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“TO STUDY OF FINANCIAL AND ECONOMIC ASPECTS OF THE NREGA WITH REFERENCE TO YAVATMAL DISTRICT”



ABSTRACT:

This study discusses the appropriateness of these structures, their economic impact on rural life and impact on livelihood of marginalised population of rural India. It was also important to study the implications of NREGS from minimum wage and employment point of view. The study also examines the multiplier effect of NREGS in context of agricultural productivity, scope for skill development in rural areas and employment generation outside NREGS.

KEYWORDS: *economic impact, agricultural productivity, scope for skill development.*

INTRODUCTION :

The National Rural Employment Guarantee Act (NREGA) is a historic legislation passed by the Government of India in September 2005. Ministry of Rural Development claims it as a revolutionary program to transform the rural economy and improvement in livelihood with a promise of inclusive growth. The government has referred to it as an Act of the people, by the people, and for the people. The NREGS guarantees a hundred days of unskilled employment to each household in every financial year at an equal wage rate for both male and female workers. Additionally, it guarantees the “right to

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work” as a legal right of every able-bodied adult in rural India. It is fundamentally different in a way from all other wage employment programmes operating since 1980 is that these programmes do not guarantee employment as a legal right.

It provides ample opportunities for creating rural public assets, which has been largely neglected. It helps to enhance the purchasing power of rural households, thereby contributing to poverty alleviation. The NREGS achieves twin objectives of rural development and employment. The NREGS stipulates that works must be targeted towards a set of specific rural development activities such as water conservation and harvesting, afforestation, rural connectivity, flood control and protection such as construction and repair of embankments, etc. Digging of new tanks/ponds, percolation tanks and construction of small check dams are also given importance.

NREGS is also significant act in many ways such as grass-root level participation of common citizen and beneficiary through democratic process, multi-layered social audit and transparency mechanism by involvement of civil society, comprehensive planning at village level towards sustainable and equitable development etc. The major outcome expected from this programme to improve the quality of life of rural households who are vulnerable to out-migration in search of daily wage employment by channelising the wage workforce towards developmental activities at the village level itself. This would eventually help the poor in getting

the livelihood security. Many academicians and practicenors have high expectations from NREGS. Noted agriculture scientist M.S. Swaminathan described NREGS as the world's largest ecological security programme, which can successfully strengthen the ecological foundations for sustainable agriculture. Some civil society experts even claim that the NREGS is truly a historic opportunity for dramatic socio-economic transformation in rural India. The NREGS, which promises the largest ever employment programme in human history, has the potential to provide a "big push" in India's regions of distress. It has put money into the hands of the poorest of the poor on a scale that is unprecedented in the history of independent India. Prof Jean Dreze, one of the architects and experts of the ambitious NREGS says that, 'NREGS represents a new hope for the rural poor. Instead of shrill rhetoric for or against the programme, what is required is serious discussion of how to make it work.' There is little doubt that every quarter of the civil society and government are enthusiastic as well as skeptical about the direction, this massive will take.

NREGS was launched in two hundred selected districts on 2nd February 2006 in Phase I and was extended to 130 more districts in 2007-08 in Phase II. It was further extended to the remaining 285 districts from 1st April 2008 onwards, in Phase III. Since NREGS is demand-driven. People who need job will demand for it and the government is legally bound to provide the same. In case of failure to do so, the government has to ensure mandatory unemployment allowance. For the first time, rural communities have been given not just a development programme, but also a regime of rights along with it. NREGS has unprecedented commitment of financial resources by the government of India who has earmarked huge funds to insure that finances do not come on the way of success of this scheme. This outlay is justified by the financial scrutiny and the emphasis on planning of works and mechanisms of social audit means that quality of works is centrally important. This is not a welfare programme but a development initiative, chipping in with crucial public investments for creation of durable assets, which can provide much-needed momentum to growth in the most backward regions of India. The thrust is on construction of earthen dams, bunds and ponds as part of a watershed development strategy.

AIM & OBJECTIVE

- To study the financial and economic aspects of the NREGA in Yavatmal district.

Hypothesis

H₁: Officials faced problem while implementing NREGA scheme

METHODOLOGY

The methodology adopted by the intuition is balance of primary and secondary resources. The assessment has been carried out using primary data collected through a survey instrument as well as collection of secondary data through various sources like government records, Panchayat records, life histories of people and observation on field. The collection of data commenced in February 2015 with the finalization of the survey instruments.

The sampling method adopted by the organization was random however; there has been a conscious effort to insure the maximum representation of the most marginalized including women the sampling design.

Table 1: Information about Total No. of NREGA workers registered in the village of Yavatmal district.

The information regarding Total No. of NREGA workers registered in the village of respondent involved in implementation of NREGA is shown in following Table.

	Mean	SD	Min	Max
SC	218	±24	198	265
ST	121	±11	112	134
OBC	456	±34	398	489
Minority	102	±21	71	123
Disabled	23	±8	13	37
Above 60 Years	89	±12	42	87
Others	24	±9	18	36

Source: Survey Data

It is observed that on an average 218±24 workers belonging to SC category were registered under NREGA in study area, average no. of ST workers registered under NREGA was 121±11. It is also evident that on an average no. of OBC, Minority, Disables and above 60 year workers registered under NREGA in study area was 456±34, 102±21, 23±8 and 89±12 respectively.

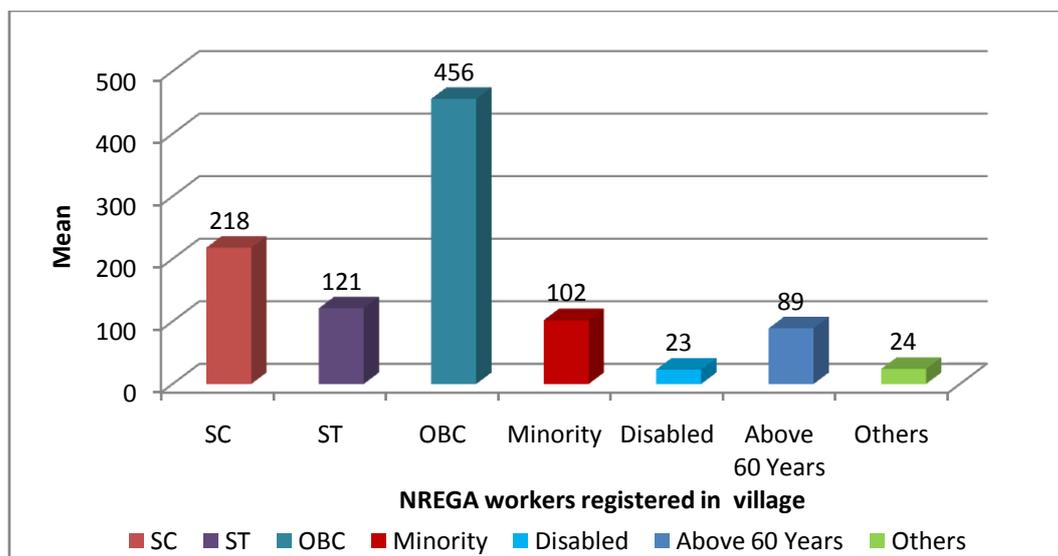


Fig.1: Information about Total No. of NREGA workers registered in the village

Table 2: Responses about facing problems while employing beneficiaries on work under scheme

The responses of respondent, involved in implementation of NREGA about facing problems while employing beneficiaries on work under scheme is shown in following Table

	No. of Respondent	Percentage
Yes	324	64.8
No	124	24.8
Can't Say	52	10.4
Total	500	100

Source: Survey Data

It is observed that out of total 500 respondents involved in implementation of NREGA, 324(64.8%) respondents faced problem while employing beneficiaries on work under NREGA scheme, whereas 124(24.8%) respondents did not faced problem while employing beneficiaries on work under NREGA scheme. In addition to this, 52(10.4%) respondents were uncertain about facing problem while employing beneficiaries on work under NREGA scheme in Yavatmal district.

It is observed from the Table 2 that majority of respondents faced problem while employing beneficiaries on work under NREGA scheme.

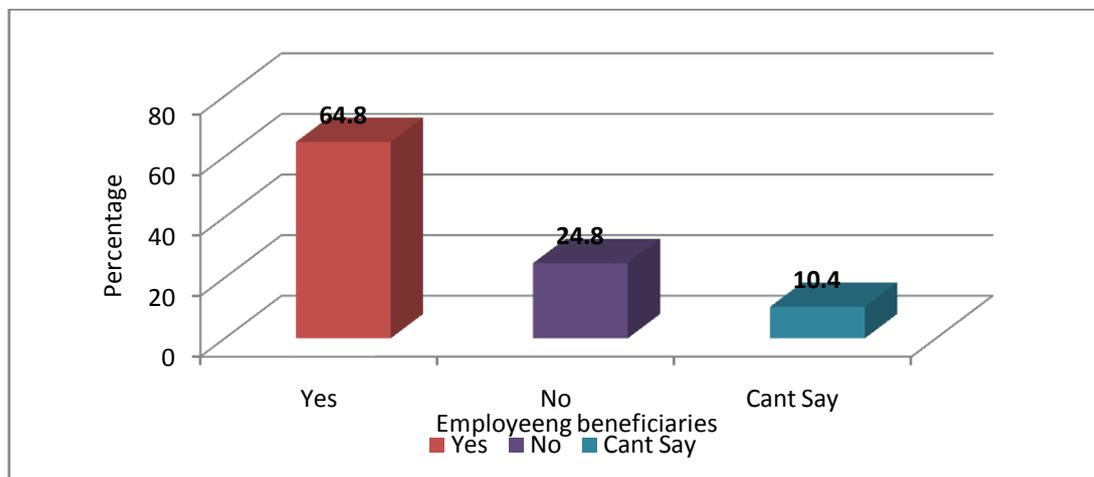


Fig. 2: Responses about facing problems while employing beneficiaries on work under scheme

Table 3: Type of problem faces by respondents while employing beneficiaries on work under NREGA in Yavatmal district.

Information regarding type of problem faced by respondents involved in implementation of NREGA about employing beneficiaries on work under scheme is shown in following Table

Problems	No. of Respondent	Percentage	Total
Political interference	124	38.3	324
Castism	189	58.3	324
Lobbing	214	66.0	324
Lack of Adequate funds	302	93.2	324
Inadequate facilities	311	96.0	324

Source: Survey Data

It is observed that out of total 324 respondents facing problem while employee beneficiaries on the work under NREGA, 124(38.3%) respondents faced problem of political interference, whereas 189(58.3%) respondents faced problem of castism. In addition to this, problems such as lobbying, lack of adequate fund and inadequate facility was faced by 214(66%), 302(93.2%) and 311(96%) respondents respectively.

It is observed from the Table 3 that significant no. of respondents faced problems such as lobbying, lack of adequate fund and inadequate facilities while employing beneficiaries on work under NERGA scheme.

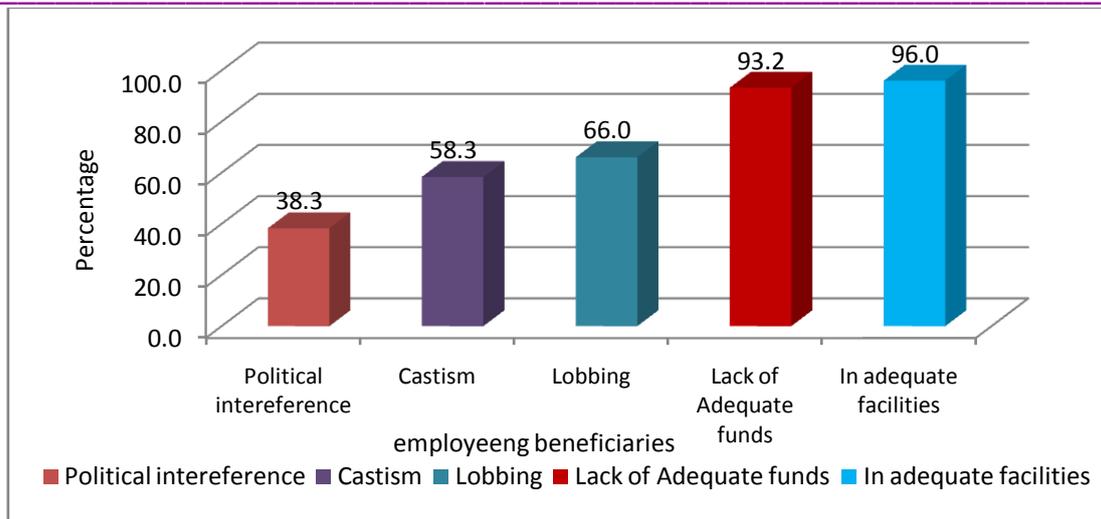


Fig. 3: Type of problem faces by respondents while employing beneficiaries on work under NREGA

It is observed from the Table 2 that majority of respondents faced problem while employing beneficiaries on work under NREGA scheme. It is also observed from the Table 3 that significant no. of respondents faced problems such as lobbying, lack of adequate fund and inadequate facilities while employing beneficiaries on work under NERGA scheme. Hence hypothesis **H₁ is accepted**.

CONCLUSION:-

The majority of officials involved in implementation of NREGA scheme felt that beneficiaries are fully benefited through NREGA scheme, However; it is also apparent from the results that considerable no. of i.e. 60.6% officials felt that beneficiaries are partially benefited and benefited to a very less extent through scheme. These results showed that there is no clear cut agreement on benefits of NREGA to beneficiaries. Officials are uncertain regarding improvement of socio-economic status of the people after execution of NREGA program/scheme were uncertain regarding their satisfaction with the quality of works executed in their Panchayat/block under NREGA program/scheme of Yavatmal district.

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