order of S.O. 1860 (E), dated 30<sup>th</sup> July, 2010. MGNREGA was launched on February 2<sup>nd</sup>, 2006 from Ananthapur in Andhra Pradesh and initially covered 200 “Poorest” districts of the country. The Act is an important step towards realisation of the Right to Work. It is also expected to enhance people’s livelihood on a sustained basis, by developing the economic and social infrastructure in rural areas. The choice of the work seeks to address the causes of chronic poverty such as drought, deforestation and soil erosion. Effectively implemented, the employment guaranteed under the Act has the potential of transforming the geography of poverty. The success of better implementation of the scheme would be based on the awareness of beneficiaries on the features of the Act.

## **2. Brief Profile of Veldurthi Mandal:**

The total geographical area of the Mandal is 552 sq. Kms and it has 9 revenue villages. According to 2011 census the total population of Mandal is 45,927 out of that 23,146 are men (50.39%) and 22,781 are women (49.60%). Among the total population, the number of Scheduled Castes is 5,668 (12.34%) and the number of Scheduled Tribes is 9,669 (21.05%). Among them the Scheduled Castes women’s population is 2,845 (50.19%) and Scheduled Tribes women’s population is 4,745 (49.07%). The literacy rate of the men is 47.51% and women are 25.27% in this Mandal. The sex ratio in this Mandal is 984 women per 1000 men.

The annual normal rainfall in the Mandal is 683 mms, the Mandal received 937.6 mms of rain fall which is more than normal during 2010-2011. The geographical area of the Veldurthi Mandal is about 42,645 hectares. The land of 454 hectares is uncultivated and barren, it is 1.10% of the land of the total geographical area of this Mandal. The land area Sown more than once was recorded was 232 hectares which constitutes 0.50% of the total geographical area. The first season commences from June and Rabi season starts from September. The major crops grown in this Mandal are paddy, maize, red gram, green gram, black gram etc. The important non-food crops including groundnut, cotton, chillies, etc., are sowed in 8,829 hectares of land. In Veldurthi Mandal the sources of irrigation are tube wells, tanks. The actual irrigated area in this Mandal is 693.42 hectares of land which constitutes 5.56% of the total cultivable area of the Mandal. The total gross irrigated area of the Mandal is 12,451 hectares and the total net irrigated area of the Mandal is 12,219 hectares.. The total number of Primary Schools in the Mandal is 42 under different managements. The total number of High Schools is eight. There is no Govt. Junior College in this Mandal. There is two Primary Health Centres in the Mandal.

### 3. MGNREGS in Veldurthi Mandal:

Guntur District was included in the second phase of the programme along with 13 other districts of Andhra Pradesh. The operational guidelines were issued for the implementation of the scheme on May 2007. These guidelines provided details on the scheme, institutional arrangements for implementation. So the MGNREGS works started in the Veldurthi Mandal of Narasaraopet division of Guntur District during 2006-2007 financial year. The various components of the scheme in the Mandal were detailed in the following pages.

#### 3.1. Caste Wise Beneficiaries:

Though the scheme is not extended to BPL families, experience in almost all states indicates that a large percentage of the rural BPL families have been covered for providing employment under the scheme. Moreover, the programme is not confined to any particular caste group. The Caste wise employment opportunities provided in Veldurthi Mandal are given in table-1

**Table-1**  
**Caste-wise Analysis of Employment provided under MGNREGS**  
**in Veldurthi Mandal**

Particulars/ Caste	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
<b>ST</b>						
No.of Regd. HHs	4706	4706	4706	4706	4706	4706
No.of working HHs	1377	1032	1705	1527	1656	1247
% of ST HHs	29.26	21.93	36.23	32.45	35.19	26.5
Total Days Worked	39888	43277	120575	97515	54862	33531
Average persondays	28.96	41.93	70.71	63.86	33.12	26.88
<b>SC</b>						
No.of Regd. HHs	2294	2294	2294	2294	2294	2294
No.of working HHs	592	359	1219	1196	974	1098
% of SC HHs	25.81	15.65	53.14	52.14	42.46	47.86
Total Days Worked	12981	14596	83022	89303	26919	34064
Average persondays	21.92	40.65	68.10	74.66	27.63	31.02
<b>BC</b>						
No.of Regd. HHs	5810	5810	5810	5810	5810	5810
No.of working HHs	1655	1308	3226	2937	2121	2768
% of BC HHs	28.49	22.51	55.52	50.55	36.51	47.64
Total Days Worked	36769	70082	224596	126778	50077	71093
Average persondays	22.21	53.57	69.62	43.16	23.61	25.68
<b>OC</b>						
No.of Regd. HHs	3543	3543	3543	3543	3543	3543
No.of working HHs	990	709	1857	1492	1360	1792
% of OC HHs	27.94	20.01	52.41	42.11	39.39	50.58
Total Days Worked	26958	35308	130505	67845	30795	54441
Average persondays	27.23	49.79	70.27	45.47	22.64	30.38

Source: District Water Management Agency, Guntur

It is evident from table-1 that out of the total number of registered households under MGNREGS Scheme the number of B.C., beneficiaries is high in Veldurthi Mandal. They are followed by Scheduled Tribes (ST), Other Castes (OCs) and Scheduled Castes in that order. The number of households working in the Mandal also is the same. The percentage of ST households working in the Mandal is high 36.23% in 2010-11. The total days the ST households worked ranges from 33531 to 120575 days. Nearly half of the SC households worked under MGNREGS Scheme except in 2008-09, 2009-10 and 2012-13. In 2010-11 as many as 53.14% of SC households were working under MGNREGS. It is pertinent to note that the total days the SC households worked are gradually increased except in 2012-13. With regard to BC households it is clear that they form the highest percentage i.e. 55.52% of working households registered in 2010-11. The percentage of their working households is gradually declining expect in 2013-14 It increased to 47.64% in

2013-14. The total days the B.C households worked are not evenly distributed. In the case of OC also the highest percentage of working households were the registered in 2010-11 was 52.41%. The total days the OCs worked ranges from 26,958 days to 1,30,505 days.

### 3.2. Household Wage Earning Analysis - Veldurthi Mandal:

Table-2 gives the details of Household Wage Earning of the wage seekers in Veldurthi Mandal.

**Table-2**  
**Year-wise House Hold Wage Earning Analysis in Veldurthi Mandal**

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Household Registered	16353	16353	16353	16353	16353	16353
Household Working	4614	3938	8893	7921	6863	7608
Household Total Days	119640	166207	564281	285434	164512	196162
Household Total wage (in Lakhs)	103.58	154.09	547.75	350.91	144.73	199.85
Household avg.wage	86.58	92.71	97.07	91.04	87.98	101.88

Source: District Water Management Agency, Guntur

As per table-2 the total number of registered households remained constant during six years under study in Veldurthi Mandal. The total number of working households in the sample Mandal was is not evenly distributed. The number of working households in the Mandal in 2008-09 was 4614 and they slightly decreased to 3938 in 2009-10. In the following year the number of working households rapidly increased to 8893, but in the following two years it decreased to 7152 The first three years of total years under study the working days of the households increased whereas in the fourth and fifth years household days declined. More or less same trends are noticeable in the total wages of the households in the sample Mandal. It is interesting to note that the average wage per household is gradually increasing from Rs.86.58 in 2008-09 to Rs. 101.88 in 2013-14.

### 3.3. Women Work Force:

The MGNREGA stipulates that priority shall be given to women. In terms of implementation it mandates that a minimum of one-third of the beneficiaries shall be women who have registered and have requested the concerned authorities for work.

Against this backdrop, MGNREGA has superseded this stipulation by securing employment to larger number of women. Table-3 gives gender wise analysis of workers in Veldurthi Mandal.

**Table-3**  
**Gender-wise participation under MGNREGS in Veldurthi Mandal**

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Male Registered	17517	17517	17517	17517	17517	17517
Percentage of Male Registered	50.52	50.52	50.52	50.52	50.52	50.52
Female Registered	17155	17155	17155	17155	17155	17155
Percentage of Female Registered	49.47	49.47	49.47	49.47	49.47	49.47
Male working	3540	2508	7453	6496	5409	5904
Percentage of Male Employment	44.27	44.05	46.86	46.21	46.14	45.84
Female working	4456	3185	8450	7559	6312	6973
Percentage of Female Employment	35.72	55.94	53.13	53.78	53.85	54.15
Male wage Rs.in Lakhs)	45.30	67.27	266.07	161.63	69.65	91.54
Female wage (Rs.in Lakhs)	55.48	83.99	320.79	198.39	80.94	106.75
Male average wage rate	87.22	93.41	97.94	92.74	90.48	106.46
Female average wage rate	85.88	92.12	97.46	90.9	87.99	98.58

Source: District Water Management Agency, Guntur

It can be seen from table-3 that the number of male and female workers registered under MGNREG Scheme in Veldurthi Mandal is constant during the six years under study. Among the registered there is slight edge of males over female. But in case of the working there is continuous dominance of females over the males in all the years under study. The highest percentage of female employment is registered in 2009-10. From 2008-09 to 2013-14 all the years under study the female wage employment is higher than the males as the working females outnumbered males. It is observed that the average wage of females is lower than the males in all years of study i.e. 2008 to 14 there is slight edge in female average wage in the Veldurthi Mandal.

### 3.4. Household Employment:

As per the MGNREGA legislation, each household in the rural India will be entitled at least 100 days of guaranteed employment in every financial year for one adult member. This employment will involve under staking casual manual labour at the wage rates decided from the time to time by respective State

Governments. The number of employment days provided under the scheme for each working household in

Veldurthi Mandal is presented in table-4

**Table-4**  
**Distribution of Households by person days of Employment provided**  
**under MGNREGS in Veldurthi Mandal**

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
No.of HHs working	4614	3938	8893	7921	6863	7608
No.of HHs Comptd. 100 days	127	449	2667	1185	314	91
% of HHs completed 100 days	2.75	11.40	29.98	14.96	4.57	1.19
Average Wage days of employment Provided for HH	25.27	49.42	81.36	60.68	42.17	32.04

Source: District Water Management Agency, Guntur

The data in Table-4 shows that the number of households who got statutory 100 days of employment was 2.75% in 2008-09. But it increased to 11.40% in 2009-10. In the following year it increased rapidly to 29.98%. In the next three years it decreased to 14.9% in (2011-12), 4.57% in (2012-13), and 1.19% (2013-14). The common feature noticeable from the above table is that the number of households who availed more man days is gradually decreasing in the Mandal. The average wage days of employment provided for household ranges from 25.27 days to 81.36 days.

### 3.5. Progress of works:

The MGNREGA recognized specific works to be undertaken under the scheme. Table-5 gives the details of progress of works in Veldurthi Mandal.

**Table-5**  
**Progress of works in Velduthi Mandal**

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Total Tech & Admin Sanction Given (Nos)	117	297	1796	668	1375	3249
Total Tech & Admin Sanction Given (Rs in Lakh)	123.42	244.96	1130.80	569.97	758.12	2131.41
Works in progress (Nos)	0	0	6	8	399	693
Works in progress	.00	.00	10.15	10.32	144.10	389.11

(Rs in Lakh)						
Works Completed (Nos)	89	269	1762	599	780	1970
Works Completed (Rs.in Lakh)	84.48	206.02	1081.71	511.71	484.94	1287.97
Shelf of works (Nos)	28	28	28	61	196	586
Shelf of works (Rs.in Lakh)	38.94	38.94	38.94	47.93	129.08	454.33

Source: District Water Management Agency, Guntur

As per table-5 the total number of works got technical and administrative sanction in the Mandal shows positive growth except in 2011-12. The financial sanction to various works is gradually increasing year by year expect in the 2011-12. In 2008-09 the total financial allocation to works is Rs.123.42 lakhs and in 2009-10 and in 2011-12 it increased to Rs.244.96 lakhs and to Rs.1130.80 respectively. The number of works completed is increased in all the years under 2011-12. During the first three years under study the number of completed works gradually increased. In the fourth year the number of completed works sharply declined and it increased in fifth and sixth years. But in the last year of study the number of completed works sharply increased to 1970. The shelf of works and financial allocation for them in first three years of the Mandal is constant. It increased in the following three years under study.

### 3.6. Expenditure and Employment Generated Under Different Works:

Table-6 gives a clear picture of amounts spent on different works and employment generated through such works in Veldurthi Mandal.



**Table-6**  
**Expenditure and Employment Generated in Veldurthi Mandal**

Particulars	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Wage Amount for water harvest & conservation (Rs.in Laksh)	33.43	28.28	126.52	269.74	108.25	69.48
Person days for water harvest & conservation	18112	26159	128237	288460	99792	69394
Wage Amount for Drought Proofing (Rs.in Laksh)	0	0	0.88	20.68	13.68	8.49
Persondays for Drought Proofing	0	0	735	23420	13523	6736
Wage amount for irrigation provision (Rs.in Lakhs)	10.74	107.44	370.52	107.05	121.13	51.73
Persondays for Irrigation provision	11338	112713	381927	87207	94102	37123
Wage Amount for Renovation (Rs.in Lakhs)	5.97	0.26	67.06	56.91	46.24	70.05
Person days for Renovation	5598	289	67360	63221	53237	72184
Wage Amount for Flood ctrl works (Rs.in Laaksh)	0	0	3.48	3.48	4.04	2.68
Persondays for Flood ctrl works	0	0	3357	3384	6862	3409
Wage Amount Rural (Rs.in Lakhs)_	3.7	1.07	17.37	5.92	9.15	19.08
Persondays Rural	3885	1214	15738	5508	13577	18690
Wage Amount for Others (Rs.in Lakhs)	70.37	49.03	127.24	2.99	4.4	20.94
Persondays for others	77663	54242	126153	3339	6458	26325

Source: District Water Management Agency, Guntur

It is evident from table-6 that lion share of wage allocation and more person days were created in the Mandal are given for other works in 2008-09. In the same way major share of wage amount and more person days were created for irrigation works in 2009-10 and 2010-11. The next place was for water harvest and conservation for which more wage amount and person days were created in 2010-11 and 2011-12. Further it is clear that the wage amount for renovation is high in 2013-14. There is no allocation for drought

proofing during first two years under study. It increased to Rs.20.68 lakhs in the year of 2011-12. Again it decreased following two years to Rs. 13.68 and to Rs.8.49 lakhs in 2012-13 and 2013-14 respectively. There is increasing trend observed that both the wage amount and person days allocated for other works during last three years under study. Both the wage amount and person days decreased in 2009-10. Again it is increased to Rs.127.24 in the year 2010-11. And it again decreased rapidly both wage amount and persondays to 2.99 and 3339 lakhs in 2013-14.

The allocation of both the wage amount and person days for renovation works were not evenly distributed; there were fluctuations observed in all the years under study. The allocations for flood control are negligible. There is an amount of Rs.3.7 lakhs of wage amount allocated and 3885 person day created for rural connectivity in the year 2008-09 under study. It decreased the following year. The wage amount increased to Rs. 17.37 lakhs and 15738 person days were created in 2010-11 under study. The highest wage amount i.e., Rs.19.08 lakhs was sanctioned for rural connectivity in the year 2013-14 when compared to all previous study years. And the highest persondays i.e., 18690 days were created in 2013-14 is. It is clearly observed that from above table there are wider fluctuations in allocation of amounts as well as person days for rural connectivity works in the sample Mandal. After irrigation works the major allocations and person days created were for the water harvesting and conservation works except in 2009-10 and 2010-11.

#### **Conclusion:**

MGNREGA is a very important public programme to help rural poor to come out of chronic poverty with certain provision of employment. It has positive impact on agricultural labourer's well being and women empowerment. The labourers are earning more income through MGNREGA but it will be in short term, may not spend / or may not invest on productive assets. If this programme will have long term for rural poor, it might help to come out of chronic poverty through earn productive assets. There are significant positive effects to generate employment through MGNREGA. Various field studies indicated that MGNREGA has helped towards reducing distress migration which occurs for survival in the lean period. However, it helps to raise wages rapidly as a result to improve bargaining power of landless poor in the rural areas. Before implementation of MGNREGA, labourers have only one option into village that is to work in landowner field as wage labour or permanent labour. Now they have choices to get emolument through MGNREGA or in agricultural field. Because of this programme they got bargaining with farmers/

demanding wages. Otherwise they were ready to work in agricultural fields. This has provided an alternative and all are participated irrespective of caste/ class in veldurthi mandal of Guntur district.

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