

## **CHAPTER 2**

### **REVIEW OF LITERATURE**

#### **2.1 INTRODUCTION**

After independence various studies have been conducted on various rural development programmes in India. Review of Literature is an important aspects of research work as it helps in understanding specific problems and in drawing some hypothesis keeping in this view literature connected with the problem. The review of literature has been from various source, such as relevant book, journal, dissertation, reports, research project survey etc.

#### **2.2 Literature Context**

**Pamecha and Sharma (2015)** conducted a survey on the topic of ‘Socio-Economic Impact of MGNREGA- A Study Undertaken among Beneficiaries of 20 Villages of Dungarpur District of Rajasthan’. The study evaluated the socio- economic impact of employment guarantee scheme named MGNREGA on the life of beneficiaries of Dungarpur district. The study examines the changing expenditure pattern of the job card holders and also tried to observe the socio-economic condition of migrant people. In Dungarpur district there are 237 gram panchayat and 18 villages. In this study total 10 gram panchayats were selected by the use of purposively sampling method and 2 villages from each panchayat were randomly selected and 10 job card holders from each village were also selected randomly so total sample size of the study was 200 job card holders. Results shows that 88.5% respondents have the facility of electricity. Gas connection availed in 17% respondents’ kitchen and 10% has the facility of toilet in their house and drinking water connection has only 2%. Migrated section of the study revealed that 14.5 % beneficiaries migrated for their livelihood and 70% of migrated peoples were come back to their native village within 6 months. Mostly males

were more migrated rather than women. Mostly respondents agree that the contribution of MGNREGA in their annual income is positive.

**De and Jana (2013)** in their research with the title of 'Implementation of MGNREGA in Rural West Bengal: A Case Study of Sonamukhi Block, Bankura District, West Bengal' analysed the impact of the scheme on the targeted beneficiaries and reviewed the current status of implementation of the MGNREGA scheme in Sonamukhi block. The data was collected from 10 villages with the help of stratified sampling two villages were selected from these 10 villages and 100 samples 50 from each village were selected. A open ended and clarified questionnaire was used to collect data. The study found that NREGA target of poverty was satisfactory. Mostly respondents express their willingness to get more jobs under the scheme. There is need to aware people about the law and different facilities. The study also examined that people are dissatisfied about the impact of this scheme on their livelihood and quality of the work but they believe that this scheme can be great agent for socio-economic upliftment by providing the livelihood security to the poorest people of west Bengal.

**Kumar and Joshi (2013)** in his paper, Household Consumption Pattern and Nutritional Security among Poor Rural Households: Impact of MGNREGA, records the change in household food consumption and nutritional security of poor rural household and has assessed the impact of (MGNREGA). The study is based on secondary data and used Indian household unit data on dietary pattern and employment collected at the national level by using survey method of national sample survey (NSS). The study has exposed that the implementation of MGNREGA is a direct way of rising income of the rural poor. It has benefitted 22.5 per cent of the rural household by providing, on an average, wage employment for 43 days. MGNREGA has been successful in reducing the poverty level by 4 per cent. The study has shown that the rise in income has led to an increase in food

consumption level of both cereal and non-cereal. In short, the impact of MGNREGA has been positively in increasing household food consumption, changing dietary pattern and providing nutritional food security to poor rural households of India.

**Jacob (2012)** in his paper entitled the impact of NREGA on rural urban migration analysed migration as a negative force, focusing on distress migration. Distress migration take place when people have to go to cities to find work because they cannot survive on what they can do in their own village. This study was based on secondary data and there are two type of data NREGA income and migration data. Income data collected before and after the NREGA. The NREGA is a programme has immense potential to improve the gap between urban and rural India and lead to rural development in term of basic infrastructure like roads, in term of agricultural productivity from irrigation works, and it provides a stable income for the workers, their income graph would be much smoother with the NREGA boosting their earning in the 100 days between agriculture seasons.

**Das (2012)** focused on examining India's Mahatma Gandhi National Rural Employment Guarantee Act. Its impact and women participation the study was based on secondary data. The data have been collect from published and UN published sources like books, journal, magazines, reports, publication, unpublished doctoral dissertation etc. The study is also based on World Wide Web. He highlighted that the MGNREGA has positive impact on employment patter of women. Women have benefited both as individually and community, women are individually benefited because they are able to earn independently, spend some money for their own need, contribute in family expenditure etc. the gain benefit of women as community can be understood by increasing presence in gram Sabha, increasing number of women in speaking out in meeting; increasing capacity of interaction etc. he suggested that NREGA can play a substantial role in economically empowering women and self-esteem.

MGNREGA play a vital role for women empowering increase in the implementation of the scheme, through gram Sabha/social audit, participatory planning and other activities.

**Garge (2012)** examined the impact of NREGS wage on poverty, agriculture sector, non-agriculture sector and food inflation. The data have been collected from planning department, Mantralaya, Mumbai, Economic survey of Maharashtra 2010-11 and wage rate of rural India, Ministry of labour employment for daily wages rate in rural India 2004-05. He found that recently media was focusing on increasing food inflation in India and one of the reason said to be NREGS wages and resulting in to overall increase of wage labour working in unorganised sector like agriculture sector, non-agriculture rural sector and also in unorganised sector in urban India like construction activity. But most of the labour have yellow ration card. Availability of PDS, food grain should not increase the prices of these food grains, even though logic of increased NREGA income has increased purchasing power and food consumption of the laborers.it also said that NRGS work is creating shortage of unskilled labours in unorganised sector. But data shoes that there is more unemployment in unorganised unskilled workers in India. And average 40-50 days of NREGS work has been provided in off agriculture season of March to May instead of 100 days guarantee of work. Most of places NREGA wages were delayed almost all places by more than 15 days. Rural worker were shying away from NREGS due to delayed and lower paid. It is also said that NREGS work unsuccessful. NREGS wages has impacted the agriculture and market wage retain the area where the NREG scheme had been implemented effectively. He suggests the high WAGE IN RURAL India will help to reduce rural poverty and distress migration.

**Thomas and Bhatia (2012)** conducted a study on ‘Impact of NREGA Scheme: A Study on the overall Quality of Life of Its Beneficiaries (A Study Undertaken among beneficiaries of 3

districts of Gujarat State'. The study highlights the impact of NREGA scheme on the overall quality of life of beneficiaries by the use of different parameters associated with the quality of life like that income and expenditure pattern of job holders and assets creation. A well-structured questionnaire were used to get feedback of respondents about the implementation of NREGA. The study covered Anand, Kheda and Panchmahal district of Gujarat. The study revealed that women participants are more than one third and mostly beneficiaries are unskilled labours. The socio-economic condition of beneficiaries is not satisfactory such that no LPG connection to them and Kaccha house. The study results show that NREGA has brought changes in the Quality of Life of beneficiaries' especially from economically and socially. NREGA make them able to provide education to their children and food security with the increase their income. But respondents needs to aware about the facilities under the scheme.

**Berg et.al (2012)** evaluated the impact of Indian government's biggest employment Guarantee Scheme, the national rural employment guarantee (NREG) program on agricultural wages. As NREGA consists three phases is used to identify difference in difference estimates of the programme effect. Cross panel data of monthly wages were used in the study from the period 2000-11 of 249 districts across the 19 states of India. The results showed that NREGA boosts the real daily wages rate of agricultural sector by 5.3 percentage. The wage effect appears biased towards the unskilled workers. The wage effect is positive and significant across different implementation stages and months. The study results confirmed the placebo tests. There is need to make policy of anti-poverty for the poorest people of world and they are the agricultural rural labours.

**Poonia (2012)** studied on the impact and women contribution in MGNREGA. The data have been collected from various issue of RBI Annual reports <http://nregs.nic.in/>; <http://rural.nic.in/>; she found that NREGS led to inspired local development, if the management and delivery are

good, and that women weak position in the labour market has been greatly helped. Since the early 1990's, the better growth performance, as well as stronger political commitment, has led to many more social protection programs being started. Among these, the NREGS stands out for the fact that it is demand drive had greater performance than other scheme. Covers the whole country, and has the potential both to provide as minimum income and stimulated local development. Public policy and public work in India have generally tried to include women as a percentage of beneficiaries, but have not paid enough attention to gender sensitive design. Preliminary finding suggest that the NREGS has the potential to stimulated local development. Before NREGS women's position was very weak after NREGS women position has been greatly helped.

**Harish et al (2011)** in his paper entitled 'The impact and implication of MGNREGA on labour supply and income generation for rural agriculture in central dry zone of Karnataka. has shown the impact of MGNREGA on income generation and labour supply in agriculture in one of the district in karnatka. The main objective of the study is to evaluation of the impact of MGNREGA on employment, income and saving and also analysis the impact of MGNREGA wages on labour availability for agriculture and on workers gender and age. This study is based on both primary and secondary data. Primary data were elected from the MGNREGA worker regarding their socio-economic status before and after the implementation of MGNREGA. Information about the labour availability for agriculture was collected through the structure and pre- tested schedule from the farmers. Secondary data on the other hand collected from the Zila panchayat, gram panchayat and also from the MGNREGA website. Number of days worked in a year after implementation of MGNREGA programme significantly increased to 201 days, reflecting 16 per cent increase. The annual income if the worker has increased by 9.1 per cent with the implementation of the programme. Thus MGNREGA has contributed to increase in the consumption expenditure

reducing the debt burden of the beneficiaries. The study has shown that MGNREGA programme often poses the problem of labour scarcity for some of the agricultural operation linked to market wage rates. hence, the issue has to be debated to see that 100- day employment guarantee under MGNREGA be confined strictly to months when there is no harvesting or sowing activity.

**Ahuja et.al (2011)** in his paper entitled “Impact of MGNREGA on rural employment and migration: A study in agriculturally-advance district of Haryana”. Investigated the impact of implementation of MGNREGA in two districts-one agriculturally-advanced (karnal) and the other agriculturally-backward (Mewat).For this study, two district of Haryana namely Mewat and Karnal, were selected to see the differential impact of MGNREGA in agriculturally-backward and agriculturally-advanced areas. From each district, two villages were selected which had very high issue job-card and high gross cropped area so far data collection in concern both quantitative and qualitative data were collected for the study.

**Basu (2011)** in his study on ‘Impact of Rural Employment Guarantee Schemes on Seasonal Labour Markets: Optimum Compensation and Workers welfare, discuss the recent enactment of the NREGA Act in India that has been widely hailed as a policy that provides a safety net for the rural poor with the potential to boost rural income, stabilize agricultural production and reduce rural urban migration. This study models the impact of such employment guarantee scheme in the context of an agrarian economy characterized by lean season involuntary unemployment as a consequence of tied labour contracts. Specifically, it examines labour and output market responses to a productive rural employment guarantee scheme and determines the optimal compensation to public work employees consistent with the objectives of (i) productive efficiency in agriculture and (ii) welfare maximization of labourers. The author’s framework provides a theoretical basis for the evaluation of a number of conflicting observations and empirical results on the impact of an employment Guarantee

scheme (EGS) on agricultural wages, employment and output, and underscores the importance of the relative productivity of workers in the EGS programme regarding their counterparts engaged in agricultural production in determine the success of these programmes

**Kumar and Maruthi (2011)** in their study with the title of 'Impact of NREGA on wage rate, food security and Rural Urban Migration in Karataka'. The report was submitted to the Ministry of Agriculture, Bangalore. The main focus of the study was to see how much employment generated by MGNREGA. And its impact on migration, assets creation and wage rate. The study found that the wage rate has increased more than 50% in the agriculture sector and 75 to 100% in the non-agriculture sector after implication of MGNREGA. Condition of unskilled and skilled workers were going to better and 37 % respondents were agreed that the employment guarantee scheme provided protection to them against poverty and around 55% enhanced that the policy provided them food security. Overall results showed that MGNREGA positively affected the economic and social condition of job holders and fulfilled the aim behind this wonderful policy.

**Jeyaranjan (2011)** conducted a Case study entitled 'Women and Pro-Poor Polices in Rural Tamil Nadu: An Examination of practices and Responses'. The study attempt to comprehend the reasons for the relatively higher levels of participation by rural women in Tamil Nadu in NGREGA. The Study Area of the study was Kurinjipettai village in Thanjavur district of Tamilnadu. From the initial stage of NREGA introduced in Kurinjiprttai village the women work participants were more than male. The average no of days of employment for increased in the study area which helps to increase their income up to 119%. The study also told that improvement in the infrastructure help to increase income from other sources.



**Hirway et. al (2010)** conducted a study entitled ‘Analysing Multiplier Impact of NREGA Works through Village SAM Modelling’. The report has been submitted to Ministry of rural development. The study made a multiplier impact of MGNREGA through a village level Social Accounting Matrix (SAM) model. SAM is an organised matrix representation of all transactions and transfer between different production activities, factors of production and institutions like household, corporate sector and government with in the economy and rest of the world regarding. The results of the study showed that if MGNREGA if MGNREGA implemented properly, it can not only reduce poverty at the ground level but also helpful to improve the condition of the poor in short run. They also evaluated that multiplier effected positively income, production employment in the study area.

**Kareem Ulla (2010)** in his study entitled ‘Impact of NREGS on Rural Livelihoods and Agriculture Capital Formation’ evaluated the role of NREGA in the water conservation structure for agriculture, consumption pattern and purchase behaviour of households. The study was conducted in four states- Andhra Pradesh, Karnataka, Rajasthan and Maharashtra as these are key states in term of implication of the scheme. One district from the each state and further 3 block were taken from the selected districts and two panchayats were selected from each blocks. The random sampling used to select the data and study area and a self-structured questionnaire used to collect data. And secondary data also used to analysed growth rate, averages, and percentages for before and during the scheme. Under the scheme both landless and farmers indicating their interest to get employment and improved their livelihood resources. The study found that there was found reduction in migration during this scheme and consumption pattern also increased as income of the respondents increased. There were found great success in irrigation resources like ponds in Andhra Pradesh and Maharashtra and well in Rajasthan. The scheme had an impact on agriculture. There is need

to NREGA should become a by- product and creation of productive assets as prime objective of scheme I the long run.

**Roy and Gowda (2010)** in their study ‘The Impact Analysis of Mahatma Gandhi National Rural Employment Guarantee Programme in Dhali district of Tripura, analyse the impact of MGNREGA Act on the standard of living of beneficiaries of Dhalai district of Tripura state. The mean value of beneficiaries living of standard before MGNREGA was found 36.3 as compare to over all mean value of 60.1 after the implementation of MGNREGA. There is an enhancement of mean value in standard of living of beneficiaries by 65 percent showing significant increase due to MGNREGA. About 31.3 percent of the respondents were belonging to low level of standard of living before the implementation of MGNREGA programme while only 16.0 percent of the respondent falling under low level of living standard. A positive and significant difference was existing between the standard of living of beneficiaries before and after the implementation of MGNREGA scheme. The improvement in the mean value of standard of living between before and after implementation of MGNREGA programme was found to be highly significant at one percent level.

**Aiyar and Samji (2009)** in their study ‘Transparency and Accountability in NREGA: A Case study of Andhra Pradesh’ analysed the transparency and effectiveness of social audits conducted in Andhra Pradesh between the March and December 2007. Word bank’s social audit of NREGA in Andhra Pradesh is a unique experiment in accountability and it offers some interesting facts insights effectiveness of regulation and sustained social audits. And these types of audits should be conducted at regular bases as it helps to aware people about the policy. It also increase the labourer’s confidence and self-respect and enhance labourer’s ability to engage with local officials. These lessons were very important for any state government to make any policy successful and better for enhance the implementation problems. 90% respondents were express their views with desirability of conducting social

audit. Some visible improvements were noticed in the work sites after the audit like drinking water facilities, first aid facilities etc. After audit knowledge about wage payment slip increased up to 96%.

**Krishna (2009)** conducted a study with the title of 'POVERTY ALLEVIATION POLICIES: Implication of National Rural Employment Guarantee Act (NREGA) In Karnataka'. The study discussed the anti-poverty and employment generation under this scheme in Karnataka state. The results of the study concluded that the existing institutional arrangement is not sufficient enough in poorer states to implement NREGA in effective manner. There is an urgent need for both vertical and horizontal coordination across levels of governments within the states. Decentralization of the policy is important feature of NREGA which helps to remove poverty at the root level of the society and also helpful to improve infrastructure of rural area. But at many places, Panchayats do not have the enough capacity to manage the scheme and capacity building ought to take place at Panchayat level. Clarify the responsibilities and labour budget district wage list and schedule of rates at district panchayat level would go a long way for effective implementation. Right to information is played effective role in the social audit according to this study. The study found that NREGA is more effective policy from the other anti-poverty and employment generating policies.

**ASCI (2009)** shown a study to know MGNREGA`s processes, procedures and impact. The study was focused on to classifying good practices that could be scaled up for strengthening the programme. Research was undertaken in six block of three district –Anantpur,Adilabad and Guntur of Andra Pradesh. The positive finding of the study included. Increase in groundwater in Anantpur as a result of the assets created, improved agricultural yields across all three district and reduction in migration. The study also displayed the problems the programme faced including postponement in wage payment and poor quality of assets.

**Khan and Saluja (2008)** studied the 'Impact of the NREGP on Rural Livelihood'. This analysis looks at the direct and indirect effects that the NREGA has on employment generation and poverty reduction in a local setting. For this, a detailed survey in a specific village was undertaken to highlight the impact of the NREGP. This survey covered a poor agricultural village with 400 households and nearly 2,500 people. The survey recorded income and expenditure levels by type of household (large, small and marginal farmers, agricultural labour, services, etc.). The survey also recorded production activities undertaken by the inhabitants. The study shows that the sectors that show the maximum impact are wheat cultivation, animal husbandry and education and the maximum impact on the household incomes accrues to the small cultivator followed by the labour household and then the large farmer households.

**Vanaik and Siddhartha (2008)** in their study entitled 'Bank Payments: End of Corruption in NREGA?' investigated the impact of change the wage transaction mode in NREGA scheme and how much it effects the corruption problem in the scheme which is main problem facing to implementation of this scheme. The study covered the Mayurbhanj district's four villages which were selected randomly in Orissa. A well-structured questionnaire used to collect information regarding this survey. According to the study many complications were made by the new mode of transactions i.e. record preparing complications, extra burden on banks, and make hurdle for beneficiaries but it enhancing transparency in the policy which is helpful to reduce corruption in the Employment Guarantee Scheme (EGS).

**Datar (2007)** in his study titled with 'Failure of National Rural Employment Guarantee Scheme in Maharashtra', examines the reasons behind the failure NREGA scheme in Maharashtra. Allocated munt under this scheme has not spent completely and most backward villages like Chandpura which has large tribal population spent their half allocated amount. These conditions showed the reality of this scheme. The study found major reasons behind

this situation like there was not a detailed report submitted to the government. This provided gap for a fault report submitted by the Sarpanch and gram sevak. Many times job card holders were not interested doing work under the scheme in 'Tendupatta' season because contractor provided them better wage and per day cash wage offer. There is need of routine visited at the work sites by BDO. Paralysed government machinery were mainly responsible for the failure of this scheme in Maharashtra.

### **2.3 Research Gap**

There are several studies that have been conducted to look into the gone to take the MGNREGA problem and their implementation related information in different years but some huge gap are shown in recently regarding the health and education oriented indicators of development. For that reason present study focuses on these indicator also. So it creates a great hindrance or discrimination among the rural people at the time of work under MGNREGA. The Government does not focus to prepare the guide lines regarding their health, education and the income pattern also. They are not getting any benefit from the Government both institutionally and non- institutionally. So they face number of problem in the course of work, and no one can care about that part. The scheme of MGNREGA has multiple name by different governments during their own period i.e. from 2005-2009 it was called as NREGA and after that it was called as MGNREGA. So it creates a contradictory fact for the people for whom the scheme is running for purpose.