

# IMPACT OF MGNREGA ON RURAL DEVELOPMENT OF INDIA

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**Abstract:** MGNREGA's main goal was to improve the livelihood security of poor households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a fiscal year to adult members who volunteer to do unskilled manual labour. The act requires women to participate at a rate of 33%. Public works programmes play an important role in labor-market interventions and social assistance. Rural labour market issues include acute poverty, disguised unemployment, a lack of skills, and a lack of occupational diversification. As a result, governments have become increasingly reliant on direct intervention in the form of public works.

**Index Terms -** MGNREGA, Rural Development, Labour, Panchayat Raj.

## I. INTRODUCTION

The MGNREGA was established with the goal of "improving livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a fiscal year to every household whose adult members volunteer to do unskilled manual labour." MGNREGA will primarily be implemented by gram panchayats (GPs). Contractors are not permitted to participate. Work that requires a lot of effort, such as building infrastructure for water harvesting, drought relief, and flood control, is preferred.

Today, the creation of jobs is the government's top priority. There is a significant difference in employment rates between less industrialized and more industrialized countries. When we compare the unemployment rates in India and China, we see that India is in a terrible, abhorrent, and atrocious state because the unemployment rate in India is twice that of China.

MGNREGA's main goal was to improve the livelihood security of poor households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a fiscal year to adult members who volunteer to do unskilled manual labour. The act requires women to participate at a rate of 33%. Public works programmes play an important role in labor-market interventions and social assistance. Rural labour market issues include acute poverty, disguised unemployment, a lack of skills, and a lack of occupational diversification. As a result, governments have become increasingly reliant on direct intervention in the form of public works. Although there has been some liberalization in recent years, it has not been entirely successful. MGNREGA, on the other hand, has been very prosperous.

In order to more effectively combat poverty, the central government enacted the National Rural Employment Guarantee Act (NREGA) in 2005. It began with the inclusion of 200 selected districts throughout the country. NREGA began covering all districts on April 1, 2008. The NREGA was renamed Mahatma Gandhi National Rural Employment Guarantee Act in 2009-10 after an amendment (MGNREGA).

It is currently being implemented in 625 districts across the country. MGNREGA's main goal was to improve the livelihood security of poor households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a fiscal year to adult members who volunteer to do unskilled manual labour. The act requires women to participate at a rate of 33%. MGNREGA has had a positive impact on agricultural wages, distress migration has decreased, cultivated area has increased in some states, and water conservation structures have been built or revitalized in many cases.

## 2. Literature Review:

MGNREGA is a scheme that was launched with great fanfare and show by the UPA government. It was on their agenda to eliminate poverty, so they launched this scheme. To a large extent, this scheme yielded fruitful results; however, many flaws in the scheme soon emerged, and they continued with their approach. The launch of a national scheme for the poor is one of the most significant events in India's history. The generation of demand for productive labour force in villages is a "silver bullet" for eradicating rural poverty and unemployment.

**Dey et al (2010),** Some people are also opposed to this scheme. Some believe that this scheme is incapable of properly allocating resources, while others believe that it is a failure of the government agenda. In addition to criticising the scheme, Dey and Bedi criticised MGNREGA's

operation. They believe that the programme should provide a proportionately greater number of job days during the agricultural lean season, and that wages should be paid on time.

**Bordoloi (2011)**, Wage disparities are also a critical issue in MGNREGA. Some attempted to locate the scheme's prevailing wage differential. On the plus side, the Scheme has reduced wage disparities between men and women, and the vast majority of beneficiaries regard the assets created by MGNREGA as beneficial.

**Dutta et al (2012)**, It has been discovered that women are getting jobs through MGNREGA, which is assisting in closing the gender gap. MGNREGA is a fantastic programme that assists the poor in a big way. In comparison to previous such schemes, the MGNREGA scheme can easily target the poor. The scheme has a lot of positive effects. Dutta et al. discovered that the scheme's self-targeting mechanism allows it to reach relatively low-income families and backward castes.

**Murgai and Dutta et al (2012)**, In another study, Dutta, Murgai and colleagues discovered claims that NREGA is fundamentally different from previous government employment programmes because it treats employment as a right. They believe that the programme is intended to be demand-driven, and that it encourages local participation in the planning and monitoring of specific schemes.

### 3. Impact of MGNREGA on Rural Development:

MGNREGA is a demand-driven wage employment programme in which resources are transferred from the Centre to the states based on the demand for employment in each state. MGNREGA is a bottom-up, people-focused, demand-driven, self-selecting, rights-based programme. The MGNREGA mandate is to provide at least 100 days of guaranteed wage employment to every rural household whose adult members volunteer to do unskilled manual labour in a fiscal year. It provides a legal guarantee for wage employment by providing allowances and compensation in the event of both failure to provide work on demand and delays in payment of wages for work completed. The Scheme's focus will be on the following works, from the rural development point of view:

1. Water conservation and harvesting;
2. Drought Mitigation (including afforestation and tree planting); and
3. Irrigation canals, including micro and minor irrigation works.
4. Provision of irrigation facilities to land owned by households belonging to the Scheduled Castes and Scheduled Tribes, or land of land reform beneficiaries, or land of beneficiaries of the Government of India's Indira Awas Yojana;
5. Traditional water body renovation, including tank desilting;
6. Land Development;
7. Flood control and protection works, including drainage in water-logged areas;
8. Rural connectivity to provide all-weather access; and
9. Any other work that the Central Government may notify in consultation with the State Government.
10. The Scheme will priorities the creation of long-term assets and the strengthening of the rural poor's livelihood resource base.
11. The scheme's works will be carried out in rural areas.
12. Under no circumstances will rural labourers be paid less than the minimum wage.
13. Panchayat Raj Institutions are being strengthened.

### 4. Conclusion:

MGNREGA has been chastised for the poor quality and long-term viability of the assets created under it. While work completion is not a criterion for assessing work quality, it is an important parameter to evaluate MGNREGA processes involved in asset creation. MGNREGA is recognized as an ecological act that aims to create sustainable livelihoods through the regeneration of rural India's natural resource base.

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