



ECONOMIC EVALUATION AND EFFECTIVENESS OF NATIONAL RURAL EMPLOYMENT GUARANTEE SCHEME IN VARANASI, INDIA: A CASE STUDY

Shailendra Kumar Tripathi¹, Pooja Singh²

Email Id: sailendraj@gmail.com

¹Department of Science, Sampurnanand Sanskrit University, Varanasi, Uttar Pradesh (India)

²Department of Biotechnology, Microtek College of Management & Technology, Varanasi, Uttar Pradesh (India)

Abstract-Varanasi is an oldest living city of world situated at the bank of holy river Ganga. As per 2011 census, 56.56% population of Varanasi districts lives in rural areas. The sustainable development of these villages is the prime factor towards the economic growth of the nation. The Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) is a landmark legislation of Government of India in this direction. The primary objective of the MNREGA is to strengthen the rural livelihood by creating durable assets and by providing employment of 100 days in a financial year to the villagers as an unskilled manual worker. The present paper is an attempt to evaluate the significance of MNREGA in improving rural sanitation status of Varanasi District of Uttar Pradesh. Data collected from the web site of MNREGA. The trend analysis of database was performed on year to year basis with percentage increase or decrease in the completion of rural sanitation work in each block of Varanasi District. The study revealed that out of total 8390 sanitation works completed in Varanasi District during 2012-2017. The rate of works completion was found higher (66.41%) in financial year 2013-14. Two blocks of Varanasi district i.e. Harahua and Baragaon shown above 50% works completion. These sanitation works accelerated the sanitation coverage in rural areas through providing privacy and dignity particularly to women. Therefore it can be concluded that MNREGA can be an important step towards development of open defecation free rural India in addition to poverty alleviation.

Keywords- Sustainable development, Landmark legislation, Trend analysis, Sanitation, Open defecation

1. INTRODUCTION

Nearly 70 per cent of the Indian population lives in rural areas as per census 2011. The statistics reveal that while the maximum number of people living in rural areas in a particular state is 15.5 crore (18.62%) in Uttar Pradesh. The overall growth rate of rural population has sharply declined from 72.19 per cent to 68.84 per cent respectively, while the growth rate in urban areas remains almost the same. In the rural area, the proportion of unemployed is estimated as 37 persons/1000 population. Therefore, Employment generation and poverty alleviation are major priorities drawing the attention of the government and economic development planners all over the world.

Indian government started various programmes since 1960 to provide employment to rural unemployed particularly during the lean agricultural season. All these development programmes faced some loopholes towards their effective implementation and objective accomplishment. Hence poor people in rural areas were not benefited by them at all and were trapped in the vicious cycle of poverty [1, 2, 3]. Similarly, a new attempt of central government came into existence in the form of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA), on 25th August 2005 for poverty alleviation of rural India through employment generation. The works under MNREGA are 'demand driven' rather than supply driven [4]. The program has facilitated the transfer of income to the poor households during agriculture lean seasons. The program is very effective in addressing the rural concerns through creating durable assets and strengthening the livelihood resource base of rural people. The choice of work suggested in the Act addresses the causes of chronic poverty like: draught, deforestation, soil conservation and land development etc. Therefore the process of employment generation is on sustainable basis [5, 6, 7].

Under such circumstances it has become necessary to assess the block level performance of MNREGA in terms of empowering the rural people. The present study was taken up to assess the impact of MNREGA in improving rural sanitation status of Varanasi district during last five years.

2. METHODOLOGY

2.1. Site Description

Varanasi district of Uttar Pradesh has been selected for the present study to assess the implications of MNREGA scheme. The district occupies a geographical area of 1,535 square kilometers with the total population of 3,682,194

DOI Number: 10.30780/IJTRS.V3.I1.2018.017

pg. 75

www.ijtrs.com

www.ijtrs.org

as per census, 2011. There are total 8 blocks comes under Varanasi district i.e. Arajiline, Baragaon, Chirai Gaon, Cholapur, Harhua, Kashi Vidya Peeth, Pindra and Sevapuri. Block-wise map of Varanasi district shown in Fig. 2.1. Total 1329 villages come under this district having literacy rate of 62%. The total working population of Varanasi district is 7,93,520 and non-working population is 15,99,720 and out of 7,93,520 working population 1,45,012 (18.27%) peoples are totally dependent on agriculture. Rural population have struggled for years in the hope of better employment opportunities, healthy natural resources and improved living conditions. MNREGA has somewhat lessened the burdens of the rural poor population of India.

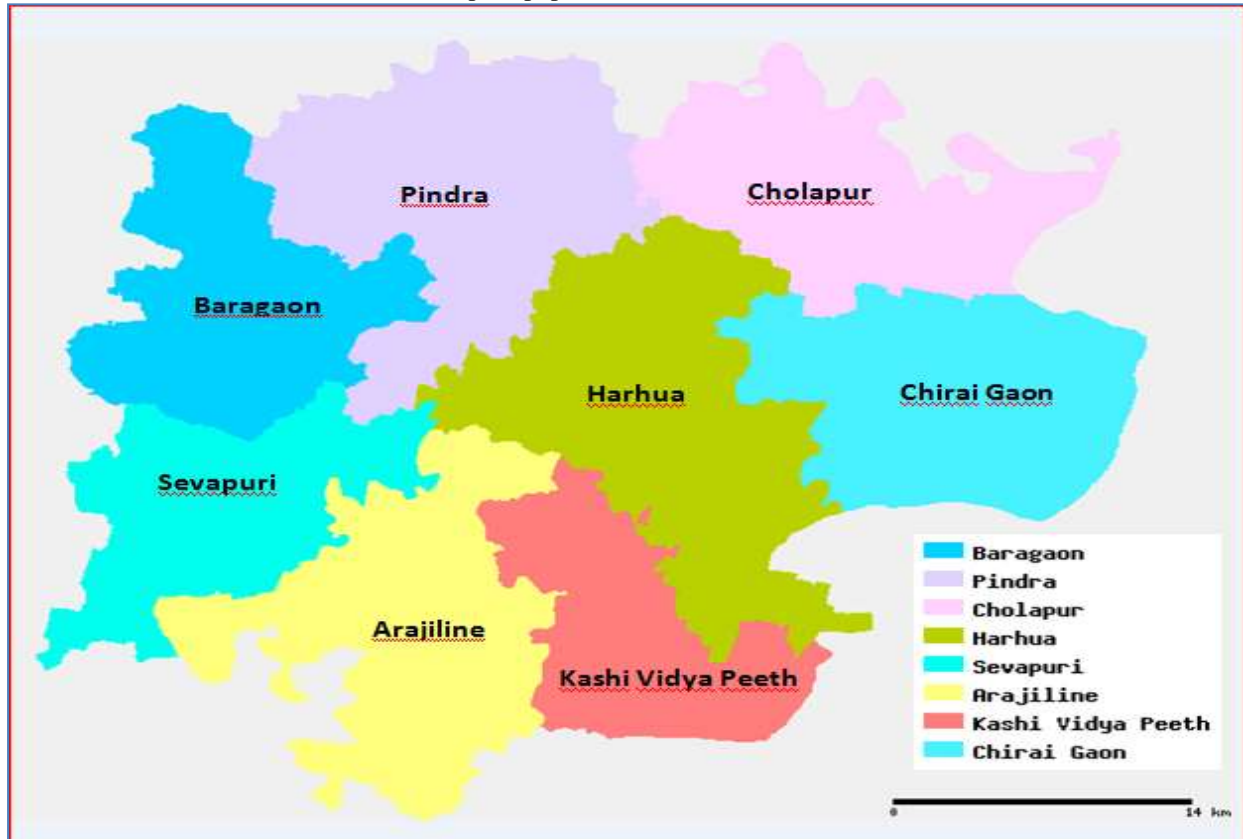


Fig. 2.1 Block-Wise Map of Varanasi District

2.2. Data Collection and Analysis

The present study was conducted based on secondary data, retrieved of all eight blocks of Varanasi district from web site of MNREGA (www.nrega.nic.in) [8]. The study focuses the duration of Financial Year 2012-13 to 2016-17. A trend analysis has been performed on year to year basis of block-wise data set to assess the percentage increase or decrease in the performance of rural sanitation work taken under MNREGA. The performance indicators of MNREGA selected in the study were: total persons worked, total amount sanctioned for all categories of works, total amount sanctioned for rural sanitation works, total work completed of all categories and total rural sanitation works completed in all eight blocks of Varanasi district during 5 years. The collected data was tabulated and analyzed for basic statistics and presented graphically using data analysis tool of MS-Excel²⁰⁰⁷.

3. RESULT AND DISCUSSION

3.1. Employment Generation

The comparative analysis of annual employment generation through MNREGA in different blocks of Varanasi during FY 2012-13 to 2016-17 (Table 3.1) revealed that total employment generation was observed higher in FY 2012-13 (24.23%) and 2013-14 (24.97%) and declined thereafter. The result reveals that majority of villagers employed through MNREGA were from Arajiline (20.63%), Sevapuri (15.96%) and Pindra (15%) blocks, while rest blocks generated employment below 12% only. It is clear from the result that MNREGA has helped to bring down the level of unemployment and has also reduced the supply of labor to the agriculture [9]. The annual decline of employment generation in succeeding financial years may be due to the perception of agriculture labors that MNREGA scheme is an assurance of employment only during slack agriculture season but not an alternative to agriculture labor work [10].

Table-3.1 Total Number of Persons Provided Employment in Different Blocks of Varanasi

Name of block	Financial Year				
	2012-13	2013-14	2014-15	2015-16	2016-17
Arajiline	16,125	16,247	7,492	10,816	9,705
Baragaon	7,876	8,266	5,903	6,454	4,815
Chiraigaon	5,031	4,985	1,758	3,464	3,006
Cholapur	8,822	9,594	6,856	8,266	6,349
Harahua	6,929	7,134	3,590	4,806	3,909
Kashi Vidyapeeth	6,082	6,538	3,412	4,082	3,771
Pindra	8,823	9,358	8,620	9,360	7,730
Sevapuri	11,236	10,974	7,832	9,657	7,026
Total	70,924	73,096	45,463	56,905	46,311

3.2. Financial Performance

The block-wise analysis of financial performance of MNREGA revealed that Cholapur (50.17%) and Pindra (45.83%) blocks were sanctioned higher financial assistance for all category of works under MNREGA as compare to other blocks (below 1%) of Varanasi district (Table 3.2). This indicates a significant economic impact of MNREGA in rural poverty alleviation. The result revealed that total amount sanctioned for rural sanitation works was found highest in Sevapuri (60.49%) and Harahua (39.44%) blocks, whereas in rest of the blocks it was below 1%. However the proportion of fund allocation for rural sanitation work out of total sanctioned amount was averaged only 2.74%.

Table-3.2 Details of Fund Sanctioned for All Category of Work Under MNREGA

Name of Block	Amount sanctioned (Rs. In lakhs)		
	All category of work	Rural Sanitation Work	Proportion of rural sanitation work (%)
Arajiline	2,13,808.67 (0.21%)	1,622.62 (0.003%)	0.76 %
Baragaon	1,259.25 (0.001%)	94.40 (0.004%)	7.50 %
Chiraigaon	23,94,481.66 (2.35%)	34.25 (0.001%)	0.00 %
Cholapur	5,11,98,161.97 (50.17%)	16,92,619.07 (0.06%)	3.31 %
Harahua	8,792.08 (0.01%)	84.77 (39.44%)	0.96 %
Kashi Vidyapeeth	2,08,600.79 (0.20%)	18.37 (0.001%)	0.01 %
Pindra	4,67,76,303.41 (45.83%)	11,03,568.36 (0.003%)	2.36 %
Sevapuri	12,57,292.65 (1.23%)	124.25 (60.49%)	0.01 %
Total	10,20,58,700.50	27,98,166.09	2.74 %

The highest % ratio of fund allocation above 2% was found in 3 blocks i.e. Baragaon (7.50%), Cholapur (3.31%) and Pindra (2.36%), whereas rest of the blocks have below 1% allocation for sanitation improvement activity. Block-wise percentage of fund sanctioned to carried out rural sanitation works under MNREGA in Varanasi district shown in Fig. 3.2. This indicates the declining level of awareness regarding the importance of sanitation and hygiene in rural community [11, 12]. The higher proportion of financial assistance towards sanitation activities in Baragaon block (7.50%) among the other blocks of Varanasi district indicates that MNREGA programme has not only increased the sanitation status of villages, but also the improved the economic status of workers by improving their health status [13, 14, 15].

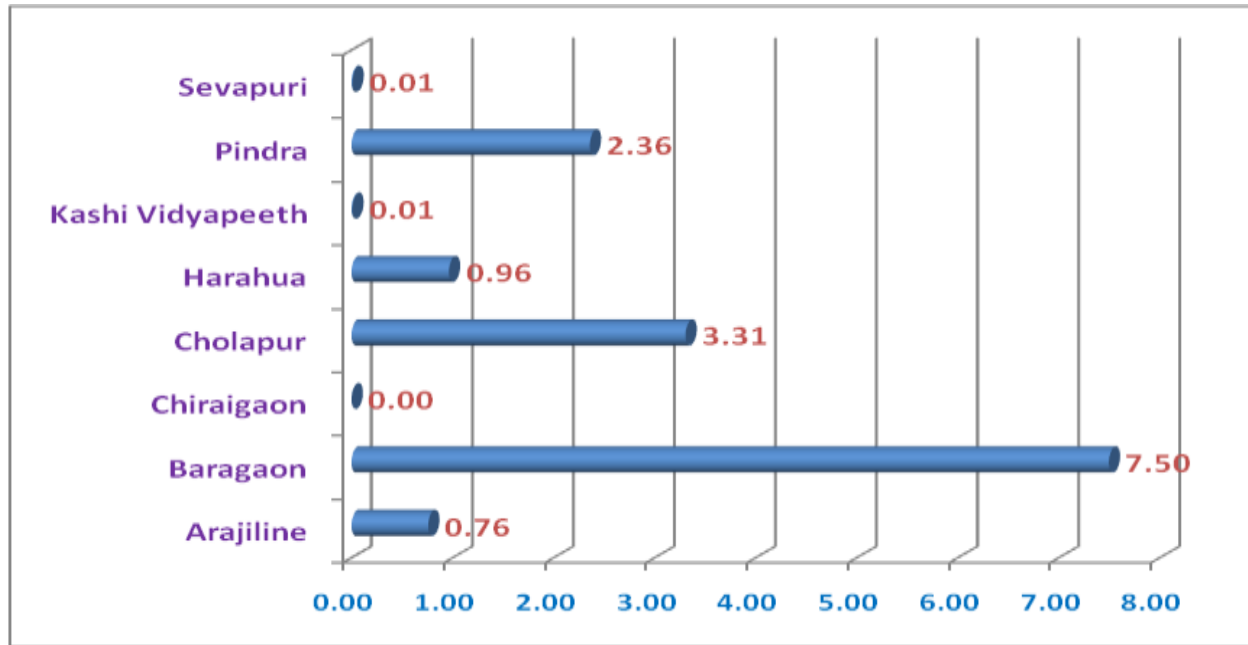


Fig. 3.2 Block-Wise Percentage of Fund Sanctioned to Carried Out Rural Sanitation Works Under MNREGA in Varanasi District

3.3. Rural Sanitation Work Completion

The trend analysis of sanitation work completed under MNREGA in all eight blocks of Varanasi district is presented in Table 3.3.

Table 3.3 Block-Wise Performance of Rural Sanitation Works

Name of Block	Works completed		
	All category of work	Rural Sanitation work	Proportion of rural sanitation work (%)
Arajiline	5749 (21.04%)	2361 (22.39%)	41.07
Baragaon	3148 (11.52%)	1770 (16.79%)	56.23
Chiraigaon	1800 (6.59%)	669 (6.35%)	37.17
Cholapur	3752 (13.73%)	824 (7.82%)	21.96
Harahua	2864 (10.48%)	1847 (17.52%)	64.49
Kashi Vidyapeeth	1285 (4.70%)	399 (3.78%)	31.05
Pindra	3854 (14.11%)	1093 (10.37%)	28.36
Sevapuri	4870 (17.82%)	1580 (14.99%)	32.44
Total	27322	10543	38.59

The result revealed that average rate of work completion ranged between 5-21%. The overall work completion rate was observed significantly higher in Arajiline (21.04%) and Sevapuri block (17.82%). The other blocks performance was below 15%. This indicates the lack of work monitoring and its management to complete them in stipulated time schedule [16]. The mean completion rate of rural sanitation works was ranged from 3.78% to 22.39%. Arajiline (22.39%), Harahua (17.52%), Baragaon (16.79%) and Sevapuri (14.99%) blocks performance in terms of sanitation works completion was observed higher the other blocks of Varanasi district.

The overall Varanasi district average of rural sanitation works completion during 5 years was 38.59%. This lower performance of blocks may be due the declining work force engaged for MNREGA programme in last 3 financial years. This aggregates the backlog of work completion in succeeding financial years and affects the performance [17, 18].

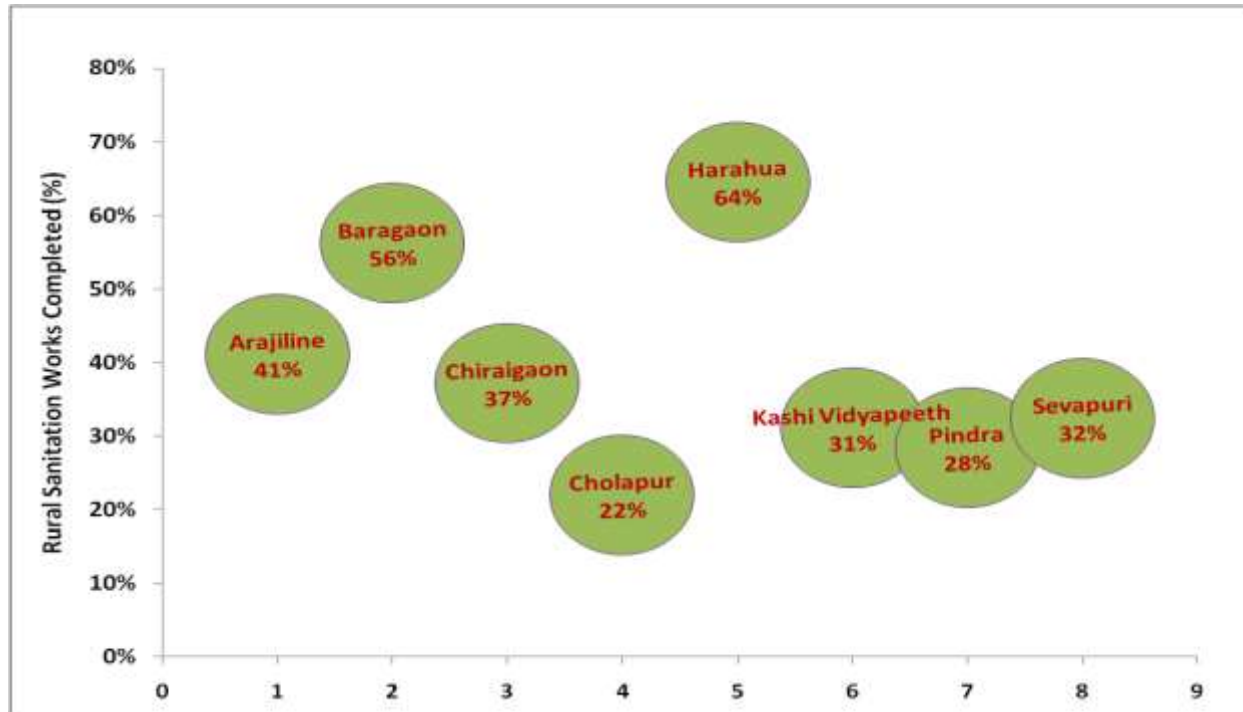


Fig. 3.3 Block-wise percentage of rural sanitation works completed in Varanasi district under MNREGA during 5 years

The bubble marker chart of block-wise performance is presented in Fig. 3.3. The average performance of 2 blocks during 5 years was observed above 50%, whereas rest of the 6 blocks was performed below 50% in terms of % sanitation works completion. The best performing block was Harahua (64.49%) and poor performing block was Cholapur (21.96%). This is welcome sign of improvement of works completion taken under MNREGA in these blocks of Varanasi district. The lower performing blocks performance can also be improved through proper planning of man power engagement, wages payment, regular monitoring of works and capacity building of rural population [19, 20, 21].

CONCLUSION

The result of present study revealed that MNREGA has clearly created an opportunity to the rural poor, who really need some source of income in their lean periods. The result indicates that employment generation under the scheme was comparatively declined during last three years in Varanasi district. The average employment generation was even not more than 20%. The analysis of financial assistance sanctioned revealed that majority of blocks of Varanasi district received less than 2% fund except the Cholapur and Pindra block. This has reflected in completion rate of all categories of works under MNREGA including rural sanitation work in Varanasi. The average completion rate of rural sanitation work was only 12.50%. The delay in wage payment and problem in accessing bank for payment has been identified as the important factor in changing the mind set of rural workers. Therefore it can be concluded that timely wages payment and monitoring of work at all levels from Gram Pradhan to Block Officers is very important to improve the performance of MNREGA programme. This will also help in improvement of health and sanitation condition of rural India.

REFERENCE

- [1] Kumar S. and Kaushal S.L. (2015). An analysis of rural development through MNREGA in district Mandi of Himachal Pradesh, International Journal of research in commerce, IT & Management, 5(6), 11-15.
- [2] Singh, S., Singh, A. & Singh R.K. (2016). Role of NGOs in sanitation sector. International Journal of Technical Research & Science, 1(3).
- [3] Bafanda, R.A. & Khandi, S.A. (2018). Public private partnership and its role in livestock sector. International Journal of Technical Research & Science, 2(12).
- [4] Hembram, D., Bandyopadhyay, A. K., Tinde, L. K., Pal, D., & Parmar, K. (2017). Study on MGNREGA Scheme: The Securing Employment Incomes, Utilization, Problems and Suggestions. Int. J. Curr. Microbiol. App. Sci, 6(12), 2219-2224.

- [5] Gora, A. D., Joshi, M., & Tanwer, R. (2017). Problems Perceived by the Women Workers under MGNREGA in Jaipur District of Rajasthan, India. *Int. J. Curr. Microbiol. App. Sci*, 6(8), 3591-3596.
- [6] Gupta, S., Kumar, S., & Kumar, M. (2017). Impact of MNREGA and level of awareness on Socio-economic profile of rural women in Faizabad district. *Journal of Pharmacognosy and Phytochemistry*, 6(6), 303-305.
- [7] Sharma, S.B. & Chaudhary, A. (2018). Modern technology: the key to agricultural development in India. *International Journal of Technical Research & Science*, 2(12).
- [8] http://mnregaweb4.nic.in/netnrega/dynamic2/dynamicreport_new4.aspx
- [9] Singh, B. (2013). Economic evaluation and effectiveness of MGNREGA in Punjab: A case study. *EXCEL: International Journal of Multidisciplinary Management Studies*, 3(7), 1-8.
- [10] Ravi, S., & Engler, M. (2015). Workfare as an effective way to fight poverty: the case of India's NREGS. *World Development*, 67, 57-71.
- [11] Thomas, B., & Bhatia, R. (2012). Impact of NREGA Scheme: A Study on the overall Quality of Life of Its Beneficiaries. *Asia-Pacific Journal of Social Sciences*, 4 (2), 213-227.
- [12] Bishnoi, I., Verma, S., & Rai, S. (2016). MNREGA: An Initiative towards Poverty Alleviation through Employment Generation. *Indian Research Journal of Extension Education*, 12(2), 169-173.
- [13] Badodiya, S. K., Kushwah, R. S., Garg, S. K., & Shakya, S. K. (2011). Impact of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) on poverty alleviation. *Rajasthan Journal of Extension Education*, 19, 206-209.
- [14] Saikia, M. M. (2017). Sustainable Asset Creation under MGNREGA Scheme in Assam-A Study of Sivasagar and Dhemaji Districts. *International Journal of Scientific Research and Management*, 5(10), 7308-7323.
- [15] Ramachandran. R. (2017). Health condition of dalits in India. *International Journal of Technical Research & Science*, 2(10).
- [16] Rajalakshmi, V., & Selvam, V. (2017). Impact of Mgnrega on Women Empowerment and Their Issues and Challenges: A Review of Literature from 2005 to 2015. *The Journal of Internet Banking and Commerce*, 1-13.
- [17] Roy, S. (2011). MNREGA: Changing Livelihood of the Beneficiaries in West Bengal. *Journal of Community Mobilization and Sustainable Development*, 6(1), 37-41.
- [18] Samant, R. S. (2015). Impact of MNREGA in the state of Uttarakhand. *International Research Journal of Commerce Arts and Science*, 6 (9), 15-20.
- [19] Koner, S. (2017). Employment Guarantee Under MGNREGS (Mahatma Gandhi National Rural Employment Guarantee Scheme)-an Overview. *Journal of Commerce and Management Thought*, 8(2), 308.
- [20] Kurinjimalar, R., & Prasanna, N. (2017). Impact of MGNREGP on Poverty Alleviation in Rural India: A Case Study of Two Districts in Tamil Nadu. *Journal of Academia and Industrial Research (JAIR)*, 5(9), 139.
- [21] Rekha, B.J. Shobana, P. & Periyarayaki, I. (2017). A study on welfare and development schemes of cooperative handloom weavers in Erode district. *International Journal of Technical Research & Science*, 2(8).