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Rural Employment Generation In India Through Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)

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Abstract:

The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is the boldest and most pragmatic approach of the United Progressive Alliance (UPA) Government to the rural unemployment in India. In fact, this ambitious scheme has been designed as per the National Rural Employment Guarantee Act (NREGA) - 2005 (later renamed as Mahatma Gandhi National Rural Employment Guarantee Act). The scheme was introduced primarily to provide one hundred days of guaranteed wage employment to every rural household in a financial year. Over the last seven years, the scheme could provide employment to 305314218 rural households and generated 141348.4 lakh mandays of employment. As such, based on official data, this paper attempts to examine the performances of MGNREGS in generation of rural employment in India by concentrating some important feeder points such as employment generation, financial performance, Job Cards issued and average mandays of employment. After verification of data, it was found that the physical performances of the scheme in generation of average mandays of employment during 2006-07 to 2012-13 was only 46.30 days per household per year which was much below the minimum of 100 days. Besides, the scheme was able to provide employment only to 46.62 per cent of the total Job Card holders which means more than half of the Job Card holders were deprived of employment. To sum up, the performances of MGNREGS in generation of rural employment in India is not at all satisfactory. The study incorporates a few meaningful suggestions to improve the performances of MGNREGS in generation of rural employment in India.

Key words: MGNREGS, MGNREGA, Guaranteed Employment, Job Cards, Mandays, Household

1.Introduction

The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is the revolutionary and the most significant contrivance of United Progressive Alliance (UPA) Government for generation of rural employment in India. The scheme, addressed especially to the problem of galloping rural unemployment, commands a position of an unparalleled significance in the amelioration of poverty and unemployment in the country in a post - independence era. The NREGS is perhaps the largest and first ever employment generating scheme internationally that guarantees wage employment at an unprecedented scale. This ambitious scheme is the boldest and most pragmatic approach of the UPA Government to the rural unemployment which was ceremoniously started functioning from 2nd February, 2006 on an all India basis in Bandlapalli village of Annantpur District of Andhra Pradesh (except Jammu and Kashmir). Initially, the Scheme was introduced in 200 most backward districts having high Scheduled Caste (SC) and Scheduled Tribes (ST) population and later extended to another 130 districts during 2007-08 financial year. By 1st April, 2008, it was extended to 593 districts covering 4,49,40,870 rural households [1].

In fact, the MGNREGS was designed as per the National Rural Employment Guarantee Act (NREGA) -2005 (later renamed as Mahatma Gandhi National Rural Employment Guarantee Act on 2nd October, 2009) which provides a legal foundation of work to MGNREGS and the schemes are the means through which this guarantee comes into effect. The underlying objective of the scheme is to ensure livelihood security to the rural people by providing at least 100 days of guaranteed wage employment to every rural household in a financial year whose adult members volunteer to do unskilled manual labour at a statutory minimum wage. Apart from, this work guarantee can also serve other objectives such as generating productive assets, protecting the environment, empowering rural women, reducing rural-urban migration and fostering social equality among others [2].

The MGNREGS is a multiple variations thereof operating in different climates and times. What is innovative is to lead it a legal standing in the shape of a Central Act of the legislature. It is no longer an executive scheme, but an enforceable obligation, a seal of

legitimacy and an element of certainty that an Act entails upon the State. In the shape of an Act it equips the labourers with a positive bargaining power, as otherwise a scheme by contrast, leaves labourers at the mercy of Government officials. Schemes do come and pass out, but laws are decidedly durable. A scheme can be terminated, clipped, modified or even cancelled by a bureaucrat, whereas changing a law required an amendment in parliament. Over time, the beneficiaries are to become aware of their rights and entitlements and learn how to defend themselves. As an obvious consequence, the burden of litigations on the judiciary will grow, but that is an indispensable by-product of a democratic polity [3].

The MGNREGS is indeed a landmark in the economic history of independent India which confers a universal enforceable legal right to the most basic form of employment in order to remove unemployment and economic hardship of the rural poor. It is undoubtedly a bold step towards legal enforcement of the right to work. The Act places a legal obligation on the state and gives a bargaining power to the rural poor by creating accountability. In fact, the key to this scheme lies in the word Guarantee. The Act has made the employment opportunities an enforceable legal right to the rural poor, something they can demand, complain or in extreme cases, sue the Government to get. Only a guaranteed wage employment can protect the economic insecurity of the three quarters of the world's poor living in rural India and strengthen their bargaining power, help them to organize and fight for their legal rights.

2. Review Of Literature

Before focusing on the main issue, it might be pertinent to look at the available literature pertaining to the present work to give a proper orientation and perspective to this study. In the literature, the MGNREGS, as a historical and revolutionary step in the area of amelioration of rural unemployment has attracted the attention of scholars, academicians, political leaders and researchers both in India and abroad. Consequently, a lot of studies in the form of books, seminars, research works, articles, papers, reports etc. are found in the state and other parts of the country. Some Scholars have highlighted the basic features of NREGA focusing on the significances of the scheme in rural lives. They argued that only a guaranteed employment can protect the rural labourers from economic insecurity, strengthen their bargaining power, and help them to organize and fight for their rights [4, 5]. Using analytical approach, many studies have investigated the basic features covering background, objectives, role and responsibilities of Implementing Agencies of MGNREGS [6, 7, 8].

Some studies have made a critical analysis of NREGA and pointed out the significant promises and demises relating to the scheme. To start with, there is no guarantee of time-bound extension of the Act to the whole of rural India. In fact, the guarantee can be withdrawn anywhere at any time [9, 10]. A lot of studies have highlighted many significant issues relating to (apart from basic features) economic viability of the scheme, deficiencies and policy suggestions for the effective implementation of the scheme [11, 12].

A few empirical studies using official data have analysed the financial performances of the scheme and also suggested new plan strategies for effective execution of MGNREGS [13, 14, 15]. Some evaluative studies have highlighted the migration issues pertaining to the scheme to stop migration of workers from rural areas. Such studies have highlighted the success and failure of the scheme to stop migration of workers from the rural areas [16, 17].

Furthermore, using secondary sources, several authors have described some other important issues of implementation of the scheme such as the role of the scheme in empowerment of rural poor and promotion of balance of power in village society, challenges of MGNREGS, role of state government in implementation of the scheme, role of the scheme in socioeconomic transformation of rural people, potential benefits of MGNREGS, role in removal of rural poverty, social security issues and backward linkages of MGNREGS [18, 19, 20, 21, 22].

Few recent studies have investigated the performances of MGNREGS in India and some selected states of the country by using primary as well as secondary data [23, 24, 25, 26, 27, 28]. The issue of prevention of corruption and misappropriation of MGNREG funds to enforce the transparency provision of the Act has been highlighted in few other research papers [29, 30].

As per NREGA – 2005, the principal authorities of planning and implementation of MGNREGS are Panchayati Raj Institutions (PRIs) at the village, intermediate and district levels. The scholar has highlighted the weaknesses of earlier Employment Generation Programmes (EGPs) in India and describes that after passage of the 73rd Constitutional Amendment Act, the Government is now very keen to involve PRIs in implementation of MGNREGS [31], in other research the constitutional obligation of enactment of NREGA has been highlighted [32]. A few empirical studies have investigated the issues of social inclusion i.e. women, disabled, Scheduled Caste, Scheduled Tribes, Dalits, women empowerment and their participation in MGNREGS [33, 34, 35].

Some studies have shown the positive impact of MGNREGS on the lives of millions of rural people across the poorest districts of the country and the Act has a unique legal space for the poor [36, 37]. Some authors have reviewed the MGNREGS as the tool for rural employment generation and poverty alleviation programme [38, 39].

However, these studies do not prove the hypotheses of the present work. Because, the work carried by the different scholars were not directly related to the present study. Therefore, this study is an endeavour to justify the validity of the hypotheses on the basis of the relevant data.

3. Need For MGNREGS

In the era of liberalization and globalization, the economy of India is doing well in terms of Gross Domestic Product (GDP) growth with 9 per cent in 2005-06, following by 9.2 per cent in 2006-07. However, the performances in the field of employment generation and rural infrastructure have lagged behind. The classical medicine of 'trickle-down' theory has failed to arrest the persistent poverty and chronic unemployment [40]. The challenge of the new millennium is to protect and develop rural areas which are the reservoir of strength for the nation. In fact, the three quarters of world's poor live in 6.38 lakhs villages in India. After 60 years of independence,

India has the largest concentration of unemployed in the world where 3.75 crore people are without any employment. It is observed that 48 per cent people in 12 states of India viz. Andhra Pradesh, Tamilnadu, Maharashtra, Gujarat, Arunachal Pradesh, Assam, Bihar, Chattisgarh, Madhya Pradesh, Orissa, Rajasthan and Uttar Pradesh don't get even two meals a day round the year. There are 45 per cent villages in India where people don't get job for 6 months in a year and 20 per cent villages don't have work opportunities for people in any form. Out of 260 million poor people in the country, about 200 million are in rural areas. Around 100 districts are under constant threat of drought and semi-famine like situations every year [41]. Even, they are depriving from the minimum basic needs such as food, clothing, shelter, health, education, clean water etc. They are half-fed, half-naked, poor health and illiteracy surrounded by poverty, disease and unemployment [42]. Observing the intensified poverty in rural areas our first Prime Minister, Pandit Nehru, once had announced that after the attainment of independence our urgent task has been to devote ourselves to the economic betterment of our people, to raise their standard of living, to remove curse of poverty and to promote equality and social justice.

Keeping this in view, the Government of India (GoI) after independence has given greater emphasis on introduction of both self-employment as well as wage employment programmes in order to wipe out the problems faced by the rural masses. Under self-employment programmes, the GoI has implemented as many as programmes viz. Small Farmers' Development Agency (SFDA), Marginal Farmers and Agricultural Labourers (MFAL), Integrated Rural Development Programme (IRDP), Training of Rural Youth for Self-Employment (TRYSEM), Development of Women and Children in Rural Areas (DWACRA), Swarnajayanti Gram Swarozgar Yojana (SGSY).

Besides, to provide greater thrust to additional wage-employment to the rural poor, many ambitious new schemes like Drought Prone Area Programme (DPAP), Food for Work Programme (FWP), National Rural Employment Programme (NREP), Rural Landless Employment Guarantee Programme (RLEGP), Jawahar Rozgar Yojana (JRY), Employment Assurance Scheme (EAS), Jawahar Gram Samridhi Yojana (JGSY), Sampoorna Grameen Rozgar Yojana (SGRY), National Food For Work Programme (NFFWP) etc. have been launched.

In spite of implementation of so many programmes, the achievement in the field of employment generation is far below the target. Still there has been growing tendency of people below poverty line. Death, due to starvation is very high in India. It would not be wrong to say that perhaps no country in the world has invested so much time, energy and resources on employment generation like India but achieved so little. In fact, the development strategies pursued have failed to make a dent in the problem of unemployment because they have failed to understand the magnitude and complexity of rural unemployment. Except a few exceptions, the performances of the various Rural Development Programmes (RDPs) and projects have been disappointing. In fact, these neither reached the poor nor have produced a sustainable impact on the targeted group. Needless to say, the benefits of the programmes could not reach the deserving and the needy persons to whom the programmes are supposed to be implemented by the Government. They have only been the objects of these programmes, but the socio-economically and politically dominant classes of the rural community have grabbed almost all the benefits derived from the various EGPs.

Therefore, the problem of unemployment has been aggravated Plan after Plan. Despite more than half a century of planned development, the magnitude as well as the percentage of unemployment and poverty has on the rise. In 1971, the number of unemployed in the country was 18.7 million out of which 16.1 million were in rural areas. As per the Employment data, the number of registered job seekers in India rose from 18.33 lakh in 1961 to 165.8 lakh in 1981 and then to 370.0 lakh at the end of March, 1994. The educated job seekers in 1961 were 5.90 lakh which rose to 230.0 lakh at the end of March, 1994 i.e. 62 per cent of the total job seekers. The incidence of unemployment was increased from 5.99 per cent in 1993-94 to 7.32 per cent in 1999-2000. During 2005-06, the rate of unemployment was jumped to 9.2 per cent.

Keeping the high magnitude of unemployment in view, the Indian National Congress (INC) (I), on the eve of the Lok Sabha Election-2004, had made a commitment in its National Common Minimum Programme (NCMP) to enact an Act which would ensure employment guarantee to the rural poor. Accordingly, the UPA Government after coming into power legislated the NREGA on 23rd August, 2005.

4.Objectives Of The Study

The main focus of the present study is to evaluate the performances of MGNREGS in generation of rural employment in India. Therefore, the study has been made:

- To explain the basic features of MGNREGS.
- To highlight the funding pattern of MGNREGS.
- To examine the performance of MGNREGS in generation of rural employment in India.
- To investigate the financial performance of MGNREGS.
- Finally, to suggest suitable measures for effective implementation of MGNREGS.

5.Methodology

Keeping the objectives in view, the methodology followed in the study is historico-analytical. The historical method is applied for historical records and information which are the basis of the study. The analytical method is employed to analyse the facts pertaining to the study.

The relevant data have been collected primarily through secondary sources which include reports of MGNREGS, books, journals, research articles and websites. For the evaluation of the performances of MGNREGS in India, the secondary data available at the official website (www.nrega.in) since 2006-07 to 2012-13 have been compiled and analysed.

6. Research Questions

“Indians are good at making plans but poor at implementing them” is a well-known adage [43]. The principal objective of this study is the examination of the performances of MGNREGS in generation of rural employment in India. Therefore, in this regard the paper has made an honest attempt to examine the following questions:

- How far the MGNREGS is successful in generation of rural employment in India?
- Can MGNREGS really provide 100 days of wage employment per household in a financial year?

7. Salient Features Of MGNREGS

August 23 rd , 2005	Enactment of NREGA
September 5 th , 2005	The assent of the Indian President
September 7 th , 2005	Notified in the Gazette of India
February 2 nd , 2006	Launched in 200 districts (First Phase)
April 1 st , 2007	Notified to 113 more districts (Second Phase)
April 1 st , 2008	Notified in the remaining districts (Last Phase)
October 2 nd , 2009	Renamed as MGNREGA

Table 1: Landmarks Of MGNREGA

Source: Compiled From Various Reports Of MGNREGA

The essential features of MGNREGS are:

- Adult members of a rural household, willing to do unskilled manual work, may apply for registration in writing or orally to the local Gram Panchayat.
- The Gram Panchayat after due verification will issue a Job Card. The Job Card will bear the photograph of all adult members of the household willing to work under NREGA and is free of cost.
- The Job Card should be issued within 15 days of application.
- A Job Card holder may submit a written application for employment to the Gram Panchayat, stating the time and duration for which work is sought. The minimum days of employment have to be at least fourteen.
- The Gram Panchayat will issue a dated receipt of the written application for employment, against which the guarantee of providing employment within 15 days operates.
- Employment will be given within 15 days of application for work, if it is not then daily unemployment allowance as per the Act, has to be paid liability of payment of unemployment allowance is of the States.
- Work should ordinarily be provided within 5 km. radius of village. In case work is provided beyond 5 km., extra wages of 10 per cent are payable to meet additional transportation and living expenses.
- Wages are to be paid according to the Minimum Wages Act 1948 for agricultural labourers in the State, unless the Centre notifies a wage rate which will not be less than Rs. 60/ per day. Equal wages will be provided to both men and women.
- Wages are to be paid according to a piece rate or daily rate. Disbursement of wages has to be done on a weekly basis and not beyond a fortnight in any case.
- At least one-third of the beneficiaries shall be women who have registered work under the scheme.
- Worksite facilities such as crèche, drinking water, shade have to be provided.
- The shelf of projects for a village will be recommended by the gram sabha and the approved by the zilla panchayat.
- At least 50 per cent of works shall be allotted to Gram Panchayats for execution.
- Permissible works predominantly include water and soil conservation, afforestation and land development works. The focus of the Scheme is the following works on the priority basis-
 - Water conservation and water harvesting;
 - Drought proofing, including afforestation and the plantation;
 - Irrigation canals, including micro and minor irrigation works;
 - Provision of irrigation facility, plantation, horticulture, land development to land owned by the STs/SCs;
 - Renovation of traditional water bodies;
 - Land development;
 - Flood control and protection works, including drainage in waterlogged areas;
 - Rural connectivity to provide all weather access;
 - Any other works notified by the Central or State Government.
- A 60:40 wage and material ratio have to be maintained. No contractors and machinery are allowed.
- The Central Government bears the 100 per cent wage cost of unskilled manual labour and 75 per cent of the material cost including the wages of skilled and semi skilled workers.
- Social audit has to be done by the Gram Sabha.
- Grievance redressal mechanisms have to be put in place for ensuring a responsive implementation process.

- All accounts and records relating to the Scheme should be available for public scrutiny.

7.1. Funding Pattern Of MGNREGS

The government of India has established a fund called the National Rural Employment Guarantee Fund (NREGF), from which grants are released directly to the District. Revolving funds are to be set up under NREGS at the District, Block and the Gram Panchayat levels, with separate bank accounts being opened for such funds at each level [44]. The NREGS is implemented as a centrally sponsored scheme on cost sharing basis between the centre and the state. The Central Government bears the following costs:

- The entire cost of wages for unskilled manual workers,
- 75 per cent of cost material and wages of skilled and semi-skilled workers,
- Administrative expenses as may be determined by the Central Government. It includes the salary and allowances of the Programme Officer and his supporting staff and worksite facilities.
- Administrative expenses of the Central Employment Guarantee Council.

The share of the State Government is namely-

- 25 per cent of the cost of material and wages of skilled and semi-skilled workers,
- Unemployment allowance payable in case the State Government cannot provide wage employment within 15 days of application,
- Administrative expenses of the State Employment Guarantee Council (SEGC).

8. Results and Discussion

The primary objective of MGNREGS is augmenting wage employment to the rural households willing to do unskilled manual work. Statistics on employment generation showed vast variations in between the number of households issued Job Cards and actual number of households provided employment. Since inception, the MGNREGS could provide employment to 305314218 rural households as against 684239913 Job Cards (Table 2). During 2006-07 to 2012-13, the scheme was able to generate employment only to 44.62 per cent of the total Job Card holders (Figure 1) which indicates more than half of the Job Card holders do not get the required employment. Out of 44.62 per cent employment, the highest of 8.03 per cent and the lowest with 3.07 percent employment were recorded during 2010-11 and 2006-07 financial year respectively. On the other hand, the corresponding figures of Job Cards issued to the rural poor during 2010-11 and 2006-07 were 17.51 and 5.53 per cent respectively. It has been observed that the issuance of Job Cards was increasing continuously since its inception (5.53 % in 2006-07, 9.46% in 2007-08, 14.64% in 2008-09, 16.45% in 2009-10, 17.51% in 2010-11, 17.94% in 2011-12 and 18.47% in 2012-13). However, the employment generation had been shown a downward trend from 8.03 percent in 2010-11 to 7.29 per cent in 2011-12 and 7.00 per cent in 2012-13 financial year. The study reveals that the employment provided under the scheme was far below in comparison to Job Cards. Thus, it may be said that the progress of employment generation is quite discouraging.

Year	Households Issued Job Cards	Households Provided Employment
2006-07	37850390	21016099
2007-08	64740595	33909132
2008-09	100145950	45115358
2009-10	112550610	52530453
2010-11	119824438	54954225
2011-12	122750202	49862775
2012-13	126377728	47926176
Total	684239913	305314218

Table 2: Job Cards Issued And Employment Provided During 2006-07 To 2012-13

Source: Compiled From Official Data, 2006-07 To 2012-13, Ministry Of Rural Development
Department Of Rural Development, Government Of India
Available At Nrega.Nic.In/Netnrega/Mpr_Htnregampr.aspx

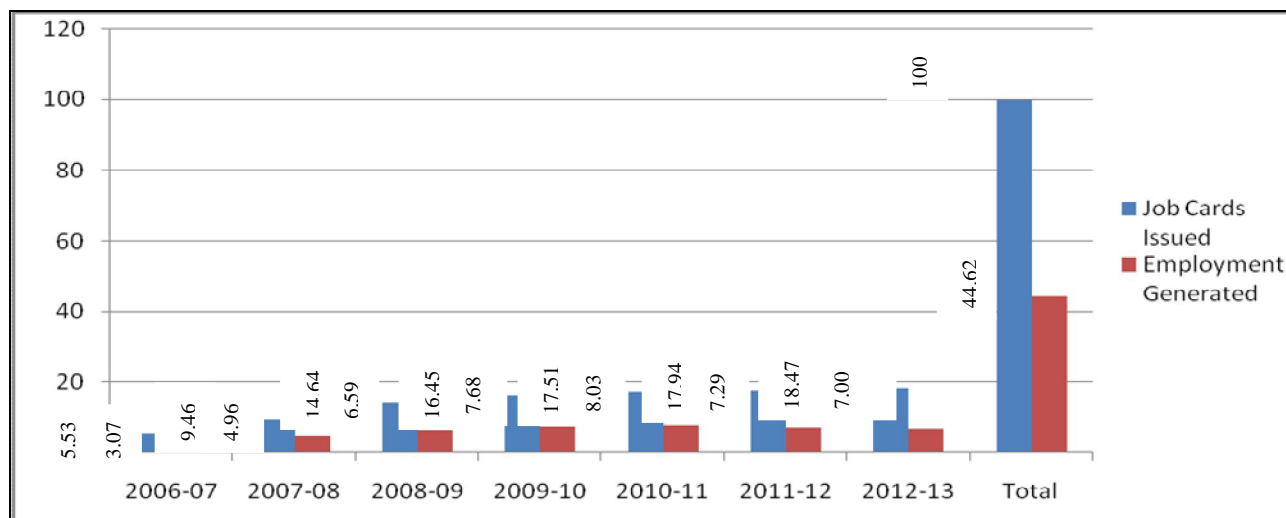


Figure 1: Percentage Of Job Cards And Employment Provided During 2006-07 To 2012-13

Over the last seven years, the MGNREGS could generate 141348.4 lakh mandays of employment in India by spending Rs. 20574543.97 lakh as against Rs. 24638228.47 lakh available funds (Table 3). The percentage of expenditure was 83.51 per cent of which the highest of 15.98 per cent in 2010-11 and the lowest with 3.58 per cent in 2006-07 financial year (Figure 2). The results showed that the allotment of funds has increased significantly from 4.90 per cent in 2006-07 to 21.37 per cent in 2010-11. However, the downfall of financial allotment was started from 2010-11 financial year, i.e. 16.87 per cent in 2011-12 and 15.76 per cent in 2012-13. The expenditure was declined from 15.98 per cent in 2010-11 to 15.24 per cent in 2011-12 and 15.82 per cent during 2012-13 financial year. The employment generation under MGNREGS is in decreasing trend. The highest employment of 20.07 per cent was recorded during 2009-10 financial year which has been seen a steady decline of employment to 18.19 per cent in 2010-11, 14.96 per cent in 2011-12 and 14.91 per cent during 2012-13 financial year (Figure 3). Thus, from the analysis of the data it has come to light that the trend of employment generation under MGNREGS is quite disappointing.

Year	Funds Available (in Lakhs)	Expenditure (in Lakhs)	Mandays of Employment (in Lakhs)
2006-07	1207362.72	882335.55	9050.54
2007-08	1927877.71	1585844.15	14367.95
2008-09	3630045.57	2725068.7	21632.86
2009-10	4568246.91	3790977.95	28359.57
2010-11	5264889.48	3937727.03	25715.25
2011-12	4156351.33	3754878.89	21142.04
2012-13	3883454.75	3897711.7	21080.19
Total	24638228.47	20574543.97	141348.4

Table 3: Financial Performances And Mandays Of Employment Generated Under MGNREGS During 2006-07 To 2012-13

Source: Compiled From Official Data, 2006-07 To 2012-13, Ministry Of Rural Development
Department Of Rural Development, Government Of India

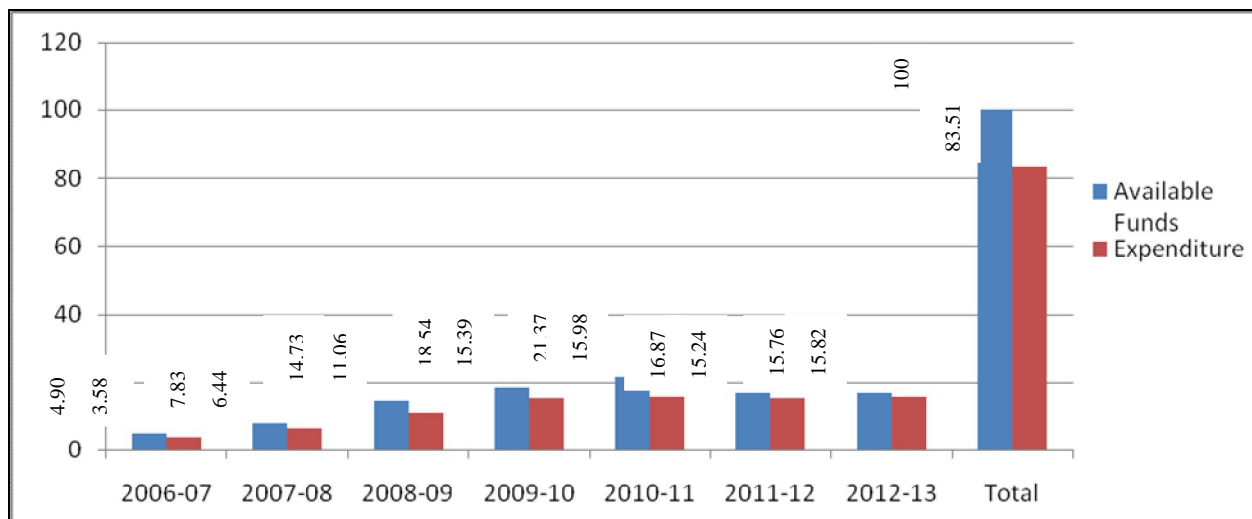


Figure 2: Percentage Of Financial Performances Under MGNREGS During 2006-07 To 2012-13.

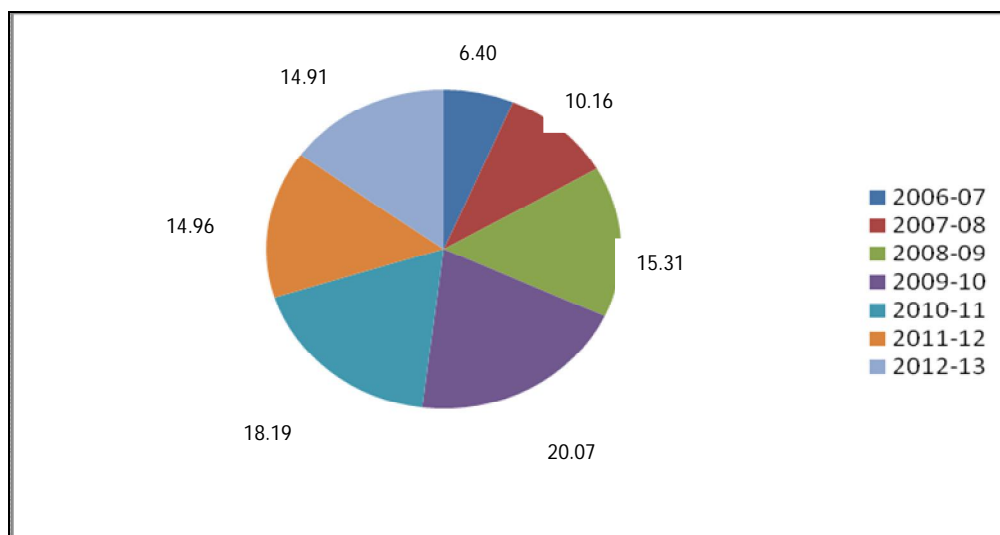


Figure 3: Percentage Of Mandays Of Employment During 2006-07 To 2012-13

It has already been stated that the MGNREGS is an unparalleled rural reconstruction programme to transform the Indian economy especially the rural economic scene. In fact, the scheme is a unique weapon in the economic history of independent India to remove rural unemployment. It seeks “to provide for enhancement of livelihood security of the households in rural areas of the country (except J&K) by providing at least one hundred days of guaranteed employment in every financial year of every household whose adult members volunteer to do the unskilled work with the schemes made under the Act” [45]. Thus, the main objective of the scheme is to provide 100 days of wage employment to every rural poor. Figure 4 depicts the year wise changes of average mandays of employment per household during 2006-07 to 2012-13. During the reference period, the average mandays of employment was 46.30 per cent which is much lower than the stipulated 100 days. The average Mondays were ranged between 43.06 per cent and 53.99 per cent. Significantly, the average mandays of employment except the 2009-10 financial year, was at a lower level of 50 per cent during the reference period. Therefore, from the study, it may be said that the achievement in respect of generation of 100 days of wage employment was not significant and the scheme has failed to fulfil its basic objective.

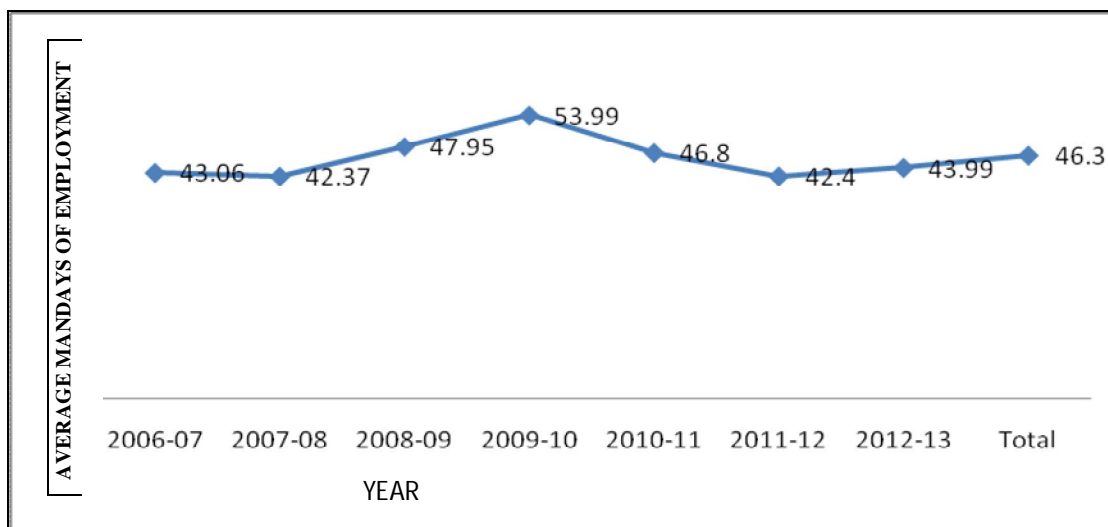


Figure 4: Average Mandays Of Employment Per Household During 2006-07 To 2012-13.

9. Findings Of The Study

Following are some of the major findings of the study:

- The study reveals that since inception, the MGNREGS has issued total 684239913 Job Cards to the rural poor for employment under the scheme; however, it could provide employment only to 305314218 households i.e. 46.62 per cent of the total Job Card holders. The study reveals that the employment provided under the scheme was much below in comparison to Job Card issued. It is observed that more than half of the Job Card holders were deprived from employment which is the most negative aspect of the implementation of the scheme.
- The results showed that the issuance of Job Cards has increased from 17.51 per cent in 2010-11 to 17.94 per cent in 2011-12 and 18.47 per cent in 2012-13, but the corresponding figures of employment generation have been on a steady decline from 8.03 per cent in 2010-11 to 7.29 per cent in 2011-12 and 7.00 per cent in 2012-13 financial year. Thus, a continuous decreasing trend of employment generation has been seen in implementation of MGNREGS which can be characterized as one of the major failures of the scheme.
- Over the last seven years, the MGNREGS was able to generate 141348.4 lakh mandays of employment in the country. The mandays of employment was increased from 6.40 per cent to 20.07 per cent. However, since 2009-10, a continuous downfall of mandays of employment has been noticed. The highest employment of 20.07 per cent was seen during 2009-10 which has decreased to 18.19 per cent in 2010-11, 14.96 per cent in 2011-12 and 14.91 per cent during 2012-13 financial year.
- The performance of MGNREGS in generation of 100 days of guaranteed wage employment to rural household is not at all satisfactory. During the reference period, the scheme could generate 141348.4 lakh mandays of employment. However, the average mandays of employment per household per year was only 46.30 days which was much below the targeted 100 days. Besides, the mandays of employment under MGNREGS is in decreasing trend. It was 43.06 per cent in 2006-07 which rose to 53.99 per cent during 2009-10, but since 2010-11 it decreased from 46.80 per cent to 42.40 per cent in 2011-12 and 43.99 per cent in 2012-13.
- After verification of data, the study reveals that the financial performance of MGNREGS is quite disappointing. During the reference period, the total expenditure incurred under MGNREGS was Rs. 20574543.97 lakh i.e. 83.51 per cent of the total available funds. The study clearly reveals a gap (16.49 per cent) between the sanctioned amount and expenditure incurred in the implementation of the scheme. Therefore, it may be said that the Government is not devising any financial management approach in the execution of MGNREGS, which is evident from the gap. Thus, the study indicates that due to indifferent attitudes of the central government towards the utilization of the funds, the lion's share of the funds may be appropriated by the implementing authorities itself which may lead to corruption or misappropriation of funds.

10. Suggestions

On the basis of the findings, the following suggestions can be incorporated to improve the performances of the scheme in generation of rural employment.

- The MGNREGS has a "human face" and its basic concept can play as a model for rural unemployment. In fact, the scheme has a potentiality to change the face of rural India if it is to be implemented strictly in accordance to the letter and spirit of the Act.

- For proper implementation of MGNREGS, much emphasis should be given on more comprehensive training for both types of functionaries (people's elected representatives of the Panchayats at different levels and the local level Bureaucrats). In this respect, it may be suggested that apart from separate training programme, there should be a comprehensive combined training programme for better interaction among them.
- The Government should take appropriate financial management approach in the execution of MGNREGS in order to avoid misappropriation of MGNREGFs in general and 100 per cent proper utilization of sanctioned amount in particular.
- The success of any Rural Development Programme (RDP) mostly depends on people's participation. However, due to the illiteracy and lack of consciousness of the rural people most of the RDPs failed to fulfil its objectives. Therefore, in this context, it may be suggested that the people should be more conscious about the various RDPs in order to take right participation in the implementation and decision making process of any programme.
- The mass media should play a positive role in creating awareness among the rural people to participate in MGNREGS.
- Non-Government Organizations (NGOs) should come forward to create awareness among the rural poor on the significances of MGNREGS in eradication of their sufferings.
- The government should initiate more necessary steps to increase people's participation in the scheme and to make them more aware about it.

11. Conclusion

Thus, it appears that right from the inception of MGNREGS; the government has made a sincere effort in implementing of the scheme in order to generate rural employment in particular and socioeconomic development of the rural people in general. Indisputably, the MGNREGS has contributed immensely to the generation of rural employment in the era of Liberalization, Privatization and Globalization (LPG). The MGNREGS is the only scheme internationally acclaimed that guarantees wage employment at an unprecedented scale. However, the achievement in generation of rural employment is not at all satisfactory and the result is not up to the mark. In fact, the scheme has failed to fulfil its basic objective and could not ensure the 100 days of guaranteed wage employment to every Job Card holder in a financial year. To make the programme more successful, intensive effort and attention is to be needed in order to fulfil its objectives.

The investigator, during the courses of study has perceived a potential avenue of further research on this issue for the future. It will, therefore, be worthwhile efforts if some scholars were to study the performances of MGNREGS in generation of rural employment in India and other parts of the country to understand its role in generation of rural employment. Thus, the study indicates how the MGNREGS has failed to fulfil its basic objective which will provide a base for further extensive research work in the field in future.

12. References

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