#### **CHAPTER-1**

#### INTRODUCTION

India is an agricultural country where, 72.2% of the population lives in rural areas. Though India has completed more than 65 years of independence but poverty in rural India continued to increase in absolute sense day by day. Almost every Five Year Plan (FYP) and many other poverty alleviation programs for the rural poor have come up with different income generation or employment guarantee scheme and their economically implementation are still remain a vital issue.

The "The National Rural Employment Guarantee Act (NREGA)" has been enacted to reinforce the commitment towards livelihood security in rural areas. The parliament passes the NREGA in the monsoon season on august 23, 2005. The Act was notified on 7<sup>th</sup> September 2005.

Mahatma Gandhi National Rural Employment Guarantee Scheme a central sponsored wage employment scheme, aims to providing livelihood security to the rural poor. The MGNREGA was implemented in 200 districts; in the first phase, with effect from February 2, 2006 and extended, subsequently to additional 113 districts and 17 districts with effect from April 1<sup>st</sup> 2007 and May 15<sup>th</sup> 2007, respectively. The remaining districts were included under the Act with effect from April 1<sup>st</sup> 2008. The Act provides a legal guarantee of 100 days' work in a financial year (1<sup>st</sup> April- 31<sup>st</sup> March) to every rural household whose adult members are willing to do 'unskilled manual work at a statuary minimum wage rate (Eleventh five Year Plan, Vol. 3; 86).'

The Mahatma Gandhi National Employment Rural Guarantee Scheme is the 1<sup>st</sup> tangible commitment to the poor. The scheme aims act providing employment as a sources of income by ensuring their dignity. Thus it was considered a unique scheme, which provides them right to work, enshrined in the constitution under directive principles of the state policy. In this sense the scheme was supposed to be the most unique scheme after independence has it provides employment to every rural household in financial year.

A very vital thing that the NREGA is not only providing legal guarantee of work but also protecting and according the Right to Live of core of Indians standing on social margins. The idea of National Rural Employment Guarantee Act is not a new idea. It is based on Maharashtra Employment Guarantee Scheme (MEGS), and many other wage employment schemes. NREGS

ranks among the most powerful initiatives ever undertaken for rural transformation of rural livelihoods in India.

The significance of NREGP lies in the fact that creates a right-based framework for wage employment programs and makes the government legally bound to provide employment to those who seek it. The NREGP makes a paradigm shift from previous wage employment programs by providing a statutory guarantee of wage employment and not being just a scheme. The objective of the NREGP is to enhance the livelihood security of the people in the rural areas by guaranteeing 100 days of wage employment in a financial year to a rural household whose member volunteer to do unskilled manual work. The Act further aims at creating durable assents and strengthening the livelihood resource base of the rural poor. The choice of work suggested in the Act addresses causes of chronic poverty such as drought, deforestation, soil erosion etc., so that the process of employment generation is on a sustainable basis.

#### A Summary of Employment Schemes in India:

For developing economies like India unemployment and poverty are still major hurdles in the path of development. Poverty and unemployment are mostly accompanied by lack of social sector services like lack of education, health, water supply nutritional food etc. inclusive development of a nation can be viewed in terms of social and financial inclusion. A large part of India has been suffering from social and financial inclusion. According, the government policies are directed towards the economic and social uplift of these groups. Social sector expenditure of the government is continuously rising to enable everyone to reap the benefits of growth.

#### 1.1 HISTROY OF GOVERNMENT'S AFFIRMATIVE ACTIONS

The schemes for rural welfare like NREGA always introduced to reduce rural poverty and rural unemployment to create better socio – economic conditions of the rural people. And for that the Government of India always tried hard and many wage employment and rural welfare programmes have been planned and implemented through various Five Year Plans, as are below:

The Community Development Programmes, Intensive Agriculture District Programme (IADP), Intensive Agriculture Area Programme (IAAP), Small Farmers Development Agency (SFDA), Drought Prone Area Programme (DPAP), Integrated Rural Development Programme (IRDP), Desert Development Programme (DDP), Training of Rural Youth for Self – Employment (TRYSEM), Food for Work Programme, National Rural Employment Programme

(NREP),Development of Women and Children in Rural Area (DWCRA),Rural landless Employment Guarantee Programme (RLEGP), Million Wells Scheme (MWS),JawaharRozgarYojana (JRY), Employment Assurance Scheme (EAS), Swarnajayanti Gram SwarozgarYojana (SGSY), SampoornaGrameenRozgarYojana (SGRY), etc.

# 1.2 Difference between MGNREGS and Other Employment Generation Programmes:

MGNREGA draws heavily on the experiences of a number of rural wage employment programmes of the Central and State Governments. These programmes were supported by the Central Government and the State Governments shared part of the burden. However, most of these schemes were formulated and implemented by the executive agency of the government and, as such, were subject to alteration and termination at the will of the executive. But unlike the previous employment assurance schemes, the NREGS has been created by an Act of Parliament and, hence, can be altered or terminated only by the same body.

The MGNREGS is different from previous employment generation programmes not only in terms of its origins and objectives, but also in its design. The erstwhile employment programmes were formulated and implemented by the centre or state bureaucracy largely in a centralized manner; there was little involvement of the local community in the election and implementation of the scheme; the implementation was not subject to social monitoring/auditing; pilferage of resources, leakages and corruption marred implementation of the schemes; and most of them were supply-driven wage-employment schemes. Further, the concept of workers' entitlement to minimum and timely payment of wages, unemployment allowance in case of the inability of the implementing agencies to provide jobs on demand, and facilities at worksites were not there. But MGNREGS provides a lot of new facilities such as reading with various provisions of social audits, transparency and accountability and institutional mechanisms, MGNREGS demands synergization of the role of the state and civil society. Further, it is not merely an employment generation or social security programme, but combines various objectives of rural development, which imparts a unique distinction to it.

## 1.3 Need for Mahatma Gandhi National Rural Employment Guarantee Scheme:

The poverty alleviation is one of the most important objectives of Indian economy. Despite adopting and implementing various programmes like Community Development Programme (1952), Integrated Rural Development programme (1980-81), Small Farmer Development Agency, Area Programme, Drought Prove Area Programme meaningful dent on these problems. The experience of the period from 1952-2006 highlights the fact that poverty in rural sector is basically a function of rural unemployment. Therefore no scheme or programme of poverty eradication can have long term effects unless it generates employment on regular basis. Approximately 64 per cent population of India lives in rural area and majority of it is unemployed, large scale employment generation is required. It is very disheartening to note that dispute the various developmental programmes started during the various five-year plans, 26 per cent in rural areas still continue to be below poverty line.

National rural Employment Program (NREP) and Rural Landless Employment Guarantee Program (RLEGP) were merged in to the scheme "JawarRozgarYojana (JRY)" which aims at providing employment to at least on member of each poor family for 50 to 100 days in a year, in the vicinity of places of their residence.

While emphasing on efficiency probably the government has forgotten the task of generating employment and lowest level. It should be remembered "market can generate job only for people who are preferred by the market and not for the people belong to lower states". A number of studies have been shown that in the past reform era equality is consumption and productions are increase at large. There for the state is expected to review to generate the employment for the poorest of poor, unskilled, uneducated and landless. The Rural Employment Guarantee Scheme is welcome step combined object poverty. The present study attempts to analyses the performance and effectiveness of the Rural Employment Guarantee Scheme being run in district Mahendergarh that is one of the backward district in Haryana.

#### 1.4 Salient features of the Scheme:

The Mahatma Gandhi National Rural Employment Guarantee Scheme is a Holistic measure aimed at fulfilling one of the most important human rights that is right to Employment, at least one member of the family. Some of the encouraging features of MNREGS are as follow:

- ➤ Guarantee Employment for one Hundred Days: The Mahatma Gandhi National Rural Employment Guarantee Scheme is a big opportunity for rural areas of India. This scheme has a provision of guaranteed employment for one hundred days in every financial year to rural households with unemployment adult members prepared to do unskilled manual work at a statutory minimum wage rate. As per the provision of this scheme, a person who work needs employment is to go his/her family registered with Gram Panchayat.
- > The benefits are reflected in greater economic security, higher farm wages, lower migration and building of infrastructure.
- The scheme has been universalized for all persons living in rural areas instead of the being available only to the families below poverty lines.
- A minimum of 33% reservation to be made for women, where the numbers of applicants are too large.
- As far as practicable, a task funded under MNREGA shall be performed by using manual labour and not machine.
- ➤ Every scheme adequate provisions for ensuring transparency and accountability at all level.
- ➤ Pachayats are to finalize, approve, implement and monitor the project. The scheme will not permit engaging any contractor for implementation of the project.
- ➤ If injury is caused to any person employed under MNREGA, he/she will be entitled to free of charge medical treatment.
- ➤ If a person employed under the scheme, dies or becomes permanently disabled by an accident arising out or in the course of employment he/she will be paid by the implementing agency as ex-rarcia payment at the rate of twenty-five thousand rupees.
- ➤ Worksite Facilities: The facilities of safe drinking water, rest shed, crèche for children below 6 years of females workers and first-aid box with adequate material for emergency treatment for minor injuries and other health hazards connected with the work being performed will be provided at the worksites.

- ➤ Work Location: there is also a provision that employment has to be given with in a circle of 5 km radius and if it is beyond 5 km, there is also a provision for payment of additional transportation and living expenses at 10 percent of extra wages.
- Social Audit: Social Audit is a dynamic tool by which people are able to make officials accountability for their performance in the delivery of legally enshrined rights. Social Audit is a participatory process in which both the local people and government officials verify the outcomes under MNREGA. Social Audit is a process for evaluating, reporting and improving the performance and behaviour of local people and government officials. So this is also a unique feature of MNREGA.
- Muster Roll: Muster Roll is a list of names of the workers working under MNREGA. So at every worksite there is a Muster Roll containing the names of workers? This is a kind of attendance register. Muster Roll is also a unique feature of MNREGA.
- ➤ Job Cards: Job Card is a legal document of right to work. In a job card the information about the applicants, like his/her name, age, sex, name of the head of the family, number of adult members of the family willing to work etc. is given. This card is valid for a period of five years. And the main purpose of this job card is to enable MNREGA workers to verify their own employment and wages details. After registration and getting job card a person has to apply for work for a definite period of his own choice. Application can also be given orally to the grampanchayat.
- ➤ Insurance: In case of any accident, there is a provision for insurance for workers under MNREGA.
- ➤ Unemployment Allowance: Unemployment Allowance is the most attractive as well as encouraging feature of MNREGA. Under MNREGA if an applicant is not provided employment within 15 days of receipt of his/her application, there is a provision of daily unemployment allowance. This unemployment allowance is one-fourth of the prescribed wages for first 30 days and after that it is half of the prescribed wages. But a person will not get any unemployment allowance in certain conditions, those are as follow:
  - > If a person has completed 100 days employment in a financial year.
  - ➤ If he/she refuses to do work.

- ➤ If he/she takes a continuous leave for 7 or more than 7 days from work without any prior information will not get any employment allowance for a period of three month. But h/she will be eligible to seek employment under the scheme at any time.
- ➤ Wage Rates: under MNREGA wages will be paid at the rate agricultural minimum wages at notified by the state government from time to time.

Livelihood, wages should be high enough to meet the daily subsistence needs of the Second, on order that only that really needy, avail of the guaranteed work and no diversion of labour take place from other regular productive works, wages should be significantly higher than the prevailing market wages.

- Wage Payments: Payments to the MNREGA workers is to be given every week or within 14 days in any circumstances. If a worker does not receive his/her wages on time, he/she is liable to get compensation under the Wage Payments Act, 1972. (MNREGA, HIRD; 10), (www.hirdilokheri.com)
- Mode of Wage payments: Under MNREGA the payments of wages through banks or post office are benefited the MNREGA workers. Many observers have advocated that the payment of wages through bank/post office is the right step under MNREGA to prevent the corruption. The main advantage of this approach is that it reduces the likelihood of any fudging of the muster rolls on the part of the implementing agency (i.e. gram panchayats). Since the actual wage payments were beyond their reach it is a safeguard against the embezzlement of MNREGA WAGES.

So this is all about the features of MNREGA, which support the implementation of MNREGA and provide labourers some of the most important rights. They have no fear of any sort fudging in their wages. So they feel free and comfortable at worksite

## 1.5 Objectives of the Scheme:

The main objectives of the scheme is to provide for the enhancement of the livelihood security of the household in rural areas by providing at least 100 days of guaranteed wage employment in every financial year to every household whose adult member volunteer to do unskilled manual work. Its other objectives are

- 1. Reduction of distressed migration from the rural to urban and from one part of the rural to another part of rural areas;
- 2. Creation of durable assets in villages;
- 3. Invigoration of civic and community life and enlivening of Panchayati Raj institutions as they have been entrusted to formulate, implementation and monitor the scheme;
- 4. Empowerment of rural women by providing them the opportunity to earn income independently and to participate in social groups overall development of the rural economy;
- 5. Promotion of inclusive growth and development; and Facilitation of multiplier effects on the economy

#### **Permissible Work:**

Water conversation and water harvesting, drought proofing, irrigation canals, including micro and minor irrigation works, renovation of traditional bodies, land development, flood control and protection works, rural connectivity, construction of Bharat Nirman Rajiv Gandhi Sewa Kendra, agriculture related works, fishers related workers, rural drinking water facilities, rural sanitation related works, construction of anganwadicenters, construction of play fields, and other work which may be notified by the Central Government in consultation with the State Government.

## MNREGS in Haryana:

MNREGS was launched by government of India in all Gram Panchayts of districts Mahendergarh and Sirsa on 2<sup>nd</sup> Feb, 2006 and this scheme was also extended in two more districts namely Ambala and Mewat on 1<sup>st</sup> April, 2007. The remaining districts of the state have been covered under the scheme on 1<sup>st</sup> April, 2008.

## **Cost Sharing:**

Financial assistance shall be provided by the Central and State Governments in the ratio 90:10 respectively.

## Wages:

Under the scheme minimum wages of Rs. 214/- per day notified by the Ministry of Rural Development, Govt. of India on 1<sup>st</sup> April, 2013 are being paid equal to men and women workers. The payment of wages is being made through saving Bank/Post Offices accounts of workers on weekly or fortnight basis. Before 2013-2014 financial year wage rate of the scheme Rs. 150/-.

#### **Unemployment Allowance:**

Unemployment allowance shall be payable if employment is not provided within 15 days of the receipt of the application. The rate of employment allowance shall be one fourth of the wage rate for the first thirty days and not less than one half of the wage rate for the remaining period.

## 1.6 Objectives of the study:

We have seen that a number of employed schemes launched in India. The present study attempts to analyse the most ambitions Mahatma Gandhi National Rural Employment Guarantee Scheme with following objectives:

- 1. To analyse the women participation under MNREGS in Mahendergarh district.
- 2. To study the role of MNREGS in employment creation in Mahendergarh district.
- 3. To study the role of MNREGS in rural development of Mahendergarh district.

## 1.7 Significance of the study:

Enactment of MGNREGA act and successive policies and programs of the Governments have been playing crucial role in the field of rural development and implement the right to employment. The significance behind the MNREGS is enhancing the live hood security of the people in rural area by providing hundred days wage employment in financial year to every rural household who are in need of wage employment and have a desire to do unskilled work and intend to rise up the living standard to remove poverty and the creation as aspects for development in rural area of the country, and no doubt it has been playing a crucial role in welfare of society in supporting it to be more effective. Its objectives might be examined at unit

level of the programme time to time for making a great support to policy makers in policies

designing so that the economically weaker section of society might be uplifted. The present

study, attempts to explore the women participation under MNREGS in Mahendergarh district,

the role of MNREGS in employment creation in Mahendergarh district and the role of MNREGS

in rural development of Mahendergarh district for the period of 2010-11 to 2012-13. There are

very few studies that have been conducted in this area on account of which this study will

contribute a lot in this direction.

1.8 Limitation of the study:

The study is mainly based on secondary data to check the "Impact of MNREGS in Rural

development of Haryana (With special reference to Mahendergarh District)". There are total

eight blocks AteliNagal, Kanina, NagalChaudhary, Mahendergarh, Narnaul, Nizampur, Satnali,

Sihma in Mahendergarh district. But we have only five blocks include in the study. Satnali,

Sihma, Nizampur these blocks launched in 2013. So data is not available in these blocks. The

limitation of the period of the study is 2010-11 to 2012-13.

1.9 Chapter Scheme:

The present study is divided into five chapters as stated below;

**Chapter1: Introduction** 

This chapter deals with brief introduction of the subject.

**Chapter2: Review of Literature** 

In this chapter a brief review of Literature and research work done a various aspects of the

subject is taken based on published material in the form of research papers, articles on the topic,

and other literature available.

**Chapter 3: Methodology** 

Research methodology include in this chapter.

#### **Chapter 4: Data Analysis and Interpretation**

In this chapter detailed analysis of data collected done alone with interpretation on various aspects of the study.

#### **Chapter 5: Conclusion**

The chapter deals with the core conclusions of the research.

Finally, the study presents the Bibliography of the dissertation respectively.

## PROFILE OF DISTRICT MAHENDERGARH

### **History and Location of District Mahendergarh**

Before going to the National Rural Employment Scheme, it is necessary to know the background of the Mahendergarh district, i.e. its situation, surrounding and its historical importance as these factors constitute greater importance create financial resources for the municipal committees and the banks also, Mahendergarh district was formed in 1948 by grouping different tracts of erstwhile princely states Narnaul and Mahendergarh tehsils from Patiala state Dadri (charkha dadri) from Jind state and a part of BawalNizamatfomNabhastate. The headquarters of the district are at Narnaul. The main source of income is agriculture.

## **Origin of the Name of District**

The Mahendragarh town was previously known as kanaud, which took its name from the kanudia group of Brahmans. Malik Mahdudkhan, a servant of babur, foundedit. There is a fort at Mahendergarh, which was built by Maratha ruler, Tantia top during the seventeenth century. This fort was named as Mahendergarh in 1861 by Narinder Singh, the ruler of the erstwhile princely state of Patiala, in honor of his son , Mohinder Singh and consequently the town came to be known as Mahendragarh. The name of NarnaulNizamat was changed to

"MahendergarhNizamat".

#### Location

Mahendergarh is located at the southern part of Haryana and lies between north altitude 27' 47" to 28' 26" and east longitude 75'56" to 76' 51". It is bounded on the North by the Bhiwani and the Rohtak District, on the East by Rewari District and The Alwer District of the Rajasthan, on the South by Alwer, jaipur and Shikar District and on West by Shikar and Jhunjhunu Districts of Rajasthan. It has total area of 1683 sq. km.

## **Area and Population**

The District Mahendergarh has an area of 1899 sq km. constituting 4.29 percent of the total area of the state. The total population of the district is 921680 forming 3.85 per cent of the total population of the state. The total population of males in Mahendergarh is 486553 and female population is 435127. Total rural population in district Mahendergarh is 788000. Total no. Of scheduled caste people in district Mahendergarh is 133000. The density of population comes to 485 persons per square km. against 573 for the state as a whole. The number of females per thousand of males is 894 which are above the state average being 877. The literacy rate in the district is 78.9 percent which is higher than the state literacy rate (76.64) and also higher than national level literacy rate.

## Administrative set-up

One of the oldest headquarters covering areas including Narnaul and Rewari. It has improved in its communication system in the last 20 years. Administratively the District in to sub-division namely Narnaul and Mahendergarh. Three sub-tehsil of Ateli, NangalChaudhary and Kanina, two tehsil Narnaul and Mahendergarh. The development blocks namely Mahendergarh, Narnaul, Ateli, Kanina, NangalChaudhary, Sihma, Satnali and Nizanpur. The district has 372 villages. Inhabited villages 367 and un-inhabited villages are 5. The district has 368 panchayats. The headquarters of the district Mahendergarh in Narnaul. Total number of towns in the district Mahendergarh is 5.

#### Climate

Climate is one of the major influencing the agriculture landscape. Mahendergarh has subtropical continental mansoonclimate. The rainfall in district Mahendergarh is comparatively not satisfactory in relation to western part of Haryana. Climate of district Mahendergarh is very hot in summer and markedly cold in winter. The district gets the plenty of rainfall being 27.85 cm. in 2005, most of which occurs during the rainy season, lasting from June to October. The annual average rainfall in state Haryana is 45 cm. Dohan and Krisnhawati are the important rivers in district Mahendergarh.

#### **Tourist and Religious**

Mahendergarh is the home for many historic and religious sites. Few of the main turist attractions are JalMahal, Chaurgumband(SashahakarGumbad), BisbalKaChhata and Dhoshi. The main temple of the district Mohindergarh district are Mata Masani, Shitala, Hanuman Mandir, MahadenJi temple and Hanuman Ji temple are there.

## **Credit Banking Facilities**

In consonance with the objective of service area approach initiated by the Reverse Bank Of India forging effectively linkage between the bank credit in the rural sector for increasing production, productivity and income level of the rural population the annual action plans had been drawn up on yearly and ongoing basis so as to carry out an orderly and planned development of the district. The nationalized banks situated in district Mahendergarh covered of all banks. Now some private sector banks have opened their branches in district Mahendergarh.

## **Transport Facilities**

Good transport facilities both roads and by railways are available in district Mahendergarh. Main cities as Mahendergarh, Narnaul, Kanina, Satnali are well connected through North Indian Railway Corridor to the capital Delhi. For Communication system a number of telephone Exchanges and mobile phone towers are also set-up by government and other private communication companies. The two main grain markets (Mahendergarh and Narnaul) are linked directly with roads and railways (via Rewari). Haryana Roadways have also provided ordinary, semi-deluxe and deluxe bus services by creating a separate depot in the district.

## **Agricultural Sector**

Agriculture is the main occupation of the district Mahendergarh. Total agricultural land in district is 153 hectare. Wheat, barley, Mustered, cotton, Toriya and taramira are main corps cultivated here under the irrigation most of the work was done by tube wells.



DISTRICT MAHENDERGARH