

## Role of Mahatma Gandhi National Rural Employment Guarantee Scheme and Its Impact on the Upliftment of Rural Population in Thiruvannamalai District

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**Abstract:** The study was undertaken in Tiruvannamalai District to study the role of MGNREGA scheme and its impact on the Upliftment of rural people. The study collected primary data through well-structured interview schedule from 540 respondents in the study area. The study used simple percentage analysis as statistical tool for analysis of data. The study analysed the income of the respondents before and after entering into the scheme in terms of adequacy of income to purchase sufficient food, dress, spend for their children's education, for savings and to purchase of household assets. Thiruvannamalai district is one of the backward districts in Tamilnadu and 80 per cent of the people are living in rural areas. Unemployment is the major problem in India, especially the problem is more in rural areas among unskilled people and it leads to poverty in the country. In order to reduce poverty in rural area, the Government of India introduced Mahatma Gandhi National Rural Employment Guarantee Scheme. It was found that the scheme had given a considerable benefit to rural unemployed people in Thiruvannamalai district. The beneficiaries of the scheme got benefit in terms of adequacy of income to purchase sufficient food, dress, spend for children education, for savings and to purchase of household assets.

**Keywords:** MGNREGA, Poverty, Unemployment and Income

### INTRODUCTION

India is the second largest country in terms of population next to China. In other words India is the second largest country in human resources. Population of India in 2014 was 127 crore [1]. Around 25 per cent of people are living under poverty line in India. They could not earn to fulfil even their basic needs of their life. Mahatma Gandhi told that "Poverty is the worst form of violence". Such inequalities in human development have been one of the primary reasons for unrest and, in some parts of the world, even violence. It indicates that poverty stands as a major problem in a country's development. A country which sees the population as human resource and utilize them in more productive way will eradicate poverty and develop in various aspects. In the line of eradicating poverty the Government of India has been implementing various schemes over the period of time. But schemes introduced until before a decade just provided necessary goods to the people without utilizing their human resource in productive way. But in the year 2005 the Government of India introduced an act called Mahatma Gandhi Rural Employment Guarantee Act was enacted during 2005. Under this Mahatma Gandhi Rural Employment Guarantee Scheme was introduced. This

is the largest work guarantee programme in the world, was enacted in 2005 with the primary objective of guaranteeing 100 days of wage employment per year to rural households. Secondly, it aims at addressing causes of chronic poverty through the 'works' (projects) that are undertaken and thus ensuring sustainable development. Finally, there is an emphasis on strengthening the process of decentralization through giving a significant role to Panchayat Raj Institutions (PRIs) in planning and implementing these works. This scheme is successful in Tamilnadu also. Thiruvannamalai district one of the backward districts in Tamilnadu. More than 80 per cent of the population in the district is living in rural areas. Hence the researcher has analysed the role of MGNREGA scheme and its impact on the upliftment of rural people in the district.

### LITERATURE REVIEW

Prattoy Sarkar, Jagdish Kumar and Supriya [2] found significant changes in the socio-economic variables like annual per capita income, monthly per capita food expenditure, annual per child expenditure on education, per capita savings, condition of the dwelling houses, access to healthcare facility and

possession of other assets or luxury items for those households which are regularly working in the scheme. Prabeena Kumar Bebartha [3] evidenced that the tribal households in the Gajapati district had been benefited from MGNREGA in many ways as it had increased their income resulting multiple impacts in their social and economic life. Bipul De and Sebak Jana [4] observed some irregularities in the implementation procedure and the lack of awareness about the rights. Santhosh Kumar H [5] found that 1348 crore person-days of employment had been generated so far, Scheduled castes and scheduled tribes had accounted 51 per cent of the total person-day generated and women accounted 47 per cent of the total person-days generated number the scheme. Yasodha Jagadeeswari B [6] noted that in Tamil Nadu there was some shift out agriculture into the MNREGS, mainly with respect to female workers. Since the minimum wage paid under the MNREGS was far greater than the market agricultural wage for workers, women who were not working previously had started to do so on MNREGS sites.

### OBJECTIVE

The study has been undertaken with the following objective.

To study role of MGNREGA scheme and its impact to uplift rural unemployed people in Thiruvannamalai district.

### METHODOLOGY

The study was undertaken in Tiruvannamalai District to study the role of MGNREGA scheme and its impact to the upliftment of rural people. The study collected primary data through well-structured interview schedule from 540 respondents in the study area. The study used simple percentage analysis as statistical tool for analysis of data.

### RESULTS AND INTERPRETATION

For the purpose of analyzing the role of MGNREGA scheme and its impact on the upliftment of rural people in Thiruvannamalai district, the study identified five major aspects namely Food, Dress and Education expenses of children are most important expenses to be spent by the people after satisfied these expenditure they go for savings then they want to buy some assets such as house hold assets (television, refrigerator, mixer, grinder and so on). Hence the researcher analyzed position of the beneficiaries before and after entering into the scheme.

#### Adequacy of Income for Food

Food is the most important need of every human being. Poverty line in India was fixed on the basis of sufficiency of income to consume a minimum of 2400 calories per day for each member of a family. Table 1 presents results about adequacy of income for consuming food before and after enrolling into MGNREGA scheme.

**Table 1: Adequacy for Food Purchases**

Adequacy for Food Purchase	Before Entering into MGNREGA		After Entering into MGNREGA	
	No. of Respondents	Percentage	No. of Respondents	Percentage
Yes	209	38.7	505	93.5
No	331	61.3	35	6.5
Total	540	100.0	540	100.0

Source: Primary Data

Table 1 report that 38.7 per cent of the respondents only told that they had an adequate income to buy sufficient food and 61.3 per cent of the respondents did not have adequate income to buy sufficient food before availing benefit under MGNREGA scheme. But after entering into the scheme, there was a drastic improvement in earnings of the respondents. The results showed that 93.5 per cent of the respondents had adequate income to buy sufficient food after entering into the scheme and 6.5 per cent of the respondents told that even after entering into the scheme they were not able to earn adequate

income to buy sufficient food for their family, reason for this might be high number of family members or the beneficiary might engaged less number of days of work under MGNREGA scheme.

#### Adequacy of Income for Dress

Next to food dress is essential one for any human being. The opinion of respondents in terms of adequacy of income to purchase dress before and after entering into MGNREGA scheme are presented in table -2.

**Table 2: Adequacy for Dress Purchases**

Adequacy for Dress Purchase	Before Entering into MGNREGA		After Entering into MGNREGA	
	No. of Respondents	Percentage	No. of Respondents	Percentage
Yes	167	30.9	423	78.3
No	373	69.1	117	21.7
Total	540	100.0	540	100.0

Source: Primary Data

Table 2 reports that 69.1 per cent of the respondents did not earn adequate income to purchase dress for their family and 30.9 per cent of the respondents had adequate income to purchase dress before entering into the scheme. After entering into MGNREGA scheme 78.3 per cent of the respondents were able to earn adequate income to purchase dress for their family members and 21.7 per cent of the respondents did not have adequate income to purchase dress even after entering into MGNREGA scheme. It showed that there was considerable improvement in

upliftment of rural poor in terms of adequacy of income to purchase dress.

#### **Adequacy of Income to Spend for Children's Education**

After fulfilling food and dress people would like to give good education for their children. In order to know benefit derived from MGNREGA scheme in terms of adequacy of income to spend for children education, adequacy of income before and after entering into the scheme were analysed and presented in table 3

**Table 3: Adequacy of Income to Spend for Children's Education**

Adequacy for Children Education	Before Entering into MGNREGA		After Entering into MGNREGA	
	No. of Respondents	Percentage	No. of Respondents	Percentage
Yes	156	28.9	452	83.7
No	384	71.1	88	16.3
Total	540	100.0	540	100.0

Source: Primary Data

Table 3 reports that 28.9 per cent of the respondents only were able to get adequate income to spend for their children education before entering into MGNREGA scheme, but 71.1 per cent of the respondents were not able to earn adequate income to spend for their children education. But after entering into the scheme 83.7 per cent of the respondents obtained adequate income to spend for their children education and 16.3 per cent of the respondents were not

able to spend for their children education even after entering into MGNREGA scheme.

#### **Adequacy of Income to Spend for Savings**

Table 4 presents results about number of respondents and their respective percentage on total in terms of adequacy of income for savings before and after entering into MGNREGA scheme in the study area.

**Table 4: Adequacy of Income for Savings**

Adequacy for Savings	Before Entering into MGNREGA		After Entering into MGNREGA	
	No. of Respondents	Percentage	No. of Respondents	Percentage
Yes	106	19.6	377	69.8
No	434	80.4	163	30.2
Total	540	100.0	540	100.0

Source: Primary Data

Table 4 shows that 19.6 per cent of the respondents only had adequate income to make savings and 80.4 per cent of the respondents told that they did not have adequate income to make savings before availing benefit under MGNREGA scheme. But after entering into the scheme, there was a considerable improvement in earnings of the respondents and 69.8 per cent of the respondents had adequate income for

savings after entering into the scheme and 30.2 per cent of the respondents told that even after entering into the scheme they were not able to make savings.

#### **Adequacy of Income for purchase of assets**

After fulfilling necessary needs of people, they move for purchase of household assets such as furniture, television, mixer, grinder, refrigerator and so

on. Table 5 presents results about number of respondents and their respective percentage who got

adequate income for purchase of assets before and after entering into MGNREGA scheme.

**Table 5: Adequacy of Income for Purchase of Assets**

Adequacy to buy Assets	Before Entering into MGNREGA		After Entering into MGNREGA	
	No. of Respondents	Percentage	No. of Respondents	Percentage
Yes	81	15.0	328	60.7
No	459	85.0	212	39.3
Total	540	100.0	540	100.0

Source: Primary Data

Table 5 reports that 15 per cent of the respondents only were able to get adequate income to purchase assets, but 85 per cent of the respondents were not able to earn adequate income for the purpose of purchase of assets before entering into the scheme. But after entering into the scheme 60.7 per cent of the respondents obtained adequate income to purchase

household assets and 39.3 per cent of the respondents were not able to spend for purchase of assets even after entering into MGNREGA scheme.

Table 6 shows percentage of respondents obtained benefit through MGNREGA scheme.

**Table 6: Upliftment of Rural People in Thiruvannamalai District**

Adequacy of income to buy food	Food	Dress	Education	Savings	assets
No. of Respondents were able to buy food before MGNREGA	209	167	156	106	81
No. of Respondents were able to buy food after MGNREGA	505	423	452	377	328
No. of Respondents benefited from MGNREGA	296	256	296	271	247
No. of Respondents were not able to spend for food before entering into the scheme	331	373	384	434	459
Percentage of respondents benefited from the Scheme	89.4%	68.6%	77.1%	62.4%	53.8%

Source: primary Data

It is observed from table 6 that most of the people in rural areas of Thiruvannamalai district were poor, even though they had earnings through agricultural and non-agricultural labour works, their income were not sufficient to maintain their family. Introduction of Mahatma Gandhi National Rural Employment Guarantee Scheme provided 100 days of work per financial year with a wages of Rs.100 per day. It was introduced in the view of alleviating poverty in rural areas. The results of the study showed that 331 respondents (61.3 per cent of the total) out of 540 respondents were struggling even for purchase of food for their family, but after getting benefit from the scheme 296 out of 331 were getting benefit, it means 89.4 per cent of affected people got benefit. Out of 373 respondents who were not able to spend for dress for their family 68.6 per cent of the respondents got benefited through the scheme. 384 respondents were not able to earn to fulfill their children education expenses before entering into the scheme, but after entering into the scheme 77.1 per cent of them got benefited. The study also showed that 80.4 per cent of the total respondents (434 in number) did not have adequate income for making savings before entering

into the scheme, but 62.4 per cent of them obtained benefit out of the scheme in terms of earning adequate income for making savings. 85 per cent of the total respondents (459 in number) did not earn adequate income to purchase household assets before entering into the scheme but after entering into the scheme 53.8 per cent of them told that they earned adequate income through the scheme to purchase of household assets. These results showed that the MGNREGA scheme uplifted a considerable portion of the respondents in Thiruvannamalai District economically.

## CONCLUSION

Thiruvannamalai district is one of the backward districts in Tamilnadu and 80 per cent of the people are living in rural areas. Unemployment is the major problem in India; especially the problem is more in rural areas among unskilled people and it leads for poverty in the country. In order to reduce poverty in rural area, the Government of India introduced Mahatma Gandhi National Rural Employment Guarantee Scheme. It was found that the scheme had given a considerable benefit to rural unemployed people in Thiruvannamalai district. The beneficiaries of the

scheme got benefit in terms of adequacy of income to purchase sufficient food, dress, spend for children education, for savings and to purchase of household assets.

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