SUMMARY

An important objective of development planning in India has been to provide increasing employment opportunity to the unemployed as well as to the new addition to the labour force. The future challenge is not only to generate more employment but also to increase the average productivity in all jobs. It was assumed that growth would automatically solve the problem of unemployment. However, past experience indicates that a high rate of growth is a necessary, but not a sufficient condition to solve the problem of unemployment. The annual growth rate of 8-9 percent may provide only a partial solution to this problem due to the low employment elasticity in India. One of the biggest challenges that India is facing in the post reform era is of generating enough employment to keep pace with the growth in labour force. The Twelfth Five Year Plan emphasizes on ‘faster, more inclusive and sustainable growth’. This broad vision of the plan includes several inter-related aspects such as rapid growth that reduces poverty, access to health and education services especially for the poor, social justice, employment opportunities for the weaker sections underpinned by the Mahatma Gandhi National Rural Employment Guarantee Scheme(MGNREGS) and good governance. Since 1960s, India has adopted public works programs which apart from many other objectives, serve to provide self- employment and wage employment to unskilled workers. No doubt, these public work programs have benefited the poor workers by increasing their purchasing power, yet these programs have been criticized mainly on the ground of poor performance and limited success.

A Paradigm Shift: MGNREGA

The Central Government launched NREGA- a job guarantee scheme enacted by legislation on Aug. 25, 2005. It aims to provide a legal guarantee for at least 100 days employment in a financial year to unskilled labour in rural areas. It was renamed as MGNREGS (Mahatma Gandhi Rural Employment Guarantee Scheme) on 2\textsuperscript{nd} Oct. 2009. The scheme is an effective initiative of the central government to provide livelihood security in the agriculture lean season in rural areas.

Coverage: The Act was adopted in three phases. In its first phase, it was introduced in the most backward 200 districts of India on 2\textsuperscript{nd} February 2006; in
2007-08, it was extended to an additional 130 districts. The Act has been covering the whole country since 1st April 2008.

The Act provides a legal right of work to the work seekers. It is a demand driven program rather than an allocation based employment programs adopted earlier. It has the potential to transform the rural economy through productive assets creation. Thus, it is not only a safety net to poor but also a development effort. The role of MGNREGS is classified as protective, preventive and promotive. Some of the important features of the scheme are as follows:

- MGNREGA provides a time bound guarantee of 100 days of employment to each rural household that demands unskilled manual work in a financial year.
- The adult members of a rural household, willing to do unskilled manual work, are required to make registration by writing or orally requesting the local Gram Panchayat.
- The job card should be issued within 15 days of application.
- Work should be provided within 5 km radius of the village and within 15 days of application for work. In case, work is provided beyond 5 km, additional wages of 10 per cent of the minimum wage are payable to the beneficiaries.
- Wages are to be paid according to the Minimum Wages Act, 1948. There is provision of same wage rate to male and female candidates.
- At least one third of the total beneficiaries should be women.
- If Gram Panchayat cannot provide employment, then daily unemployment allowance at the rate of one third of the minimum wages has to be paid to the workers.
- Provision of facilities at work sites such as pure water, sheds, first aids and crèches etc.
- The works that can be done under MGNREGA includes water and soil conservation, afforestation, land development works, rural connectivity, flood control and protection such as construction and repair of embankment, digging of percolation tanks and small irrigation projects.
• Wage and material ratio has to be maintained at 60.40. No contractors and machinery is allowed.

• The Central Government bears 100 per cent wage cost of unskilled manual labour and 75 per cent of the material cost. But the liability of payment of unemployment allowance is of the states.

• All the accounts and records relating to the scheme should be available for public scrutiny.

Permissible works under MGNREGS:

• Drought proofing including plantation and afforestation
• Water conservation and water harvesting
• Land development and rural connectivity drinking water
• Irrigation facilities to SC/ST
• Fisheries, coastal areas, Bharat Nirman Rajiv Gandhi Sewa Kendra

Goals of MGNREGS:

The short term objective of MGNREGS is to provide employment opportunities to the unskilled labour. The long term objectives include livelihood security and transformation of rural economy through productive assets creation. It also aims to empower women through providing work in vicinity and reducing migration.

MGNREGS at National Level:

175.11 crore persondays have been generated under MGNREGS in the financial year 2015-16. The share of SC and ST beneficiaries is 22.69 percent and 17.82 per cent respectively. Further, 55.84 per cent of total persondays has been generated for women.

The experience of MGNREGS reveals that it has slowed down inter-state migration, improved wages and additional employment opportunities are being created. But critics point out that this Act has high cost burden – it is estimated that it costs 5 percent of the GDP. Further, the productivity of labourer under MGNREGS is very low and therefore creation of durable assets has remained a distant dream.
MGNREGS in Haryana

In Haryana also, MGNREGS was launched in three phases. On 2\textsuperscript{nd} February 2006, the scheme was launched in two districts viz. Mahendergarh and Sirsa. It was extended to two more districts, Ambala and Mewat, on 1\textsuperscript{st} April 2007. The scheme has been covering all the districts under the scheme with effect from 1\textsuperscript{st} April 2008.

MGNREGS has generated 48.48 lakhs persondays to 1.68 lakhs households during the financial year 2015-16. The share of SC and others beneficiaries is 49.91 percent and 50.09 per cent respectively. Further, 45.17 per cent of total persondays has been generated for women.

Objectives of the Study

The main objective of the present study is to analyze and compare the impact of MGNREGS in terms of employment generation and asset creation in different parts of rural Haryana. In view of this, the following sub-objectives have been set:

1. To explore the extent and nature of employment and unemployment in rural areas of Haryana.
2. To assess the role of MGNREGS in generating additional employment opportunities for unskilled workers in rural areas.
3. To analyze the performance of MGNREGS in terms of efficiency, equity and accountability.
4. To critically examine the role of public institutions in the implementation of MGNREGS.
5. To suggest policy measures for future improvement in the functioning of MGNREGS.

Hypotheses:

The study will test the following hypothesis to analyze the working of MGNREGS:

(i) Ho: contribution of MGNREGS in generating employment has been nil (not significant).

H1: contribution of MGNREGS in generating employment has been significant.

(ii) Ho: The impact of MGNREGS has been uniform throughout the State.

H1: The impact of MGNREGS has not been uniform throughout the state.
(iii) Ho: MGNREGS has contributed to asset creation.

H1: MGNREGS has not contributed to asset creation.

**Data Sources and Methodology:** The present study is based on both primary as well as secondary data.

The secondary data is obtained from various issues of Statistical Abstract of Haryana, Economic Survey of Haryana, NSSO 62\textsuperscript{nd}, 64\textsuperscript{th} and 68\textsuperscript{th} Rounds Reports, Labour Bureau Reports, Census 2001 and 2011, Gram Panchayat (GP) records, DRDA office records and official site of NREGA.

The primary data has been collected with the help of a detailed schedule and focus group discussions with the respondents. In order to collect relevant information from the respondents, two schedules were designed in a well defined structure and were pre-tested. The two distinct types of respondents are (1) Beneficiaries of MGNREGS (2) Non-beneficiaries of MGNREGS. 800 respondents including 600 beneficiaries and 200 non-beneficiaries were contacted to collect the information for the present study.

**Selection of districts:** Two districts from each administrative zone of Haryana were selected on the basis of highest and lowest person-days generated. To select a representative sample, the study has used a stratified multistage random sampling technique. To begin with, the four administrative division of state of Haryana have been treated as four strata for the purpose of selecting a representative sample of respondents. The four administrative zones presently comprise twenty one districts.

In the first stage, the following eight districts of Haryana (two from each zone) were selected:

<table>
<thead>
<tr>
<th>Sr. No</th>
<th>Administrative Zone</th>
<th>Selected District</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ambala</td>
<td>Ambala, Kurukshetra</td>
</tr>
<tr>
<td>2</td>
<td>Gurgaon</td>
<td>Mahendergarh, Mewat</td>
</tr>
<tr>
<td>3</td>
<td>Hisar</td>
<td>Hisar, Sirsa</td>
</tr>
<tr>
<td>4</td>
<td>Rohtak</td>
<td>Karnal, Panipat</td>
</tr>
</tbody>
</table>
Selection of Block and Villages: At the second stage, one block from each of the eight districts was selected on the basis of the information about where work was going on during the survey period (information sought from DRDOs).

At the third stage, five Gram Panchayats were randomly selected from each of the selected block.

Selection of Beneficiaries: At the fourth stage, fifteen respondents were selected from each of the village. Work sites were visited to contact beneficiaries and Focus Group Discussion (FGD) was organized to collect information. A sample of 800 respondents consisting of both beneficiaries and non-beneficiaries of MGNREGS were contacted to collect the required information.

Keeping in view the objectives of the study, appropriate statistical techniques such as mean, range, annual growth rate have been used. To test the hypotheses of the study, the statistical technique of paired sample t-test has been used to compare ‘before-after’ situation.

Logarithmic Ordinary Least Square (OLS) is used to analyze the impact of MGNREGS on agricultural wage rate. We defined the function as follows:

\[
\log Y_i = \beta_0 + \beta_1 \log X_i + \beta_2 \log L_i + e_i
\]

\(Y_i=\) Nominal Wage
\(A=\) constant
\(X_i=\) GDP in Agriculture for ith year (2009-10 to 2015-16)
\(L_i=\) Employment Generated in MGNREGS for ith year (2009-10 to 2015-16)

Data Envelopment Analysis (DEA) a non-parametric technique is used to calculate the relative efficiency scores for the eight districts under the study.

Max \(\phi\)

Subject to \(\sum_{j=1}^{n} \lambda_j x_{ij} \leq x_{ij}, (i=1,2,...12; j=1,2,...m)\)

\(\sum \lambda_i \gamma_j \geq \phi \gamma 1/12\)
\[ \lambda_j \geq 0 \] (Constant Returns to scale)

Three equations to solve:

Max \( \phi \)

\[
\begin{align*}
\lambda_1 M_1 + \lambda_2 M_2 + \ldots + \lambda_8 M_8 & \leq M_8 \\
\lambda_1 L_1 + \lambda_2 L_2 + \ldots + \lambda_8 L_8 & \leq L_8 \\
\lambda_1 Y_1 + \lambda_2 Y_2 + \ldots + \lambda_8 Y_8 & \leq \phi Y_8 \\
\lambda_j & \geq 0
\end{align*}
\]

Thus, \( \phi \) is the function to maximize.

- \( M \) is material expenditure for eight districts.
- \( L \) is labour expenditure for eight districts.
- \( Y \) is output (persondays generated under MGNREGS) for eight districts.

\[ T_F^C = \frac{Y_{12}}{\phi Y_{1/12}} \leq 1 \]

\[ \sum \lambda_j = 1, \quad \lambda_j \geq 0 \]

If Variable Returns to sale:

\[ T_E^C \neq TVR^S \]

Then, Scale Efficiency = \( \frac{T_E^C}{TVRS} = 1 \)

Further, Bar diagrams, Line graphs and pie charts have been used for graphical presentation of the analysis.

**Chapter Scheme**

To conduct the study in a systematic manner, six chapters have been developed.

**Chapter-1** The first chapter is an introductory chapter which provides a glimpse of the issues related to unemployment, both at global level and national level. It provides an insight into the goals of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) and its provisions for generating employment opportunities in rural areas. This chapter explains the objectives,
hypotheses, and methodology used in the study.

Chapter-2 This chapter is an attempt to review the literature related to conceptualization, implementation and impact of MGNREGS in various parts of India highlighting the success stories as well as failure of the scheme. Some of the studies highlight the inter-state variations due to different approach of authority towards the implementation process.

Chapter-3 looks into the basic characteristics of the economy of Haryana with special reference to the structural transformation of the state, status of poverty, nature and extent of employment situation etc. The assessment is based on secondary data from various issues of Statistical Abstract of Haryana, Economic Survey of Haryana and the NSSO 62nd, 64th and 68th rounds reports.

Agriculture sector is the major contributor of employment opportunities in rural Haryana. Though, agriculture at present contributes only 14.1 percent of the Gross State Domestic Product of Haryana but 45 per cent of work force is still engaged in this sector. In case of female workers, more than half (55.86 per cent) of the workers are engaged in agriculture. A decomposition of working force by broad industrial categories shows that there were more than 15 lakhs agricultural labourers in Haryana in 2011. Further, the proportion of agricultural labourers in total working force has marginally increased from 16.2 per cent in 1971 to 17.14 per cent in 2011. The agricultural labour is the poorest and economically most vulnerable section of the rural economy. In view of these challenges, it is useful to examine how the launch of MGNREGS in 2006 has impacted agricultural labour in Haryana.

Chapter-4 is related to the analysis of MGNREGS in the state with the help of both primary and secondary data. The analysis has been carried out with a focus on three parameters- efficiency, equity and accountability in MGNREGS. The efficiency analysis is based on variables such as the number of households issued job cards and provided work, total persondays generated, 100 days employment to households and total number of works undertaken and completed under the scheme etc. for the time period 2006-07 to 2015-16. The average numbers of days of employment, per unit expenditure of generating one day employment and work completion rates etc. have been calculated to examine the efficiency in the scheme.
We study the various aspects of efficiency of the scheme at the field level on the basis of information collected about the employment generated under scheme, awareness among workers, facilities at worksites, impact on income earning capacity of workers and impact at village level. Equity aspect has been examined with the help of changing proportion of SCs and women getting employment during the ten years period as well as during primary survey. To assess the accountability in MGNREGS the funds required for 100 days employment to each job seekers have been calculated on the basis of secondary data but the primary survey has specifically enabled us to examine the accountability aspect of the scheme.

Chapter-5 The exercise undertaken at aggregate level in chapter-4 was repeated at disaggregates level to compare the diversities, if any, in working of MGNREGS in the state. There is every likelihood that the performance across the state may not be uniform. The differences in performance of MGNREGS in various parts of Haryana may be significant and may help us in drawing implications for improving the working of the scheme. Therefore, we have undertaken a zonal level analysis of the functioning of the scheme in this chapter. A comparative analysis of the performance of MGNREGS has been carried out to find variations, if any, among the eight districts (two districts from each zone) selected from the four administrative zones of Haryana. The performance of the scheme has been examined at the disaggregate level to highlight the differences in extent, nature and pattern of employment generation with special focus on the issues of equity, efficiency and accountability. It is found that the performance of MGNREGS has been largely uniform in terms of households completed 100 days of work, low participation in gram sabha and social audits. But, there is marked difference in number of households provided work, total persondays generated, average persondays generated and impact of the scheme at village level.

Chapter-6 discusses the major conclusions and policy implications based on secondary and primary data emerging from the analysis.

Major Findings of the Study

Efficiency in MGNREGS

a) Analysis based on secondary data shows that:
   - There is a mismatch in the demand and supply of work under the scheme. On
an average, only 35.52 per cent of the households issued job cards were provided work under MGNREGS for the period under study in the state. This percentage was the highest (47.54 per cent) in 2006-07 and the lowest (22.01 per cent) in 2015-16. It may be inferred that the efficiency has been severely reduced over the years. The zonal level analysis reveals that on an average, the percentage of households provided work for the period under study ranges from only 26.52 per cent to 50.80 per cent. It is the highest in Hisar zone and the lowest in Gurgaon zone.

- The scheme is inefficient in ensuring guarantee of 100 days employment in a financial year. The number of households which got 100 days employment is very low (5.59 per cent) throughout the study period. It was the highest (11 per cent) in 2006-07 and the lowest (2 per cent) in 2015-16. Zonal level analysis reveals that on an average it ranges from 3.70 per cent to 5.29 per cent. It is the highest in Gurgaon zone and the lowest in Ambala zone.

- The average number of persondays employment to each household on an average is less than fifty per cent. It is the highest (59.06) in 2011-12 and the lowest (28.29 per cent) in 2014-15. Zonal level analysis reveals that average number of persondays employment to each household is less than fifty per cent in all the zones and varies from 29.51 days to 47.03 days. It is the highest in Gurgaon zone and the lowest in Ambala zone.

- On an average, the expenditure to generate one day employment is Rs 227.67. it was lowest ( Rs 144.12) in 2006-07 and highest ( Rs 338.30) in 2014-15. On an average, the expenditure to generate one day employment has been the highest (Rs 326.98) in Ambala zone and the lowest in Rohtak zone (Rs 279.64).

- Financial analysis reveals that the state has received a total amount of Rs 4652 lakhs in 2006-07. The funds were increased to Rs 41510.18 in 2013-14. Further, it is a serious issue that the amount of funds allocated has been decreasing over the period and declined to only Rs 7048 lakhs in 2016-17. The rate of fund utilization was the highest (115.27 per cent) in 2011-12 followed by 113.32 per cent in 2014-15 and the lowest in (66.29 per cent) in 20098-09. More than released funds are spent due to accumulated amount in opening balance in these years (unutilized funds from previous years) and
lowest (66.29 per cent) in 2008-09.

➢ The ratio of labour expenditure is more than sixty percent of the total expenditure throughout the period ranging between 65 per cent (2009-10) to 88 per cent (2007-08). Given the fact that employment generation is the prime objective of MGNREGS, it is encouraging to note that a larger percentage of total expenditure has gone towards payment of wages.

➢ Log-OLS analysis reveals that MGNREGS has positively affected agricultural wage rate in the study area.

➢ Data Envelopment Analysis (DEA) shows that Panipat district of Rohatak zone has been the most efficient in terms of efficiency of MGNREGS followed by Hisar district in Hisar zone and Karnal district in Rohtak zone.

(i) Panipat district performed as the most efficient district in 2009-10, 2010-11 and 2015-16.

(ii) Hisar district appears as the most efficient district for the period 2013-14 to 2015-16.

(iii) The mean efficiency score for all the eight districts, was highest (0.976) in 2011-12 and lowest (0.622) in 2009-10.

(iv) When average of all the years was considered, Rohtak zone emerges as the most efficient zone and Gurgaon zone is the least efficient zone. Ranking of the districts as per Efficiency Index is as follows: (1)Panipat, (2) Hisar, (3) Karnal, (4) Sirsa, (5) Mewat, (6) Kurukshetra (7) Ambala and (8) Mahendergarh.

(v) The assets creation under MGNREGS has been weak in the state. Major works undertaken under MGNREGS were related to water conservation including digging of ponds, clearance of canals, water tanks, water works and drainage. Works related to sanitation and land development- earth filling on kaccha rasta and brick pavements between villages and farms and village streets were also undertaken under the scheme.

b) Analysis based on primary survey shows that:

➢ The awareness among the workers regarding provision of 100 days employment, minimum wage rate and worksite facilities were quite
satisfactory. But, the information regarding provision of unemployment allowance, role of gram sabha and display of notice board was very low in all the zones. It has been found that in Gurgaon zone illiteracy was the highest and the awareness among respondents was the lowest and in Hisar zone, the illiteracy was the lowest and awareness among workers was the highest. This indicates a positive correlation between literacy and awareness.

- As far as the process of getting job cards, it was found that respondents did not face any difficulty in getting the job cards.
- An important finding of the primary survey is that the respondents were not using this scheme as a right to work. Only 50 per cent of the respondent demanded work and rest of them were under the impression that sarpanch will start the work and only then they can work. It was found that percentage of beneficiaries demanding work as a right was the highest in Hisar zone (56 per cent) and the lowest in Ambala zone (41 per cent).
- 80 percent of the respondents reported that the scheme has reduced their stress level, out of which 46 per cent of respondents said that stress was reduced significantly while 23 per cent reported moderate reduction in stress. This indicates that the scheme, through provision of work, has helped in providing economic and psychological support to the beneficiaries.
- The paired ‘t’ test analysis reveals that the null hypothesis (Ho) that MGNREGS has no effect on employment is rejected both at aggregate level and zonal level, thereby implying that MGNREGS has generated significant employment opportunities in the state. Similarly, the null hypothesis in case of income effect is rejected. Thus, the scheme has also generated significant income for the beneficiaries in the state both at aggregate level and zonal level.
- The scheme has improved rural connectivity through pakka roads and streets, water conservation through ponds and irrigation facilities at village level. Majority of the respondents reported that the scheme has contributed in the sanitation of villages. But, it was found during primary survey that new works added in the scheme (discussed in chapter-1) were not undertaken in the state. Although, the new works are more productive.
Respondents reported that they had bank accounts (those didn’t have account, reported that opening of bank account was under process) and wages have been paid through bank in their account in the state. But, in Mahendergarh and Mewat districts, the cases of cash payments and lower than minimum wage rates were reported. The beneficiaries informed that they had complaint against the concerned sarpanch.

Delay in receiving wage payment is the critical issue under MGNREGS in the state. 76 percent of respondents reported delay in getting wage payments which in some cases was three to four months.

Some of the respondents said that fake entries are done by the sarpanch in muster rolls with settlement with the workers by paying them some amount.

In Karnal district of Rohtak zone, we observed the presence of contractor (under MGNREGS there should not be role of any contractor) at one of the worksites.

There was no entry in the job cards regarding work days under the scheme. In Kurukshetra, Hisar and Sirsa districts, job cards of the respondents were in the house of sarpanch.

**c) Assessment of MGNREGS by Non-Beneficiaries of the scheme:**

Workers prefer to work in MGNREGS and it has been decreased in the number of workers available for agriculture activities. The scheme has led to increase the agricultural wage rate due to shortage of workers.

Farmers said that there is no need of the scheme in the state and Gram panchayats can perform all these works at village level. The scheme has led to shortage of availability of workers because the work under MGNREGS has not been started in lean season in agriculture.

The respondents felt that works undertaken related to drainage of canals has improved the flow of water and reduced the wastage of water due to leakages. More than fifty per cent of the respondents said that streets and farm roads built under the scheme have improved connectivity at village level. However, they felt that the work undertaken under MGNREGS needs to be selected carefully. Majority of the respondents felt that the program should be continued.
Equity in MGNREGS

The equity aspect has been examined through an analysis of the extent of inclusion of the marginalized sections (SCs) and females in the scheme on the basis of both primary and secondary data. The major findings are:

- MGNREGS has by and large promoted equity through inclusion of SC households in proportion to the job cards issued to the marginalized section in the state. The share of SC households is close to fifty per cent on an average for the entire period under the study. Zonal level analysis reveals that MGNREGS has promoted equity in all the zones. However, in Gurgaon zone, the share of SC households in job cards issued and work provided, on an average is very low (11 per cent) for the entire period of study.

- From the perspective of gender, more than one third of the beneficiaries are females both in the state and zones for the entire period under study (except Mahendergarh district).

- In tune with the secondary analysis, in primary survey, it is found that MGNREGS has promoted equity through inclusion of more than fifty per cent of SC households and more than one third of female beneficiaries (except Mewat district).

Accountability in MGNREGS

- District Rural Development Officer, ABPO, Sarpanch etc. complained about insufficient funds and delay in receiving funds which caused delay in wage payments to beneficiaries. In tune with the primary survey, financial viability analysis based on secondary data found that funds released were very low for the entire period under the study. Funds released accounted for only 45.38 per cent of the funds needed to provide 100 days employment in 2006-07. Further, it declined to only 6.97 per cent in 2015-16. It indicates lack of accountability of Government in providing sufficient funds for the implementation of the scheme.

- Analysis based on primary data reveals that only 7 per cent of the respondents have been provided work within 15 days of work demanded by workers under MGNREGS. None of the respondents received payment of unemployment
allowance in the study area.

- It is found that the participation of beneficiaries in social audit is very low (only 27.2 per cent). 59 percent of the respondents did not know whether social audit had been held or not at village level. In Hisar zone, the participation of beneficiaries in social audit was relatively high (38 per cent) followed by Rohtak zone (27.33 per cent). It was lowest in Ambala zone (18.33 per cent).

- The participation of beneficiaries in Gram Sabha was not satisfactory. Only 30 per cent of them said that Gram Sabha was held at village level and they participated in Gram Sabha. The participation was the highest (34.66 per cent) in Hisar zone and the lowest in Gurgaon zone (18 per cent).

- The worksites in MGNREGS are supervised by a person known as mate (hired by Sarpanch). Officers do not visit worksites regularly. 62 per cent of the respondents reported that officers visit worksites rarely.

- The secondary information collected from official site raises the question of reliability of data. Many figures are surprising and seem to be an error in data recording or uploading. We contacted the DRDOs to find that there is no ST status in Haryana but official site shows data for ST, they admit that these entries are by mistakes.

**Policy Implications**

In the light of the above major findings the following suggestions may be made to implement the scheme efficiently to achieve the goals.

- There is a need to make the scheme more transparent through the spread of information about the provisions of the scheme. Awareness regarding work at demand among the workers should be spread through organizing camps at village level. This will help to achieve the foremost purpose of the scheme as right-based and demand driven.

- The Centre and State Governments should release sufficient funds for the implementation of MGNREGS. Although, the resources of the state are limited, yet sufficient funds to be allocated to achieve the objectives of MGNREGS. Therefore, a proper calculation and estimation should be done scientifically before allocating the funds for MGNREGS. Funds should be released considering the issuance of job cards in the state.

- Gram Panchayats play an important role in the functioning of the scheme. It
should be the Panchayats responsibility to implement the scheme in effective way after releasing the funds. It should be compulsory for the officers to visit the worksites regularly and an active grievance system should be framed to check the inefficiency of delay in wage payments, fake entries etc.

- There should be cost effective use of funds. A proper monitoring of the performance of MGNREGS should be done to identify the best and least performing districts. The concerned authority for the best performance should be rewarded and the work planning of these districts may guide other districts to implement the scheme efficiently.

- The sustainability of the scheme depends on the assets created at village level under MGNREGS. Work to be undertaken in the scheme should be identified carefully according to village requirements. Works related to sanitation of villages should be given priority under MGNREGS instead of digging ponds every year. New works listed in MGNREGS should be undertaken to generate the sustainable infrastructure and income opportunities at village level.

- There should be proper entry in the job cards regarding details of work days completed minimum wage, date of work done and wage payments received and amount paid to workers.

- Efforts should be made to increase females’ participation to 50 per cent. Under MGNREGS, the work conditions are better as child care facility, work in vicinity and equal minimum wages for same work. It will empower the women through increasing their participation in workforce.

- There should be proper maintenance of the MIS system. Expert and trained staff should record and upload the data. So that the reliability of data can be maintained.

One of the most important findings of the study is that adequate funds are not being released under the scheme and the actual funds allocated have dwindled to 7 per cent of the funds required to provide 100 days employment to all job cards holders in a year. This questions the very claim of MGNREGS as a demand driven scheme. It has in fact been reduced to other allocation based employment schemes. Hence, it is very important that required funds are provided both by Centre and State Government in view of the job cards issued every year. Further, the release of funds
should be timely and more emphasis be laid on creating productive assets.