



MGNREGS and Social Progress-with reference to Srikakulam District of Andhra Pradesh

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Abstract: Mahatma Gandhi National Rural Employment Guarantee Act is the flagship programme of the Government that directly touches lives of the poor and promotes inclusive growth. The Act aims at enhancing livelihood security of households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. Mahatma Gandhi NREGA is the first ever law internationally that guarantees wage employment at an unprecedented scale.

Keywords: employment, inclusive growth, livelihood

Introduction: The National Rural Employment Guarantee Scheme (NREGS) is particularly an obvious target for convergence with rural livelihood programmes. NREGS a safety net programme providing a guarantee of employment for each household up to 100 days, and much of this work is based on implementing soil and water conservation activities. The Srikakulam district is one of the leading districts relating to the implementation of NREGS in the state of Andhra Pradesh. The NREGS is carrying in a big way in all the 38 Mandals of the Srikakulam district. This programme is effectively implementing by 1104 grampanchayats which covers 4370 habitations. During 2013-14, 540902 job cards are issued to the 32603 labour (SSS) Groups registered to 626281 labour in labour groups. In the district during 2013-14, 51768 No. of works are initiated. Since Inception the cumulative works recorded to 185654.

Objectives and Hypothesis: The present study is undertaken keeping in view the following major objectives, viz.

1. To analyze the different issues relating to Progress of MGNREGS Activities in the study area.

2. To examine the impact of MGNREGS activities on the major economic conditions of the selected sample beneficiary households during the period of Pre-NREGS and Post-NREGS.
3. To examine the impact of NREGS activities on poverty levels of households and its determinants.

Based on the above outlined objectives, the following hypotheses are formulated: The implementation of National Rural Employment Guarantee Scheme activities in the study area are effective and the impact of NREGS on the economic and living conditions of the sample households is significant.

Methodology: Both primary and secondary data were collected for the present study for drawing inferences and arriving at conclusions, keeping in view the objectives of the study. To select sample households, multi-stage random sampling method has been used in the present study. In the first stage, Srikakulam district is selected because the performance of NREGS activities is quite in progress in the district. In the second stage from the three existing divisions of the district from each



division two mandals are selected randomly. From the Srikakulam division Gara and Ranasthalam, from the Palakonda division Santhakaviti and Rajam and from Tekkali division Tekkali and Kotabommali are selected for the study. In the third stage from each selected mandal two villages are selected randomly. As a whole from the six selected mandals a number of twelve villages are selected. At the fourth stage from each village a number of 35 households who participated in the NREGS activities during the year 2012-13 are selected. For the in-depth study a total of 420 sample households participated in NREGS activities are selected from the twelve selected villages.

To examine the economic impact of the NREGS activities the economic conditions of the respondents before their entry into the NREGS activities, the information relating to their economic indicators prior to 2011-12 (Pre-NREGS period) are collected. To

collect the data relating to the economic indicators of the respondents after their entry into the programme for the year 2012-13 (Post NREGS period) are collected.

Social Progress in the Study Area:

In this study an attempt has been made to examine the socio-economic characteristics of the sample respondents of the six sample mandals with special reference to important variables like income, expenditure, indebtedness and employment. The statistical information relating to all these socio demographic and economic indicators of the selected ample beneficiary households of the NREGS programme in the study area are collected for the year 2012-13 (during the post NREGS period).

The caste wise classification of the average annual income of the sample respondents in the study area is presented in Table - 1

Table -1: Average Income of the Sample Respondents

(In Rupees)

Sl. No.	Mandal	Beneficiaries				Average
		SC	ST	BC	OC	
1	Srikakulam Division					
	Gara	17900	15300	20100	21800	18775.00
	Ranasthalam	16500	13900	18100	19800	17075.00
2	Palakonda Division					
	Santhakaviti	16200	14800	18900	19600	17375.00
	Rajam	16300	13700	17400	20400	16950.00
3	Tekkali Division					
	Tekkali	16800	14500	19100	20600	17750.00
	Kotabommali	15600	14200	17700	19900	16850.00
Sample average		16550	14400	18550	20350	17462.50

Note: SC = Scheduled castes, ST = Scheduled Tribes, BC = Backward Castes. OC = Other Castes. Figures in parentheses indicate percentages to total, Source: Field survey data 2012-13



From the above table it can be noticed that though the average annual income of all the respondents registered as Rs. 17,462.50. Among the respondents of different castes there are variations. The average annual income of the Scheduled Tribe respondents recorded a very low of Rs. 14,400 and the Other Castes is recorded a very high

of Rs. 20,350. The average annual income of the Scheduled Caste respondents recorded at 16,550 and Backward Caste respondents is 18,550.

The caste-wise classification of the annual average expenditure incurred by the sample respondents in the study area is presented in the following Table -2

Table - 2: Average Expenditure of Sample Respondents (In Rupees)

Sl. No.	Mandal	Beneficiaries				Average
		SC	ST	BC	OC	
1	Srikakulam Division					
	Gara	20100	17000	23000	25300	21350.00
	Ranasthalam	18500	15500	20600	22800	19350.00
2	Palakonda Division					
	Santhakaviti	18200	16400	21600	22600	19700.00
	Rajam	18400	14900	19900	23800	19250.00
3	Tekkali Division					
	Tekkali	19200	16200	22200	24100	20425.00
	Kotabommali	17500	15700	20200	23000	19100.00
Sample average		18650	15950	21250	23600	19862.50

Source: Field survey data 2012-13

From the above table it can be noticed that though the average annual expenditure of all the respondents registered as Rs. 19,862.50, among the respondents of different castes there are variations. The average annual expenditure of the ST respondents recorded a very low of Rs. 15,950 and the

other castes it is recorded a very high of Rs. 23,600. The average annual expenditure of the SC respondents recorded at Rs. 18,650 and B.C respondents is registered as Rs. 21,250. The information regarding the caste-wise average debt per sample household is presented in the following Table - 3

Table - 3: Average Debt per Sample Household (in Rupees)

Sl.No.	Castes	Beneficiaries
1	Scheduled Castes	3996.00
2	Scheduled Tribes	2934.00
3	Back ward Castes	4796.00
4	Other Castes	5594.00
	Sample Average	4330.00

Source: Field survey data 2012-13



The above Table indicates that the average debt among the sample beneficiaries in the category of Scheduled Caste is Rs. 3,996, Scheduled Tribes is Rs. 2934, Backward Castes Rs. 4796 and in Other Castes Rs. 5594.

The average employment (man-days) of beneficiaries in the pre and post-NREGS period by caste-wise is presented in Table - 4

Table – 4: Per Beneficiary Average Employment (Man-days)

Sl. No.	Castes	Pre-NREGS	Post-NREGS	Incremental employment	Percentage Variation
1	Scheduled Castes	116	178	62	53.45
2	Scheduled Tribes	113	173	60	53.09
3	Back Ward Castes	111	175	64	57.66
4	Other Castes	104	162	58	55.77
	Sample average	111	172	61	54.99

Source: Field survey Data 2012-13

From the above Table, it is found that the average man-days of employment of the sample beneficiaries in the caste category of BCs is recorded relatively higher the number of man days rose from 111 in the pre-NREGS period to 175 man-days in the post-NREGS period, whereas, in the case of the category of OCs it rose a low of from 104 man-days in the pre-NREGS to 162 man-days in the post-NREGS. In the

category of SCs the number of man days rose from 116 man-days to 178 man-days and in respect of the category of STs, the incremental employment is 60 man days. The incremental employment is found to be high among the sample beneficiaries in the BCs followed by SCs. The average net family income of sample beneficiaries in the pre and post NREGS period by caste-wise is presented in Table - 5

Table – 5: Average Net Family Income of Sample Beneficiaries (In Rupees)

Sl. No.	Castes	Pre-NREGS	Post-NREGS	Increase in Value	Percentage Variation
1	Scheduled Castes	11604.00	16550.00	4946.00	42.62
2	Scheduled Tribes	10766.00	14400.00	3634.00	30.75
3	Back Ward Castes	12570.00	18550.00	5980.00	47.57
4	Other Castes	13640.00	20350.00	6710.00	49.19
	Sample average	12145.00	17462.50	5317.50	43.78

Source: Field survey Data 2012-13.

The above Table reveals that the average net family income of sample beneficiaries of BCs in the pre NREGS was Rs. 12570 which rose to Rs. 18550 an

incremental increase of Rs.5980 and percentage variation is recorded as 47.57. in the post NREGS periods. In the case of Scheduled Tribe beneficiaries in the



pre NREGS average income is Rs. 10766 and post NREGS it increased to Rs. 14400 and the increase in value is Rs 3634 and percentage variation is 30.75. In case of SCs net family income of pre NREGS was Rs. 11604, during post NREGS it rose to Rs. 16550, the increase in value is Rs. 4946 and the percentage variation is 42.62 and in case of Other Castes in the pre NREGS it is Rs. 13640, post NREGS is Rs.20350 with an increase in value of Rs. 6710 and percentage variation is 49.19. Among the different cases it is observed that the

average net family income of the OCs and BC sample beneficiaries increased at higher rate when compared to the SCs and ST beneficiaries. The additional income earned by the sample beneficiaries, as a result of their getting employed in NREGS works, enabled them to meet their basic needs and not to unduly depend on money-lenders. The average consumption expenditure (food and important consumer items) of sample beneficiaries in the pre and post NREGS period by caste - wise is presented in Table - 6

Table – 6: Average Expenditure of Sample Beneficiaries (In Rupees)

Sl. No.	Castes	Pre-NREGS	Post-NREGS	Increase in Value	Percentage Variation
1	Scheduled Castes	13010	18650	5640	43.35
2	Scheduled Tribes	10596	15950	5354	50.53
3	Back Ward Castes	14890	21250	6360	42.71
4	Other Castes	16490	23600	7110	43.12
	Sample average	13746.50	19862.50	6116.00	44.49

Source: Field survey Data 2012-13

From the above Table shows that, we find that the average consumption expenditure of the sample beneficiaries in the category of Scheduled Castes in the pre-NREGS was Rs. 13010 which rose to Rs. 18650 in the post NREGS period with an increase in value of Rs. 5640 with percentage variation 43.35, for Scheduled Tribes in pre NREGS it is Rs. 10596 during post NREGS it is Rs.15,950, the increase in value is Rs.5354 and the percentage variation is 50.53, for Backward Castes in pre - NREGS it is Rs.14890, post NREGS is Rs.21250 increase in value is

Rs. 6360 and the percentage variation is 42.71 and for 'Other Castes' in pre-NREGS is Rs.16490, post NREGS is Rs.23600, increase in value is Rs. 7110 and percentage variation is 43.12. It is evident from the analysis that the average consumption expenditure incurred by the sample beneficiaries is high in the post-NREGS period as compared to the pre-NREGS period. The average value of house-hold assets of the sample beneficiaries in the pre and post-NREGS period by Caste-wise is presented in Table - 7



Table – 7: Average Debt of Sample Beneficiaries
 (in Rupees)

Sl. No.	Castes	Pre-NREGS	Post-NREGS	Average Decrease	Percentage Variation
1	Scheduled Castes	5098.00	3996.00	1102.00	22.06
2	Scheduled Tribes	3946.00	2934.00	1012.00	25.64
3	Back Ward Castes	6128.00	4796.00	1332.00	21.73
4	Other Castes	7028.00	5594.00	1434.00	20.40
	Sample average	5550.00	4330.00	1220.00	21.98

Source: Field survey Data 2012-13.

In the caste category of 'Schedule Castes' in the pre-NREGS period, the average debt was Rs.5098 whereas it was Rs.3946 in the category of 'Schedule Tribes', Rs. 6128 in the category of 'Backward Castes', Rs.7028 with the category of 'Other Castes', the average decrease in the debt of the sample beneficiaries, in the post-NREGS period, is high at Rs.1434 in the caste category of OCs, followed by beneficiaries in the category of BCs' Rs.1332, Rs.1012 in the 'STs' Rs.1102 in the case of SCs. The total average debt of the sample beneficiaries with pre- NREGS period

was high i.e., Rs.5550 which decrease to Rs.4330 in the post- NREGS period. High debt was incurred in the pre-NREGS period as the beneficiaries had to supplement their meager incomes by borrowing from moneylenders and landlords at high rate of interest in order to sustain the families, celebrative ceremonies, meet educational expenditure and for the purchase of consumer goods. The reasons given by the sample beneficiaries for participation in NREGS works, by caste-wise is presented in Table – 8

Table – 8: Reasons for Participation In NREGS Works

Sl. No.	Mandal	No other works available	Timely payment of wages	Proximity to the village	difficult of perform	Availability of continuous work	Better wages
1	SCs N=114	114	109	99	88	75	41
2	Ss N= 49	49	45	38	33	24	31
3	BCs N= 200	200	194	164	145	119	105
4	OCs N= 57	57	51	44	35	24	35
	Total 420	420	399	345	301	242	212
	Rank	I	II	III	IV	V	VI

Source: Field survey Data 2012-13



From the above Table, it can be noticed that the three major factors, among the sample beneficiaries of different castes are also similar and they stated that timely payment of wages and works proximate to the villages are the main reasons for their participation in the NREGS works. The other factors were availability of continuous works and better wages.

Impact of NREGS on the Poverty levels of different Communities:

An attempt is made to discuss about the impact of NREGS on different communities of the selected households. The information relating to proportional decline of poverty levels and two different communities of the households is presented in Table - 9

Table – 9: Community – wise Impact of NREGS on the Poverty Levels

Community	Total Sample Respondents	No. of Respondent Below Poverty line < 2250 Calories (HH's)		Net Change
		Pre NREGS	Post NREGS	
SC	114 (27.14)	82 (71.93)	38 (33.33)	38.6
ST	49 (11.67)	35 (71.43)	18 (36.73)	34.7
BC	200 (47.62)	152 (76.00)	71 (35.50)	40.5
OC	57 (13.57)	43 (64.91)	21 (36.84)	28.0
Total	420 (100.0)	312 (74.29)	148 (35.24)	39.05

From the above Table it can be noticed that the implementation of NREGS has caused considerable proportional decline of 40.5 percent in case of BC Community households and it is followed by households relating to SC (38.5%) and ST (34.7%) communities. This situation reveal the fact that NREGS is having more political impact in reducing the poverty levels of BC, ST, and SC communities rather than OC community households.

Conclusions: The above major findings drawn from the study reveals that, there is perceptible change and significant improvement in the employment level of sample beneficiaries in the Post-NREGS period. Evidently, the average debt in the post-NREGS period decreased as the sample beneficiaries could repay the

debts incurred out of the additional wage income earned in NREGS works, besides, they could borrow funds at low rate of interest from banks; whereas women beneficiaries could borrow funds from DWCRA/Self-Help Groups at low rate of interest.

Policy Suggestions: The programme like MGNREGS needs proper planning, effective implementation, close monitoring and independent evaluation are the key instruments for delivering maximum benefits to the target group. The Andhra Pradesh MGNREGS is doing very well in all these aspects. Data is made available on the web, policy is flexible and monitoring is effective. Instead of a large number of officials, Gram Panchayats may be given more powers for effective supervision.



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