

Significance of National Rural Employment Guarantee Act (NREGA) in India

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ABSTRACT

Eradicating Extreme Poverty and Hunger is the first and the primary concern of Millennium Development Goals (MDGs). The primary consideration to trigger development should be to maximize work opportunities for the unemployed and under employed. A multifaceted developmental strategy has been adopted to address the needs of the poor by ensuring their basic rights and to promote economic growth. To fight unemployment, poverty and enhance livelihood security more effectively with multiplier effect on Social Capital formation, Physical Capital, Ecological Synergies, Strengthen Democratic Process and ensure Sustainable Development a new wage employment programme namely National Rural Employment Guarantee Act (NREGA) was formulated in 2005 and implemented in all the states and union territories of India in phased manner from February 2006. With its legal frame work and rights based approach Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) provides 100 days of guaranteed to every rural house hold whose adult members volunteer to do unskilled manual work with in a financial year.

KEYWORDS: *Development, Economics, Finance, Growth, Rural development*

INTRODUCTION

Intends to accomplish the goal as articulated in the Article 41 of the Indian Constitution, —giving residents, the right to work. The Act is critical because of the accompanying reasons: The NREGA has led to the biggest business program in mankind's set of experiences and has numerous novel elements that different it from some other pay work program. It's base up, individuals centered, request driven, self-choosing, privileges-based plan is unmistakable and unprecedented. NREGA gives a real affirmation to paid work. It is an interest driven conspires, where the arrangement for the work is to be started by the interest of the incompetent compensation searchers. There are real arrangements for remittances and remunerations when there is an inability to give work on request and furthermore when there are delays in the installment of wages for the work embraced. Along these lines, NREGA beats issues of focusing through its self-centering system of beneficiary choice, that is to say, a significant level of poor people and minimized rustic individuals look for

work under this Scheme. The Scheme upholds the States to give business, as the 100 percent of the untalented work cost and 75% of the material expense of the works attempted is borne by the Central government. Unlike the previous work plans and projects that were assignment based, NREGA is request driven and the asset moves from the Union to the States, which depends on the interest for work in each State. This gives an additional a rousing power to States to use the Act to meet the business needs of destitute individuals. There is in like manner an orderly disincentive for neglecting to give work on schedule, as the States, all things considered, bear the expense of the joblessness remittance. Gram Panchayats are to execute something like 50% of the works concerning cost. This request for devolution of monetary assets to Gram Panchayats is noteworthy. Plans and choices with respect to the nature and selection of attempts to be embraced, the request in which each work is to be attempted, the site choice and so forth are all to be made in open gatherings of

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the Gram Sabha and authorized by the Gram Panchayats. Works that are installed at Intermediate Panchayat (IP) and District Panchayat (DP) level must be supported and allotted a need by the Gram Sabha before regulatory endorsement can be given. The Gram Sabha might recognize, change or excuse these. These choices can't be resentful about higher specialists, but to the degree of ensuring comparability with the game plans of the Act and its Operational Guidelines. This base up, individuals centered, request driven system furthermore infers that a mind boggling portion of the obligation in regards to the achievement of NREGA lies with wage-searchers, Gram Sabha and Gram Panchayat. NREGA in like manner means a break from the easing projects of the past towards an organized normal asset the board and occupations age viewpoint. Social review is another component that is a basic piece of NREGA. Possibly, this makes wonderful obligation of execution, especially towards quick partners. An Annual Report ready by the Central Employment Guarantee Council (CEGC), on the results of NREGA is expected to be introduced consistently by the Central Government to Parliament. In like way, the yearly reports ready by State Employment Guarantee Councils (SEGC) are to be introduced to State Legislatures by the State Governments, empowering oversight by those agents. The drastically new component of the program requires creative techniques for fruitful execution. This will guarantee that the original components of the NREGA are recognized reasonably; at the 10 states of the art aspect of its execution. These Operational Guidelines have been given to energize this consistence. Along these lines NREGA isn't just a government assistance drive yet in addition an advancement exertion that can take the Indian economy to another stature of success.

Significance of NREGA

NREGA aims to achieve the objective as enunciated in the Article 41 of the Indian Constitution, —giving citizens, the right to work. The Act is significant due to the following reasons: The NREGA has given rise to the largest employment program in human history and has many unique features that separate it from any other wage employment program. It's bottom-up, people-focused, demand-driven, self-selecting, rights-based design is distinct and extraordinary. NREGA provides a legitimate assurance for paid employment. It is a demand-driven scheme, where the provision for the work is to be initiated by the demand of the unskilled wage-seekers. There are legitimate provisions for allowances and compensations when there is a failure to provide work on demand and also when there are delays in the payment of wages for the

work undertaken. Thus, NREGA overcomes issues of centering through its self-focusing mechanism of recipient decision, that is, a substantial level of the poor and marginalized rural people seek employment under this Scheme. The Scheme supports the States to provide employment, as the 100% of the unskilled labor cost and 75% of the material cost of the works undertaken is borne by the Central government. Unlike the earlier employment schemes and programs that were designation based, NREGA is demand-driven and the resource transfers from the Union to the States, which is based on the demand for employment in each State. This gives an extra motivating force to States to leverage the Act to meet the employment needs of poor people. There is likewise an attendant disincentive for failing to provide work on time, as the States, in that case, bear the cost of the unemployment allowance. Gram Panchayats are to implement no less than 50 percent of the works in terms of cost. This order of devolution of financial resources to Gram Panchayats is remarkable. Plans and decisions regarding the nature and choice of works to be undertaken, the order in which each work is to be undertaken, the site selection etc. are all to be made in open assemblies of the Gram Sabha and sanctioned by the Gram Panchayats. Works that are embedded at Intermediate Panchayat (IP) and District Panchayat (DP) level have to be approved and allocated a priority by the Gram Sabha before administrative approval can be given. The Gram Sabha may acknowledge, alter, or dismiss these. These decisions cannot be upset by higher authorities, except to the extent of guaranteeing similarity with the arrangements of the Act and its Operational Guidelines. This bottom-up, people-focused, demand-driven framework additionally implies that an incredible share of the responsibility regarding the accomplishment of NREGA lies with wage-seekers, Gram Sabha and Gram Panchayat. NREGA likewise denotes a break from the alleviation programs of the past towards a coordinated natural resource management and livelihoods generation perspective. Social audit is another feature that is an integral part of NREGA. Conceivably, this makes phenomenal responsibility of execution, particularly towards immediate stakeholders. An Annual Report prepared by the Central Employment Guarantee Council (CEGC), on the outcomes of NREGA is required to be presented every year by the Central Government to Parliament. In like manner, the yearly reports prepared by State Employment Guarantee Councils (SEGC) are to be presented to State Legislatures by the State Governments, encouraging oversight by elected representatives. The radically new feature of the

program requires innovative methodologies for successful implementation. This will ensure that the novel elements of the NREGA are acknowledged suitably; at the 10 cutting-edge dimensions of its execution. These Operational Guidelines have been issued to encourage this compliance. Thus, NREGA is not only a welfare initiative but also a development effort that can take the Indian economy to a new height of prosperity.

Mahatma Gandhi National Rural Employment Guarantee Act (NREGA) is considered as a —Magic Bullet for killing rustic destitution and joblessness, via creating interest for the useful workforce in towns. Rustic destitution and joblessness in India have filled in a remarkable way in the midst of the most recent couple of many years. There is a developing frequency of lack of education, ignorant religiosity, hungry people, mal-taken care of youngsters, pallid pregnant ladies, rancher suicides, starvation passing's, relocation coming about because of insufficient business, neediness, and the disappointment of means creation during dry spells. To look through arrangement of these issues and to give work security to provincial jobless, Government of India (GOI) established this Act (NREGA) in 2005. The headway of provincial India is basic for far reaching and evenhanded development and to open the gigantic capability of the populace that is by and by caught in destitution with its connected difficulties. NREGA is a lead program of Government of India which shapes the second strand for improvement of provincial regions, the first being the Bharat Nirman Program, which have been a basic program. NREGA is achievement order in the Indian history of government backed retirement regulation after autonomy. Established after a productive fight for a work ensures regulation, this institution is a fractional victory towards an evident right to work with regards to any agricultural nation. Interestingly, the right to work has been made a legitimate drive and privilege for joblessness stipends in case of non-allocation of business ensured through this Act. NREGA is a novel and uncommon effort in supporting grass-root a majority rule government in India. Developing the arrangement of the business projects to all the more reasonably kill neediness, the Central Government declared the Mahatma Gandhi National Rural Employment Guarantee Act (NREGA) on Aug 25, 2005. The demonstration was at first known as the National Rural Employment Guarantee Act (or NREGA), in this way relabeled as Mahatma Gandhi National Rural Employment Guarantee Act (or MNREGA) on February 2, 2006. The program gives a genuine assurance for one 3 hundred days of work in each monetary year to

grown-up individuals from any rustic family ready to accomplish public work. NREGA act was given a point of assisting the buying with fueling of the provincial individuals; basically incomplete or untalented work to individuals living in the country region of the country, whether or not they are beneath the destitution line. Around 33% of the foreordained labor force is ladies. In the year 2011, the program was for the most part reprimanded as not any more powerful than other destitution destruction programs in the country. Regardless of its best targets, notable NREGA is assailed with the conversation about undermined specialists, absence of subsidizing or assets, low nature of offices arranged under this program, and inconsistent dangerous impact on destitution. With its legitimate system and privileges-based philosophy, NREGA gives work to the people who request it and is a change in context from prior projects. NREGA was told on the seventh day of September 2005, with the intend to upgrade the occupation security by giving at least 100 days of ensured work in a monetary year to a grown-up relative, who will accomplish manual work. The Act canvassed 200 locales in its first stage, executed on February 2, 2006, and was reached out to 130 extra areas in the monetary year 2007-2008. Every one of the leftover provincial regions has been informed with impact from April 1, 2008. It is the greatest destitution destruction program on the planet what began with an underlying expense of Rs. 11,300 crores in the monetary year 2006-07 and presently it is Rs. 55,000 crores (2018-19). The plan under the Act gives a real confirmation to 100 days of work in each monetary year to a grown-up individual from any rustic family, who will do incompetent manual public work at the legal the lowest pay permitted by law rate. In this way, it is a widespread program. This lowest pay permitted by law fluctuates from one state to another. According to the arrangements of the Act, the lowest pay permitted by law ought to be basically Rs. 60 for any state. The 100 days of business was assessed because the horticultural season is simply expected to endure by and large around 250 days and untalented specialists have no elective type of revenue after the farming season endures.

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REVIEW OF LITERATURE

Joshi Sandeep (2000), on "Critical Study of NREGA: Impact and Women's Participation", confirms that the NREGA has the potential to stimulate local development, if the management and delivery are good; and that women's weak position in the labor market has been greatly helped. The evidence further suggests these benefits are due to a strong state apparatus (which include the Kudumbashree) and not to the demand of citizens. This paper reviews India's approach to social protection since independence and places the NREGA within the broader social protection discourse. It looks at how gender concerns have been addressed within public works, and specifically in the NREGA guidelines.

International Labour Organization study in Bihar bring into being that though the Act stipulates certain worksite facilities, none of the worksites visited had basic provisions like space for taking rest, or a first aid kit available. In a few of the worksites even drinking water was not stored and readily available. People were found to be working in harsh conditions, continuously and in ergonomically no acceptable positions. One of the workers at a worksite, when quizzed on safety issue said, —akushal kaam hai saab, garibon ke liye hail (It's unskilled task, Sir and NREGA is for poor people).

Kannan and Breman (2013) conducted study in some villages of Gujarat revealed that NREGA has not been implemented in three of the four villages which they surveyed. The job cards to be issued were never distributed. The village head asserted that the availability of ample opportunities for employment was a major reason behind the failure of NREGA.

OBJECTIVES OF THE STUDY

1. To analyse the effectiveness of MGNREGA in providing livelihood security to the most

vulnerable sections of the society in the rural areas on a sustainable basis

2. To understand the role of MGNREGA in providing an alternate source of income to the rural household
3. To suggest suitable measures in effective implementation of MGNREGA scheme in generating quality assets and gainful employment of people.

IMPORTANCE OF THE STUDY

Among all the wage employment programs implemented so far, MGNREGA is unique, as it is community based, where the people decide the work to be undertaken by them, for themselves, in their own village. This program is a policy shift from a growth-oriented development, uniquely designed for the vulnerable at the bottom of the pyramid.

Statement of the Problem

The literature review carried out above reflects that though some researchers have done study on NREGA most of those are confined to economic aspect only. It is not comprehensive. Very few people have emphasized on implementation aspects of NREGA

Research Methodologies

In this study we used to primary data as well as secondary data like take, books, references books, textbooks, library books magazines, newspapers journals etc.

CONCLUSSION

According to a recent Indian Government committee constituted to estimate poverty, nearly 38% of India's population is poor. More than 75% of poor people reside in villages. Rural poverty is largely a result of

low productivity and unemployment. In order to alleviate rural poverty by generating employment and creation of sustainable assets in Rural India, Government of India brought in the flagship programme called Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), 2005. However, Social security programmes are not free from flaws. So is the case with MGNREGA. This article highlights the issues and challenges being faced by Government while implementing the world's largest employment generating programme and the issues among the people covered under the scheme.

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