

*Progress and Impact of MGNREGA in Rural Tamil Nadu: An Economic Analysis*

N. Amirthalingam, K. Sita Devi, C. Prabakar and  
T. Ponnarasi

Research Journal of Agricultural Sciences  
An International Journal

P- ISSN: 0976-1675

E- ISSN: 2249-4538

Volume: 12

Issue: 03

Res Jr of Agril Sci (2021) 12: 825–831

# Progress and Impact of MGNREGA in Rural Tamil Nadu: An Economic Analysis

N. Amirthalingam\*<sup>1</sup>, K. Sita Devi<sup>2</sup>, C. Prabakar<sup>3</sup> and T. Ponnarasi<sup>4</sup>

Received: 25 Nov 2020 | Revised accepted: 11 May 2021 | Published online: 20 May 2021  
© CARAS (Centre for Advanced Research in Agricultural Sciences) 2021

## ABSTRACT

Among the various poverty alleviation programmes implemented in the country, MGNREGA has much importance due to its impact in rural community in terms of income generation and poverty alleviation. Most of the families are benefitted only through MGNREGA in the study area and plays a vital role in the upliftment of the women in the rural areas, through its impact on social protection, livelihood security and democratic empowerment. Hence, this study was undertaken to assess the progress of MGNREGA and its impact on the socio-economic profile of the beneficiaries in the study area. A multistage stratified random sampling technique was adopted in the study. Composite index of standard of living was computed using a scoring technique and a multiple linear regression model was employed to identify the factors influencing the level of participation in MGNREGA scheme. The logit model was also used to estimate the determinants for the respondent's decision to continue employment in MGNREGA scheme. The study concluded that the composite index of standard of living has been more pronounced in post-MGNREGA situation. It is also inferred that, in general, this scheme had succeeded in raising the socio-economic status of the respondents, by generating additional employment to the beneficiaries. The results revealed that the beneficiaries of MGNREGA faced many problems in getting the wages and were not satisfied with the present wages received under the scheme. However, with the limited availability of non-farm employment and the fact that the farm sector cannot provide gainful employment throughout the year, the MGNREGA has the potential for uplifting the conditions of the rural poor to some extent.

**Key words:** MGNREGA, Rural development, Progress, Impact, Economic analysis

For policy makers, rural development has become a planning concern and it has become increasingly clear that apart from an effort to increase agricultural and industrial production, it is also necessary to address directly the problems of poverty in rural areas. The increasing interest in rural development is a result of the realization that a systematic effort is necessary to create better living conditions in the rural areas, where the vast majority of populations reside. Among the various poverty alleviation programmes implemented in the country, MGNREGA has much importance due to its impact in rural community in terms of income generation and poverty alleviation and received more financial allotment in union budget [1].

Most of the families in the study area are benefitted only through MGNREGA, which is the largest ever rural development programme of its type. The MGNREGA, by providing legal guarantee to work, marks a paradigm shift

from all earlier wage employment programmes [2]. It is an inclusive programme covering all the disadvantaged sections of the society and plays a vital role in the upliftment of the women in the rural areas, through its impact on social protection, livelihood security and democratic empowerment. It also aims at generating productive assets, protecting the environment, empowering rural women, arresting rural-urban migration. With this backdrop, this study was undertaken to assess the progress of MGNREGA and its impact on the socio-economic profile of the beneficiaries in the study area.

## MATERIALS AND METHODS

A multistage stratified random sampling technique with Tamil Nadu state as the universe, the districts as the first stage unit, the blocks in the districts as the second stage unit, the villages in the blocks as the third stage unit and the households as the fourth and ultimate unit of sampling, was adopted in this study.

Out of the 32 districts in Tamil Nadu, by considering the agricultural labourers population, the first two districts namely, Villupuram and Cuddalore were selected for the study. From each district, first two blocks were selected based on agricultural labourers population. Four villages were

\* N. Amirthalingam

✉ amir09020@gmail.com

<sup>1-4</sup> Department of Agricultural Economics, RVS Padmavathy College of Horticulture, Sempatti, Dindigul - 624707, Tamil Nadu, India

selected randomly from each of the selected four blocks. The ultimate sample size was fixed as 240 and was distributed at the rate of 15 households per village.

A well-structured and pre-tested interview schedule was used to collect the primary data from the sample households. All the required primary data were collected from the sample respondents during the months of October - December, 2018 and the data collected is pertained to the agriculture year 2017-18. The data collected from the published sources pertained to the latest year of availability of data.

#### Tools of analysis

##### Descriptive analysis

Descriptive statistical analysis was undertaken using percentage, mean etc. to study the socio-economic characteristics of sample beneficiaries of MGNREGA in the study area.

##### Composite index of standard of living

Composite index of standard of living was computed for each household combining the social and economic indicators. The social indicators included respondents exudes confidence, cooperation from family members, confidently faces financial crisis, helps neighbours, communication skills, freedom to spend and save the earnings, access to medical facilities, sanitation facilities within house and access to safe drinking water. The economic indicators included the value of assets, income, savings and consumption pattern.

Index of Social Indicators of  $h^{\text{th}}$  household ( $S_h$ ) is given by:

$$\sum S_i / \sum S_{i(\max)}$$

Index of Economic Indicators of  $h^{\text{th}}$  household ( $E_h$ ) is given by:

$$\sum E_j / \sum E_{j(\max)}$$

Composite Index of Standard of Living of  $h^{\text{th}}$  household ( $CISL_h$ ) is given by:

$$W_1 S_h + w_2 E_h$$

Where;

$S_i$  and  $E_j$  represent  $i^{\text{th}}$  social and  $j^{\text{th}}$  economic indicators, respectively.  $S_{i(\max)}$  and  $E_{j(\max)}$  are the maximum scores for  $i^{\text{th}}$  social indicators and  $j^{\text{th}}$  economic indicators. Weight  $w_1$  is given by  $\sum S_{i(\max)} / (\sum S_{i(\max)} + \sum E_{j(\max)})$  and  $w_2$  is equal to  $1 - w_1$ .

##### Determinants of level of participation in MGNREGA scheme

A multiple linear regression model was employed to identify the factors influencing the level of participation in MGNREGA scheme. The empirical model used for estimation was given by:

$$Y_t = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \mu$$

Where;

$Y_t$  = Number of days the beneficiaries worked under MGNREGA

$\alpha$  = Constant

$X_1$  = Age (years)

$X_2$  = Gender (1 for female, 0 for male)

$X_3$  = Literacy level (years of schooling)

$X_4$  = Family size (in numbers)

$X_5$  = Size of landholdings (in acres) and

$\beta_i$ 's = Parameters to be estimated

$\mu_i$  = error term

##### Determinants for Choice of Continuation in MGNREGA Scheme

The logit model was used to estimate the determinants for the respondent's decision to continue employment in MGNREGA scheme. The index variable indicates whether the beneficiary decides to continue working under MGNREGA or not.

$$L_i = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + \beta_8 X_8 + \mu$$

Where;

$\alpha$  = Constant

$X_1$  = Age (years)

$X_2$  = Gender (1 for female, 0 for male)

$X_3$  = Literacy level (years of schooling)

$X_4$  = Family size (numbers)

$X_5$  = Man days availed by the beneficiary (numbers)

$X_6$  = Problems in receiving wages (1 for yes, otherwise takes 0)

$X_7$  = Justification of wages, given the work (1 for yes, otherwise takes 0)

$X_8$  = Irregular work (1 for yes, otherwise takes 0)

$\beta_i$ 's = Parameters to be estimated

$\mu$  = error term

##### Garrett Ranking Technique

In this study, Garrett ranking technique was used to rank the constraints faced by the beneficiaries of MGNREGA scheme.

As a first step, the per cent position of each rank was found out by the following formula:

$$\text{Per cent position} = \frac{100 (R_{ij} - 0.5)}{N_j}$$

Where;

$R_{ij}$  = Rank given to the  $i^{\text{th}}$  item by the  $j^{\text{th}}$  individual

$N_j$  = Number of items ranked by the  $j^{\text{th}}$  individual

The per cent position of each rank, thus, obtained was then converted into scores by referring to the Table given by Garrett in 1959. The respondents were requested to rank the opinions / reasons relevant to them according to the degree of importance. The rank given by each of the respondent was converted into scores. Then for each reason, the scores of individual respondents were added together and divided by the total number of respondents. These mean scores for all the reasons were arranged in the descending order and ranks were given. By this method, the accuracy in determining the preference was obtained.

## RESULTS AND DISCUSSION

### Progress of MGNREGA in the study area

The physical and financial progress of the scheme in the study area is presented in (Table 1-2). It could be understood from (Table 1) that the SC and ST workers constituted around 35 per cent of the active workers in the study area, as against the state figure of 29 per cent. In contrary, the percentage of women person days out of the total person days generated was around 77 per cent in the study districts in 2017-18, whereas, it was high at the state level, i.e., 86 per cent. It could also be seen that the percentage of women days increased over the years in the state, but it was almost maintained at the same level in the study area i.e., at 77 per cent [3].

Table 1 Physical progress of MGNREGA scheme in the study area, 2014-15 to 2017-18

Physical progress	Tamil Nadu				Study Area			
	2014-15	2015-16	2016-17	2017-18	2014-15	2015-16	2016-17	2017-18
Person days generated (in Lakhs)	2679.65	3686.42	3999.42	2,388.81	306.74	513.66	538.21	251.32
SC person days percentage as of total person days	28.94	28.28	28.42	29.42	35.57	34.63	34.62	34.95
ST person days percentage as of total person days	1.12	1.21	1.11	1.11	1.10	1.11	0.97	1.07
Women person days out of total (percentage)	53.36	85.20	85.68	85.68	76.54	77.35	76.77	76.80
Average days of employment provided per household	47.36	60.90	63.87	41.08	33.72	52.80	53.03	28.34
Average wage rate per day person (Rs)	122.95	133.45	140.46	152.01	111.12	120.41	130.16	137.98
Total number of households completed 100 days of wage employment	3,33,005	8,46,347	13,20,733	1,50,236	19,062	88,972	1,05,111	4,968
Total households worked (in Lakhs)	56.58	60.53	62.62	58.15	9.21	9.70	10.09	10.59
Total individual worked (in Lakhs)	69.13	74.13	76.16	68.29	13.15	13.90	14.60	12.26
Differently abled persons worked	65,374	65,206	66,320	60,889	11,248	10,666	10,750	9,550

Source: MGNREGA at a Glance, 2017-18

The average wage rate per day per person varies widely between the state and the districts over years. It was Rs. 123 and Rs. 111 in Tamil Nadu and in the study districts, respectively, in 2013-14. However, it has increased to Rs. 152 and Rs.138, respectively, for the state as well as in the districts in 2017-18. Also, the average days of employment provided per household in the state was 41.08 in 2017-18, which was comparatively lesser than the previous periods (63.87 per cent). The same pattern is observed in the district also, where the average rate of employment per household was only 28.34 in 2017-18, as against 53.03 in the previous year. Similarly, the total number of households completed 100 days of employment has an increasing trend up to 2016-17 and then declined in 2017-18. The same trend has been observed in the total households and the total individuals worked under the scheme [4]. It could be seen from (Table 2) that out of the total expenditure incurred on this scheme, the material cost

accounted for 13.13 per cent in Tamil Nadu and 12.19 per cent in the study area in 2017-18. The average cost spent per day per person has increased from Rs. 141.20 to Rs. 192.41 between 2013-14 and 2017-18 and the same has increased from Rs.124.81 to Rs.178.27 in the sample districts [5].

It was also noted that the percentage of payments generated within 15 days was very less in Tamil Nadu during 2013-14, which was accounted to 27.43 per cent and it has increased and reached 100 per cent in 2017-18. So also, in the study area, only 10.24 per cent of the payments were generated within 15 days in 2013-14 and it reached to 99 per cent in 2017-18. The total expenditure under the scheme has also increased over the years. The above results revealed that there was a slowdown in the progress both in terms of physical and financial, during 2017-18, as compared to the previous years [6].

Table 2 Financial progress of MGNREGA scheme in the study area, 2014-15 to 2017-18

Financial progress	Tamil Nadu				Study Area			
	2014-15	2015-16	2016-17	2017-18	2014-15	2015-16	2016-17	2017-18
Total expenditure (Rs. in Lakhs)	3,62,398.57	6,02,754.30	5,67,399.35	6,35,315.34	34,692.39	73,907.54	70,789.01	67,359.05
Wages (Rs. in Lakhs)	3,12,030.52	4,63,337.07	4,45,037.64	5,33,758.28	30,518.90	59,442.80	56,080.31	56,768.58
Material and skilled wages (Rs. in Lakhs)	31,006.54	1,16,175.58	1,01,430.98	80,656.28	1,984.48	11,484.07	12,002.87	7,769.61
Material (percentage)	9.04	20.05	18.56	13.13	6.42	16.99	16.95	12.19
Average cost per day per person (in Rs)	141.20	169.62	170.24	192.41	124.81	146.97	156.03	178.27
Percentage of total expenditure through EFMS	88.22	78.95	80.60	99.60	88.37	82.17	81.10	99.67
Percentage of payments generated within 15 days	27.43	31.97	9.16	99.28	10.24	18.35	6.12	99.63

Source: MGNREGA at a Glance, 2017-18

#### Job cards position of MGNREGA beneficiaries

The information on job cards position in the study area is presented in (Table 3). It could be observed from (Table 3) that in Tamil Nadu, the total number of job cards issued to the

beneficiaries was 81.54 lakhs. Of which, only 85.52 per cent of cards are active. Out of the total workers in the scheme, the numbers of active workers constituted 73.31 per cent and the average days of employment provided per household was

41.08. A look at the table would also show that the 92.52 per cent of the total job cards are active in the study districts. The

total active workers constituted 77.74 per cent of the total workers under this scheme [7].

Table 3 Job cards position of MGNREGA in the study area, 2017-18

S. No.	Particulars	Tamil Nadu	Study area
1.	Total number of job cards issued (in Lakhs)	81.54	11.37
2.	Total number of active job cards (in Lakhs)	69.73 (85.52)	10.52 (92.52)
3.	Total number of workers (in Lakhs)	118.83	20.17
4.	Total number of active workers (in Lakhs)	87.11 (73.31)	15.68 (77.74)

Source: MGNREGA at a Glance, 2017-18.

#### Average wage rate earned

The information on nature of work and corresponding average wage rate earned by the sample households in the study area were collected for comparison and are presented in (Table 4).

Table 4 Average wage rates earned by the sample households

Nature of work	Wage rate/ day (in Rs.)
Agricultural labourers	190
Construction work	550
Shop salesman	160
Milk vendor	150
Technical labour	330
Supervisor	400
Driving	350
MGNREGA work	100

It could be seen from (Table 4) that average wage rate offered for construction work in the study area was Rs. 550, which is comparatively higher than the wages given for other works. The agricultural labourers got an average wage rate of Rs.190, while male labourers received Rs. 220 per day and female labourers received Rs.160 per day, respectively. As compared to the wages earned by the respondents from other works, the wage rate offered for MGNREGA work was very less. Even then, rural poor highly depend on these employment days for their livelihoods [8].

#### Economic impact of MGNREGA

The economic impact of MGNREGA scheme, in terms of employment generation, income levels, assets position, savings pattern and consumption pattern of the beneficiaries in both pre- and post- situations were analyzed and results are presented in (Table 5) under pre- and post-MGNREGA. It could be seen from (Table 5) that the average employment level of the beneficiaries in pre-MGNREGA situation was 325 man days and it has been increased to 391 man days in post-MGNREGA and the increment in employment level constituted 20.31 per cent. It could also be seen that the increment in employment was more pronounced in the non-farm sector (24.53 per cent). i.e., it increased from 159 to 198 man days. Also, the additional employment generated in the on-farm and off-farm activities were 13 days and 14 days, respectively. The results also revealed that the beneficiaries of MGNREGA, earned an average income of Rs.75,300 from sources like on-farm, off-farm and non-farm activities, and they derived an additional income of Rs. 11,520 due to the employment generation from the scheme. The net change in the income from non-farm sources constituted 100.82 per cent. This might be due to the consequent increase in the employment days from MGNREGA scheme, which in turn, could have contributed more income to the households [9].

It is also observed that on an average MGNREGA beneficiary household possessed assets worth of Rs. 15,030 in the pre-MGNREGA situation, while it was Rs. 20,310 in the post-MGNREGA situation. The increment in the asset position constituted 35.13 per cent. Among the different types of assets, the increment in consumer durables accounted a major share, followed by livestock and conventional implements in the post-MGNREGA situation. The pattern of asset holdings changed in favour of livestock and consumer durables in post-MGNREGA situation. The concentration of assets in the form of livestock might have been due to their income generating nature and easy liquidity position offered by them to rural poor [10].

A further look at the table revealed that on an average, the beneficiary households had saved only Rs.6,140 and Rs.13,820 in the pre- and post-MGNREGA situations, respectively. The percentage increase in the amount saved through banks, post office, SHGs and others had increased drastically, after the respondents have become the beneficiaries of the MGNREGA. Hence, it could be inferred that the MGNREGA have helped the beneficiaries to develop the habit of thrift through the additional income generated from additional employment [11].

It is also observed that the annual consumption expenditure of the beneficiary households has been increased to a tune of Rs.12620 (23.28 per cent) between the pre- and post-MGNREGA situation, which might be due to the increase in the income levels of the respondents. The amount spent on food and non-food items has increased from Rs.42,070 to Rs.51,850 and Rs.12140 to Rs. 14,980, respectively, in the post-MGNREGA situation. The increase in the amount spent by the consumption might due to the increase in income of the MGNREGA beneficiaries [12].

#### Social Impact of MGNREGA

A study of (Table 6) would show that the social impact of MGNREGA was found to be high in the post-MGNREGA situation. The sample respondents felt their communication skills and freedom to spend and save the earnings improved vastly after they became the beneficiaries of the MGNREGA [13].

After becoming MGNREGA beneficiaries, the sample respondents were able to interact and communicate with others confidently and they were also able to face and solve their financial and social problems independently. As the beneficiaries of MGNREGA, they were helping others too in their developmental activities which, earlier they were not allowed to do even though they were willing to help others. The MGNREGA beneficiaries were not only interested in their own personal development, but involved in social development also. Awareness about good health and sanitation was created among the residents [14]. The beneficiaries have attributed all these positive aspects in their social behavior.

Table 6 Social Impact of MGNREGA (Percentage)

S. No.	Particulars	Pre-MGNREGA	Post-MGNREGA
1.	Respondents exudes confidence	62	87
2.	Co-operation from family members	58	76
3.	Confidently faces financial crisis	46	79
4.	Helps neighbours	74	80
5.	Communication skills	31	90
6.	Freedom to spend and save the earnings	42	93
7.	Access to medical facilities	64	86
8.	Sanitation facilities within house	36	67
9.	Access to safe drinking water	69	82

*Composite index of standard of living*

The findings of the study discussed in the earlier subheads quantified the impact of MGNREGA on different economic and social aspects separately for the MGNREGA beneficiaries. An aggregate measure of the overall impact of MGNREGA on the standard of living of beneficiaries, encompassing social as well as economic aspects, i.e.,

composite index has been worked out using the scoring technique. It could be seen from (Table 7) that the estimated average value of index of standard of living was 28 during pre- MGNREGA situation, while it was 47 during post-MGNREGA situation, thus recording an increase of 19 percentage points [15].

Table 7 Distribution of beneficiaries based on the composite index of standard of living (Percentage)

Index	Social Index		Economic Index		Composite Index	
	Pre-MGNREGA	Post-MGNREGA	Pre-MGNREGA	Post-MGNREGA	Pre-MGNREGA	Post-MGNREGA
Up to 20	-	-	37.78	24.01	26.71	-
20 to 40	41.18	12.76	45.49	34.71	24.37	22.46
40 to 60	39.46	37.49	16.73	41.28	29.41	35.18
60 to 80	19.36	49.75	-	-	19.51	42.36
80 to 100	-	-	-	-	-	-
Total	100	100	100	100	100	100
Average index	39	53	31	42	28	47

The disaggregated analysis had shown that the index based on social indicators raised from 39 to 53 between pre- and post- MGNREGA situations, whereas the economic index increased from 31 to 42 during this period. This indicated that the impact of MGNREGA was more pronounced in social aspects than the economic aspects of the respondents.

The distribution of households according to the value of composite index clearly brought out the shift in the distribution of respondents towards higher level of index in the post- MGNREGA situation. It could be noted that nearly 50 per cent of the respondents, who were in the average composite index of below 40 in the pre-MGNREGA situation had been shifted to the average index of 60. Thus, it could be concluded that the composite index of standard of living has

been more pronounced in post- MGNREGA situation. It is also inferred that, in general, this scheme had succeeded in raising the socio-economic status of the respondents, by generating additional employment to the beneficiaries [16].

*Determinants of level of participation under MGNREGA scheme*

The number of days, the beneficiaries worked under MGNREGA programme was regressed on the factors like age, gender, literacy level, family size and size of land holding of the respondents to find out the relationship between the number of days that the beneficiaries worked under the programme and the contributing factors. The results are presented in (Table 8).

Table 8 Determinants of level of participation under MGNREGA scheme

S. No	Variable	Co-efficients	P value
1.	Constant	23.78	0.065
2.	Age (years)	0.197	0.102
3.	Gender (binary)	0.034***	0.005
4.	Literacy level (years of schooling)	-0.423**	0.027
5.	Family size (numbers)	0.318***	0.003
6.	Size of land holding (acres)	-1.786**	0.032
	R <sup>2</sup>		0.86
	F value		12.46

\*\* and \*\*\* indicate significance at 5 per cent and 1 percent levels respectively

Co-efficient of Multiple determination ( $R^2 = 0.86$ ) revealed that 86 per cent of variation in the employment days was explained by the included variables on the profile characteristics and the F value indicates the best fit of regression. The variables, gender and family size, were found to be significant at one per cent and would positively influence

the number of employment days under the MGNREGA scheme. The coefficient for the variable gender was 0.034, indicating that if the worker was a female, the number of employment days increased by 0.034 days. So also, the coefficient for the variable, family size, indicated an increase of 0.318 employment days for every one additional person in

the family. Literacy level of the beneficiaries was found to be negative and significant, indicating an inverse relationship between literacy and the work days. As the literacy level increases, the preference for MGNREGA employment decreases. Size of land holding was also a variable with a significantly negative co-efficient (-1.786), implying that for every one acre increase in the size of land holdings, the employment days would decrease by 1.78 days. Workers with more acreage, diverted more time to agriculture and thus were not able to engage in other works [17].

#### Determinants for choice of continuation of MGNREGA

To identify the factors that might influence the decision of the beneficiaries regarding whether they would continue working under the MGNREGA or not, a binary logit regression model has been constructed. The dichotomous dependent variable takes the value 1, if the beneficiary is not

willing to work under the scheme anymore and 0, otherwise. The results are presented in (Table 9).

It could be seen from (Table 9) that the  $R^2$  value implies 79 per cent of the variation in the decision of the respondents was accounted by the variables included in the model. Besides, the Nagelkerke  $R^2$  was 0.84, which imply that the model is a good fit. The results show that only two independent variables, viz., problems in receiving wages and justification for wages given the work had significant influence on the decision of the beneficiary respondents, whether they will continue working under the MGNREGA or find some other job [18]. While the co-efficient of these two variables were significant at 5 per cent, it can be inferred from the results that the perception of the beneficiary respondents that the wage received under the MGNREGA is not justified increases the possibility that they would no longer work under the MGNREGA.

Table 9 Determinants of choice of continuation

S. No.	Variables	Co-efficients	Odds Ratio	P values
1.	Constant	-45.786	0.000	0.062
2.	Age (years)	-0.021	0.979	0.081
3.	Gender (binary)	1.187	3.277	0.075
4.	Literacy level (years of schooling)	-0.127	3.086	0.193
5.	Family size (numbers)	0.471	1.602	0.081
6.	Man days availed by the beneficiary (numbers)	0.015	1.015	0.091
7.	Problems in receiving wages (binary)	1.647**	5.191	0.043
8.	Unsatisfactory wages, given the work (binary)	2.726**	15.272	0.023
9.	Irregular work (binary)	3.486	32.655	0.165
	-2 log likelihood		37.846	
	$R^2$		0.79	
	Nagelkerke $R^2$		0.84	

\*\*indicate significance at 5 percent levels respectively

Further, problems faced by the beneficiary respondents while receiving wage earnings under the MGNREGA from banks or post offices, increases the possibility of them not working under the MGNREGA. The main problem faced and reported by the beneficiaries were that the banks and post offices being located at far off places, they had to travel a long distance to receive the wages. Consequently, they had to incur higher transportation cost besides the cost of time. All the other variable were found to be non- significant [19].

The field level data revealed that the scheme has changed the standard of living of the rural people to some extent, in general, and SC/ST population in particular. It provided a supplementary income to them and the number of job card holders has also significantly increased. However, due to the problems faced by the beneficiaries in getting the payments and the higher wage rates prevailing in the non-farm sector compared to MGNREGA, the rural workforce have been migrating to urban centers [20].

Table 10 Constraints faced by beneficiaries of MGNREGA

S. No	Constraints	Mean Score	Rank
1.	Hectic process of bank A/c maintenance	93.45	I
2.	Delay in wage payments	86.90	II
3.	Non availability of regular work	79.15	III
4.	No special provisions for elderly persons	64.81	IV
5.	Unnecessary intervention by authorities	59.05	V
6.	Corruption in wage transactions	52.76	VI
7.	Distant work sites	49.18	VII

#### Constraints faced by the beneficiaries of MGNREGA

The constraints faced by the beneficiaries of MGNREGA were ranked and analyzed using Garrett Ranking technique and the results are presented in (Table 10). This would give a clear picture on the major constraints faced by them in the implementation of MGNREGA scheme. It could be seen from (Table 10) that hectic process followed in the

banks and post offices was ranked first with a mean score of 93.45. Delay in wage payments and using of account by the respondents had been reported as the second major constraint with a mean score of 86.90. Non availability of regular work assumed third rank with a mean score of 79.15. Lack of special provisions for elderly people was reported as fourth rank by the respondents with a mean score of 64.81.

Unnecessary intervention made by the Panchayat officials was ranked fifth with a mean score of 59.05. Corruptions in wage transactions were given sixth rank with a mean score of 52.76. Distant work site was reported as seventh rank with a mean score 49.18 [21].

## CONCLUSION

The results revealed that the beneficiaries of MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) faced many problems in getting the wages and were not satisfied with the present wages received under the scheme. However, with the limited availability of non-farm employment and the fact that the farm sector cannot provide

gainful employment throughout the year, the MGNREGA has the potential for uplifting the conditions of the rural poor to some extent. Hence, it is suggested to deliver the desired outcomes of the scheme by way of good governance in the planning, targeting, implementing and monitoring of the scheme. It is also suggested that the scheme may consider various activities, such as agricultural operations during seasonal time, infrastructure development works during non-cropping seasons and watershed development programme during summer seasons, so as to increase the effectiveness of the scheme. Also, the core objective of creating durable assets and strengthening the livelihood resource base of the rural poor could be attained effectively, through the convergence of MGNREGA with other programmes / schemes.

## LITERATURE CITED

1. Nagaraj, Bantilan C, Pandey L. 2016. Impact of MGNREGA on rural agricultural wages, farm productivity and net returns: An economic analysis across SAT villages. *Indian Journal of Agricultural Economics* 72(2): 176-190.
2. Ravindar M. 2016. Empowerment of women through MGNREGAS: A study in Warangal district of Telangana state. *International Journal of Multidisciplinary Research and Modern Education* 2(1): 309-321.
3. Vani GK, Srikantha-Murthy PS, Chandrakanth MG, Gaddi GM, Chandrashekar H, Nagaraj N, Bhattarai M. 2015. Employment generation, labour migration and MGNREGP intervention: Evidence from a village level study. *Agricultural Economics Research Review* 28(2): 267-274.
4. Maheswari S, Gangwar LS. 2011. Impact of rural development schemes on availability of agricultural labour- A study of daily farmers in Thanjavur district of Tamil Nadu. *Agricultural Economics Research Review* 24: 409-414.
5. Bhargava R. 2013. An empirical Study of Assets Creation through Employment Generation by MGNREGA in Rajasthan, *Journal of Economics and Sustainable Development*, 2013; 4(19) 117-126.
6. Geetha S., Manimekalai, K., Sivakumar, I. Psychosocial Well-being of Working Mothers in Sivaganga District of Tamil Nadu, *International Journal of Psychosocial Rehabilitation*, 2020; 24(1), 257-262.
7. Klaus Deininger, Yanyan Liu. Welfare and Poverty Impacts of Mahatma Gandhi National Rural Employment Guarantee Scheme: Evidence from Andhra Pradesh, India, *International Food Policy Research Institute*, 2017; 1-36.
8. Harisha BG, Nagaraj N, Chandrakantha MG, Srikantha Murthya PS, Chengappacand PG, Basavaraj G. 2011. Impacts and implications of MGNREGA on labour supply and income generation for agriculture in central dry zone of Karnataka. *Agricultural Economics Research Review* 24: 485-494.
9. Ramesh G, Krishnakumar T. 2009. A study in Karimnagar district in Andhra Pradesh. *Kurukshetra* 58(2): 29-30.
10. Sarkar P, Kumar J, Supriya. 2011. Impact of MGNREGA on reducing rural poverty and improving socio-economic status of rural poor: A study in Burdwan district of West Bengal. *Agricultural Economics Research Review* 24: 437-448.
11. Jha R, Raghav G, Shylashri S. 2008. Reviewing the National Rural Employment Guarantee programme. *Economic and Political Weekly* 43(11): 44-48.
12. Farooqi SA, Saleem. 2015. Impact of MGNREGA on the life of women living under poverty- A study of district Aligarh, Uttar Pradesh. *Pacific Business Review International* 8(4): 101-104.
13. Hanish BG, Nagaraj N, Chandrakanth MG, Srikantha-Murthy PS, Chengappa PG, Basavaraj G. 2011. Impact and implementations of MGNREGA- Supply and income generation for agriculture in central Zone of Karnataka. *Agricultural Economics Research Review* 24(4): 485-494.
14. Kareemulla K, Kumar S, Reddy SK, Rama Rao CA, Venkateswarlu B. 2010. Impact of NREGS on rural livelihoods and agricultural capital formation. *Indian Journal of Agricultural Economics* 65(3): 524-539.
15. Pandi J. 2016. Livelihood security for rural households through MGNREGA in Tamil Nadu. *The Indian Journal of Social Science* 77(1): 91-106.
16. Pankaj A, Tankha R. 2010. Empowerment effects of the MGNREGAS on women workers: A study in four states. *Economic and Political Weekly* 45: 45-55.
17. Pellissery S, Jalan SK. 2011. Towards transformative social protection: A gendered analysis of the Employment Guarantee Act of India (MGNREGA). *Gender and Development* 19(2): 283-294.
18. Shankar S, Gaiha R, Jha R. 2011. Information, access and targeting: The National Rural Employment Guarantee Scheme in India. *Oxford Development Studies* 39(1): 69-95.
19. Rhonda B, Stanton CJ, Brady N, John PW, King ED, Mishra C, Swallow B. 2017. The Mahatma Gandhi National Rural Employment Guarantee Scheme: A policy solution to rural poverty in India? *Development Policy Review* 35(3): 397-417.
20. Khadar AA, Rahim A. 2018. The impact of MGNREGA on the living condition of rural poor in rural economy with special reference to Kanyakumari district. *Journal of Management Research and Analysis* 5(3): 5-10.
21. Ramesh V, Raheem AA. 2020. Factors determining women participation in MGNREGA in Tamil Nadu: A view. *Parishodh Journal* 9(3): 1222-1226.