INTRODUCTION:

Employment is fundamental pre-requisite to raise per capita income and eradicate household poverty. Poor employment opportunity is one of the key reasons for the endurance of poverty in India. After independence and particularly from the Fifth Five Year Plan onwards, Government of India has initiated several rural development programmes for raising rural employment for the alleviation of rural poverty. National Rural Employment Guarantee Act (NREGA) is one amongst them.

The prevalence of unemployment and poverty viewed as the most serious concern for development. In this regard, the government of India has initiated various employment generation programmes—both self-employment and wage employment programmes since independence. The wage-employment programmes generate employment, infrastructure and social capital. Evaluation of these programmes is another very significant component to achieve the laid down objectives. Further, these wage employment programmes must be need based and cost effective to improve the life of rural people, especially poor families. A few important wage employment programmes launched by the government of India are Food for Work Programme (FWP); National Rural Employment Programme (NREP); Rural Landless Employment Guarantee Programme (RLEGP); Jawahar Rojgar Yojana (JRY) and Sampurna Gramin Rojgar
Yojana (SGRY) and recently launched National Rural Employment Guarantee Scheme (NREGS) and lately renamed as Mahatma Gandhi NREGS. The government of India launched the Food for Work Programme in 1977. The programme aimed at providing gainful employment to the rural poor to improve their income and nutritional level. Side by side it also aimed at creation of durable community assets and strengthening rural infrastructure for higher production and ensuring better standard of living to the rural poor. In October 1980, the FWP was replaced with National Rural Employment Programme (NREP). The NREP sought to generate additional employment, create durable assets and raise the quality of living of the rural poor. The NREP was a centrally sponsored programme with 50:50 sharing basis between the central and the state government. One of the important features of the NREP that it was implemented through Panchayati Raj Institutions. The RLEGP was launched in 1983, aimed at providing employment to the landless families in rural areas, who are hard pressed with poverty and hunger particularly during the lean season. It was a 100 percent centrally sponsored scheme funded by the government of India. The Jawahar Rojgar Yojana (JRY) Programme launched in 1989-90 in place of NREP had several unique features:
(i) allocation of central assistance entirely on the basis of incidence of poverty;
(ii) 80 percent of the share borne by the central government and 20 percent by the state government;
(iii) allotment of untied money to the village panchayats; and
(iv) freedom to the gram panchayats to select, plan and implement local development works based on the felt-needs of the local community.

The SGRY was launched in 2001. The two important objectives of the programme are providing additional wage employment and food security and to improve nutritional levels. The second objective was to create durable community, social and economic assets and infrastructural development. It was a centrally sponsored scheme with cost sharing on a 75:25 basis between the centre and the state.

Mahatma Gandhi NREGA seeks to enhance the livelihood security of the households in rural areas of the country by providing at least 100 days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work.

India is a country of villages and its development is synonymous with the development of the people living in rural areas. India is a vast and second most populous country of the world (According to the 1991 census, 74.28 per cent population of our country reside in the countryside). But a big part of this population has been leading an uncertain economic life due
to non-synchronization of employment opportunities in agriculture sector because of the fast growing population.

Rural development has been receiving increasing attention of the governments across the world. In the Indian context rural development assumes special significance for two important reasons. First about two thirds of the population still lives in villages and there cannot be any progress so long as rural areas remain backward. Second, the backwardness of the rural sector would be a major impediment to the overall progress of the economy.

India is predominately an agricultural country and farming is their main occupation. In terms of methods of production, social organization and political mobilization, rural sector is extremely backward and weak. Moreover, technical developments in field of agriculture have increased the gap between the rich and poor, as the better off farmers adopted modern farm technology to a greater extent than the smaller ones. The all India Rural Credit Review Committee in its report warned “If the fruits of development continue to be denied to the large sections of rural community, while prosperity accrues to some, the tensions social and economic may not only upset the process of orderly and peaceful change in the rural economy but even frustrate the national affords to set up agricultural production.” It was therefore felt necessary to make arrangements for the distribution of fruits of development to the rural weak and backward section of society.
It is rightly pointed out that a purely agricultural country remains backward even in respect of agriculture. Most of the labour force in India depends on agriculture, not because it is remunerative but because there are no alternative employment opportunities. This is a major cause for the backwardness of Indian agriculture. A part of the labour force now engaged in agriculture needs to be shifted to non-agricultural occupations.

Literacy, another growth indicator, is more acute in rural than in the urban areas. It is 44 percent in villages and 73 percent in cities. Again, more poor people live in the rural than the urban areas. Out of the estimated 210 million poor persons in the country, 168 million are located in villages and 42 million in urban areas. Out of 108 million rural household, 30 percent are agricultural labour households. Fifty eight per cent of households in the villages are marginal farmers, having less than 1 hectare of land and 18 per cent having less than 2 hectares.

These figures show that there is wide degree of diversity in some of the basic socio indicators of development between the rural and urban areas and call for concerted action to alleviate this disparity.

The stress on rural development is also due to many constraints facing the rural areas, which generally suffer from inadequate infrastructure facilities and technological advancements. The rural areas are not well placed in terms of even minimum needs like safe drinking water, primary health and road transport. This apart, the rural population suffers from indigence, ignorance and illiteracy. Their traditional outlook
towards development has been preventing them from taking full advantage of the incentives offered by the Government. Also, the ownership of land and other assets has been heavily concentrated in hands of a few. It is precisely for this reason that the benefits of rural development programmes failed to reach the rural population targeted for these benefits to the extent expected.

Rural development requires a vast infrastructure. Provision of this is no easy task, because it has to be undertaken by the Government. Private investment in this area has been meager and continues to be so. But the trend of meager investment in the rural sector is gradually changing in terms of economic sustenance. However, evolving an appropriate technology for rural development is not an easy task. Such a technology has to simultaneously achieve the thin objectives of raising growth rates and stepping up opportunities of employment. The setting up of appropriate institutions and coordinating their activities are crucial to any rural development strategy. The potential of self reliance in rural areas needs to be exploited in a planned manner.

A single approach to rural development would not be effective. In fact, rural development is the product of interaction between various physical, technological, economic, socio-cultural, institutional and environmental factors. Indeed, the rural sector should experience the required changes so that it can join the mainstream of national development and contribute its share for economic development. It has
been rightly said, “In the end, however, rural development should not be seen as a package of specific needs but as a transformation of rural like and conditions.”

**THE NATIONAL RURAL EMPLOYMENT GUARANTEE SCHEME:**

It is pertinent to note here that three articles of the constitution of India have bearing on the right to work and these are listed in the Directive Principles of State Policy. These three articles are: (i) Article 39 envisage that the state to direct its policy towards securing for all its citizens, men and women, the right to an adequate means of livelihood. (ii) Article 41 enjoins the state to make effective provision for securing the right to work, to education and to public assistance in case of unemployment, old age, sickness and disablement and in any other of undeserved want, all within the economic capacity of the state. (iii) Article 43 direct the state to secure for all its citizens, work, living wage conditions of work ensuring a decent standard of life and full enjoyment of leisure and social and cultural opportunities. Unemployment is a cause of poverty and generation of employment is central to eradicate poverty from rural India. The NREGS was launched in 2004 in 200 backward districts and later on extended to the entire district in the country in 2008. The National Rural Employment Grantee Act (NREGS) (herein after referred as NREGS) was enacted in 2005 aims at to provide a minimum guaranteed wage employment of 100 days in every financial year to rural households with unemployed adult members prepared to do unskilled
manual work. The scheme is a strategic attempt to fight the conundrums of poverty and unemployment, which are intrinsically interlinked. The NREGS indirectly aims at making employment as a human right. The NREGS is now called as Mahatma Gandhi NREGS.

**Components of MGNREGS:**

**a) Salient features of the MGNREGS**

Some of the salient features of NREGS are as follows:

i) At least 100 days of employment for at least one able-bodied person in every rural household;

ii) Minimum wages on rate prevailing in states as per Minimum Wage Act- 1948 and Centre to step in if wages go up beyond minimum or less than rupees 60;

iii) Panchayats to finalize, approve, implement and monitor the projects. The scheme shall not permit engaging any contractor for implementation of the projects;

iv) The task under the scheme shall be performed by using manual labour and not machines;

v) A minimum of 33 per cent reservation to be made for women, where the number of applicant is very large;

vi) The scheme will ensure transparency and accountability at all level of implementation and

vii) All accounts and records relating to the scheme shall be made available for public scrutiny.
b) Strategies of the MNREGS

Some of the strategies adopted in NREGS are as follows:

i) Central government meets the cost towards the payment of wage, three fourth of material costs and certain percentage of administrative cost;

ii) The state governments meet the cost towards unemployed allowances, one fourth of material cost and administrative cost;

iii) Adult members of rural households submit their name, age and address with photos to gram panchayats for registration;

iv) Block is the basic unit of implementation of NREGS;

v) Gram panchayats are the main implementing agencies and

vi) Gram sabha is the main work identifying body.

c) Mandatory Worksite Facilities

Some of the mandatory facilities at NREGS are given below:

i) Drinking water facilities for the workers of NREGS;

ii) Provision of shade near the work sites;

iii) Provision of medical aid;

iv) Provision of crèche, if more than five children below six are present at an NREGS work sites.

d) Gender Related Provisions

i) Equal wage to both male and female worker employed in NREGS work;

ii) No gender discrimination in employment and wage;
iii) Priority in allocation of work to women and at least 33 percent of the NREGS worker in a particular work should be women

e) Permissible works

i) Water conservation activities: (a) digging of ponds and (b) de-silting of ponds

ii) Small check dam other harvesting structure;

iii) Afforestation in common land waste land areas;

iv) Construction of minor irrigation canals;

v) Repair of minor irrigation facility to SCs/STs;

vi) De-silting of old canals;

vii) De-silting of traditional open well;

viii) Land development of common waste areas;

ix) Drainage Nalla to drain extra water in water logged flood affected areas;

tax) Construction of embankment for flood control;

xi) Repair of embankment for flood control connecting road to village main road;

xii) Any other work which may be notified by the central government in consultation with the state government.

f) Cost Sharing

Central government has to pay for:

i) Wage costs

ii) 75% of material costs
iii) Some administrative costs

State governments have to pay for these

i) 25% of the material costs

ii) Other administrative cost

iii) Unemployment allowances

g) Social Audits

i) Gram sabha will conduct social audits of all work done within the panchayat.

ii) All relevant documents of the NREGS will be provided by the panchayat to the gram sabha such as work register, muster roll etc.

MGNREMGA in Karnataka:

The States of Karnataka and Puduchery have witnessed considerable achievements during the implementation of National Rural Employment Guarantee Act (NREGA). These achievements are linked with Ministry of Rural Development’s advise to all States for ensuring wage payment to NREGA workers through Bank and Post office accounts. So far 1.6 crores accounts have been opened across the country.

In Karnataka considerable achievements have been made in the financial inclusion of NREGA workers. Total number of households registered under NREGA in Karnataka are 15,65,679, the total number of Job Cards issued are 14,79,744. The number of bank accounts opened are 11,36,844, the total number of Post office accounts opened are 2,11,952.
Action has also been initiated to sign the MOU with Department of Posts and it has been decided to consider complete adoption of the post office network in Koppal from northern region and Chamarajanagar from the southern region of Karnataka. To ensure transparency and to avoid middlemen payments of wages to NREGA workers are being made only through banks and post office accounts since inception of the scheme. In Puducherry also notable progress has been made in the implementation of National Pilot Project for Financial inclusion of beneficiaries through the Reserve Bank of India, in which 1.43 lakh bank accounts were opened for the poor and marginalized workers of NREGA. Till date about 40,000 applications have been received from the families in the rural areas of Puducherry and the Job cards will be issued soon.

In addition, the State Rural Development Department is continuously in touch with the bank and postal department representatives to ensure bank accounts are opened for all NREGA beneficiaries. Accordingly, the Panchayat Presidents in Puducherry will be involved in the opening of bank accounts for all NREGA beneficiaries.

It is to be noted that a Job card is the basic legal document that enables the registered household to demand guaranteed employment. It has a provision for mentioning bank accounts details in the job card too. The household Job card has the name and photograph of each registered member. The Job card and photograph are free for the applicant which will
also include two photographs to be made for opening of bank account as part of NREGA programme, if required.

**REVIEW OF RELATED LITERATURE:**

Various research studies have been conducted to study economic, social and political development of rural people at various levels in different states. The implementation of several poverty eradication programmes of the Center and State governments and its evaluation reports highlighted both merits and demerits of programmes. As a result of these reports, the new schemes and programmes are being formulated by respective governments. The studies on the impact of MGNREGA, the economic, social and political development of rural people in India have attracted the attention of scholars from different disciplines such as political Science, Sociology, Economics and women’s studies. An array of scholarly works examining the impact of MGNREGA on the overall development of rural people, their nature, the factors contributing for their success and for failure along with policy implications has been brought out. A review of certain important works is quite pertinent in the context of the present study. The review of some of such literature related to the topic:

Adhikari, Anindita and Bhatia, Kartika (2010). Made a study on “NREGA wage payments: can we bank on the banks?” and observed that the Government of India has shifted from cash payment of wages under the renamed Mahatma Gandhi National Rural Employment Guarantee
Scheme (NREGS) to settlement through bank accounts. This has been done in order to prevent defrauding of workers and to give them greater control over their wages. A survey covered 2 blocks each in Allahabad district (Uttar Pradesh) and Ranchi district (Jharkhand). In Allahabad the sample blocks were Karchana and Shankargarh whereas in Ranchi the sample blocks were Mander and Angara. A total of 259 workers were surveyed of whom 201 (78%) were men and 58 (22%) were women. It was found that women workers did not have an account in their name and received their wages through their husband’s account. Almost half (45%) of the sampled workers were illiterate, with only 21% having completed Class 10. Members of the upper castes in Allahabad were economically better off.

The survey pointed to some serious issues related to the use of post offices as a payment agency, including poor record keeping and their inability to cope with mass payments of NREGA wages. In remote areas, large distances to the nearest bank or post office also cause much hardship to the NREGA workers. Hence, it was recommended that to facilitate efficiency in wage payments and monitoring, preference should be given to centralized banks and financial institutions with computerized records; to ensure accountability within this new system, banks must be brought under the ambit of the Act’s transparency provisions; to restore public scrutiny of wage payments, distribution of cheques or wage slips should be done in a public place along with reading aloud of muster rolls and
maintenance of job cards. Ultimately, the best protection against embezzlement is the empowerment of NREGA workers.

Dreze Jean and Oldiges Christian (2007). Conducted a study on “Commendable Act: field reports suggest that the anticipated benefits of employment guarantee are beginning to show in the pioneer districts. The field report suggests that the anticipated benefits of employment guarantee are beginning to show in the pioneer districts. The study reports that the levels of NREGA employment and expenditure were higher in 2007-08. NREGA generated 900 million person-days of employment in 2006-07, at a cost of about Rs. 9000 crore. This is much below the employment and expenditure level that would materialize if the Act were implemented in letter and spirit. There are startling differences in the levels of NREGA employment in different states. Some state governments have clearly decided to own the NREGA and have seized this opportunity to provide large scale employment to the rural poor at the cost of the central government. The best performing states were Rajasthan (nearly 100 days), Employment Tripura in northeastern India (87 days), Assam, Madhya Pradesh and Chhattisgarh. Surprisingly, Kerala was at the rock bottom due to the low demand for NREGA employment in the state, rather than that of a failure to provide it. The large north Indian states generally lag far behind in the implementation of schemes. But in the case of NREGA, the pattern was reversed - only one of the southern (Karnataka) or western states has generated more than 10 person-days of employment.
per rural household in 2006-07, while the eastern and northern states have done comparatively well. It was encouraging to find that NREGA made an early start in these deprived regions. Women’s share of NREGA employment is nearly 50% at the all India level, rising to a startling 81% in Tamil Nadu. The study found that the economic dependence of women on men in rural India plays a major role in the subjugation of women, and in this respect NREGA is an important tool of social change.

Fahimuddin (2008). Studied on the “Working of National Rural Employment Guarantee Scheme in Sitapur district: study report.” This study was conducted in 2 gram panchayats namely Imipur Grant and Runcot of Employment Khairabad block of Sitapur district. A total of Rs. 7555 crores were allocated under NREGA for Sitapur district during 2007-08. Each block of the district got 5-6% of the total allocation. Among 19 blocks of the district, Pahla block received maximum 9.16% while Aliya block received minimum 3.52% of the total allocation. During 2006-07 and 2007-08, 4 types of work were undertaken like Ponds, Kharanja, Minor Irrigation and Plantation. In 2007-08, utilization of the sanctioned amount on wage component was low for ponds (60.49%) and minor irrigation (21.55%) as compared to Kharanja (93.62%). During the initial year of implementation of the NREGA, total job card holders were 894 but in the subsequent year 2007-08 their number was only 132. Women job card holders were only 12, SC card holders were in the majority (96), followed by OBCs (26) and minorities (10) in 2007-08. The study found that Impact
of the NREG Programme on providing greater employment and income opportunities to rural workers has been positive. Assets created under the programme have been mostly of durable nature. The programme has boosted the overall development of villages. It was recommended that the stipulated number of days of employment should be provided.

Khadi and Village Industries, Mumbai. (2005). Made a study on “Employment Report on evaluation study of rural employment generation programme.” The principal objective of the study was to study the impact on rural employment of the magnitude, nature, quality and linkages developed by the enterprises for ensuring sustainability, and to study the optimal level of investments required. Basic data collected for the study revealed that 1,18,466 projects were sanctioned under REGP as on March 31, 2001 in 34 States and U.Ts of the country. The mandate was to cover a sample of 10% of projects by selecting samples State-wise on probability proportional to the total number stratified into three. A State-wise analysis indicated that Gujarat led other States in creating employment with 17 persons employed per enterprise. State-wise, Agro and Food based industry were highly preferred in Punjab (71.8%); Andhra Pradesh (63%); Tamil Nadu (55.6%); Uttar Pradesh (46.5%); Meghalaya (44%), and West Bengal (35%). Projects receiving direct assistance from banks were mostly working satisfactorily, with 359 service projects comprising 80.13% of the total, followed by mineral based industries with a total of 353 projects comprising 74.47% of the total. In Andhra Pradesh, out of 23 districts
where projects were assisted, Mahabubnagar had the highest number of projects assisted (9.69%). In Rajasthan, districts where enterprises were concentrated were Jaipur (10.9%), Banswara (10%), Tonk (8.6%) and Ajmer (8.6%), etc. The percentage of enterprises assisted by banks that were working satisfactorily was highest in Andhra Pradesh (97.3%), and Madhya Pradesh (94%), while the projects not working satisfactorily were in Gujarat (28.5%), and West Bengal (27.9%). The local sale of bank assisted enterprises was higher in Andhra Pradesh (95.5%) and West Bengal (93.7%), and lowest in Maharashtra (40%). Rajasthan had the most number of enterprises (15.5%). In the General Category, the State Board assisted 45.3% enterprises or 23.2% started by entrepreneurs. The appraisal aspect of the project should be left to the prerogative of the Branch Manager, who finances the proposal. Bankers were happy in prompt release of margin money but requested for post-sanction follow up by the KVIC/KVIB. REGP has, in a majority of the cases, encouraged cementing the Employment relationship between financial institutions and entrepreneurs.

Prasad, B.N. (2009). “Impact assessment of National Rural Employment Guarantee Scheme in Uttar Pradesh, Sonbhadra district” is an important study, as in UP the scheme was launched in the first phase in Hamirpur and Sonbhadra districts. The study assessed impact of the scheme on livelihood conditions; participation of the under-privileged sections; female empowerment; strengths and weaknesses of the scheme;
and aimed at suggesting measures for effective implementation. 2 villages from all 8 blocks of Sonbhadra district were selected for the sample survey, covering a total of 16 villages. The sample was 400 households who participated in the scheme and 135 non-beneficiary households. 4 sets of questionnaires were used namely Block Level Schedule, Gram Panchayat Level Schedule, Beneficiary Level Schedule and Non-Beneficiary Level Schedule. The scheme was found to be beneficial as rural connectivity improved, water conservation has helped crops and cattle, khet talab (field ponds) improved the condition of the population, migration to urban areas reduced, etc. In 2006-07, 22.41% works were completed while in 2007-08, only 18.74% works were completed. 87.50% block officials said that funds reached the Gram Panchayat within 15 days, but this was not confirmed. 97% admitted that workers do not receive dated receipts for their application for work. The number of families who got 100 days of employment in 2006-07 and 2007-08 was 7.02% and 8.32% respectively. Women’s participation has been satisfactory at 29.59% and 32.35% respectively during 2006-07 and 2007-08, which was higher than Hamirpur, where it was 23.25% and 23.67%. Majority of the beneficiaries were in 15-45 years age group. Sources of income revealed that NREGS was the 6th source in 2007-08, contributing 11.11% share of the income. 99.50% beneficiaries were unaware of unemployment allowance and 99.25% mentioned that shade, medical, and crèche facilities were not available at work sites. Their standard of living was low as
92.59% people were living in temporary homes and none of them had electricity connection. 70% were engaged in non-agricultural activity and 94% in construction sector. 89% said that officials did not accept their application for registration, 64% applied but were still waiting for job cards, 40.74% reported that discrimination prevailed on the basis of caste, religion and sex. More than 59% respondents wanted to work but did not get work, 30% reported that they did not have job cards, in almost 5% cases payment was pending, and 6.36% faced problems as they had small children. It was suggested that Office of Block Programme Officer and Gram Panchayat should be strengthened by increasing manpower. Technical staff should be properly paid for better coordination between staff and NREGS staff. Number of Panchayat Mitras should be increased through written exam. Families who got 100 days of employment in both years was low, which must be checked. Non-completion of on-going projects needs strict monitoring. People’s participation can be increased through meetings of gram sabha, rallies, nukkad natak (street plays), etc. Committees, grievance cells, etc., should be made functional, and training and orientation programmes for NREGS staff should be organized. Newly elected Pradhans must be a part of capacity building programmes. A copy of NREG Act should be made available at Gram Sabha level.


Basu Rumki studied “New Economic Policies and Social Welfare Programmes in India” in 1996. It is suggested that India’s move toward privatization and a market economy will weaken the present insufficient social infrastructure and simultaneously fail to generate sufficient trickle-down benefits to fund new infrastructure or create enough employment to eradicate poverty. Continued government social welfare intervention is essential. A variety of existing and needed social welfare programmes are discussed: (1) Poverty alleviation/employment programmes; (2) National social assistance programmes; (3) Nutritional support for primary education; (4) Services for rural women and rural life insurance; (5) Agricultural strategies; (6) Assistance for small and marginal farmers; (7) Social security; and (8) Programmes for the unorganized sector.
"Rural Poverty, Growth and Macroeconomic Policies: The Asian Experience" (1990). Islam Rizwanul is also another important research. Noting that the efforts of developing Asian countries were more successful in alleviating rural poverty in the 1970s and 1980s than in the 1960s, it is contended that, while high growth is an essential precondition for poverty alleviation, it is not a sufficient condition in and of itself. Appropriate macroeconomic policies in the areas of trade exchange rates, taxation, credit, subsidies, etc., are shown to have an important role to play in poverty reduction.

Prem Singh Dahiya, Pandey, N.K. and Anshuman Karol, (2002), have described in their article "Socioeconomic upliftment through Self Help Groups in Solan District of Himachal Pradesh" that the success or the efficiency of micro finance interventions can be understood at three levels mainly (i) outreach and financial sustainability of the programme, (ii) income or poverty impact on the users and (iii) development of financial market at the local level. The economic impact is measured in terms of increase in annual incremental income. All SHGs recorded increase ill income, overall is 94.3%. They have also pointed out that various parameters are used to measure the maturity of the households. These are: (i) homogeneity; (ii) feeling of relevance of group formation; (iii) awareness about objectives of groups; (iv) participation and frequency of meetings; (v) regularity of savings; (vi) repayment of loans, and (vii) group participation in financial transactions.
Medha Dubhashi, (2002), in his study "Revitalizing PACs through SHGs: A Case of BIDAR DCCB" has explained the case of Bidar District Co-operative Central Bank, which has through Primary Agricultural Co-operative Societies and Self Help Groups successfully provided credit to the poorest of poor. This model has been helpful for socioeconomic upliftment of the disadvantaged people in the region. He has also expressed that the micro credit division of the Bank 'has established good rapport with Zilla Panchayat and Government Departments at district and taluka level; as a result, the Block Development officers and other government officials have been supporting the programme.

Shankar Chatterjee, (2003), has focused in his article "Networking SGSY (Swarna Jayanthi Gram Swarojgar Yojana), Banks and SHGs" that the main objective of SGSY is to bring the assisted poor families above the poverty line by providing them income-generating assets through a mix of bank credit and government subsidy. He has also explained that it covers all aspects of self-employment of the rural poor mainly by organizing them through SHGs and their capacity building, training, selection of key activities and planning of activity clusters, infrastructure build-up, technology and marketing support. A major shift of the SGSY from the erstwhile programmes is its emphasis on the social mobilization of the poor. Social mobilization enables the poor to build their own organizations, viz., Self Help Groups.
Chiranjeevulu, T. (2003), in his article "Empowering Women Through Self Help Groups" has revealed that the multi-pronged strategy including local marketing to export has been contemplated. The product will be thoroughly popularized among all the SHGs in the district and channels for distribution of product to all the strategic marketing locations will be developed. He has also highlighted that network with other marketing enterprises of SHG women in neighboring districts will be established. Consumption points under the control of government like hostels. Devasthanams would be approached for bulk orders. Products will also be marked through PDS and Gruhamithra supply channels.

Sivaramakrishnan, K. (2003), has disclosed in his article “Poverty Alleviation Through Self Help Groups” that the poverty levels have reduced from 56.44% of India’s population in 1973-74 to 37.27% in 1993-94. The Ninth Five Year Plan document envisages reducing rural poverty in the country from a level of 30.55% (208 million) during 1996 to 9.64% (73 million) by 2006 and further to 4.31% (35 million) by 2011. He has also mentioned that organization of the rural poor into Self-Help Groups is one of the ways to reduce the poverty.

Raghavendra (2003), in his articles “Self Help Groups Linkage Banking – Challenges of Training – Role played by National Centre” has presented that the training has a vital role to play in the scaling up of the linkage programme. A major challenge faced by NABARD, SIDBI and banks is meeting the training needs of various players in the programme such as
SHG members, functionaries of NGO, Government and Banks who should be exposed to different types and levels of training and awareness programmes.

Villi, C. (2003), has highlighted in his articles “Self Help Groups – Micro Enterprises (Some Issues, Challenges, Alternatives)” that rural micro enterprises play a vital role in areas like:

- Promoting and generating avenues for rural employment.
- Utilization of local rural resources.
- Skills development.
- Promotion of rural entrepreneurship.
- Mitigating regional imbalance.
- Reducing Rural Urban disparity.
- Arresting migration of rural labour to urban centres.
- Creating capital assets in the rural areas itself.

Ritu Jain R.K. Kushawaha in the rural areas itself (2003), in their work “Socioeconomic Impact Through Self Help Groups” have asserted that the Self Help Groups enhance the equality of status of women as participants, decision markers and beneficiaries in the democratic, economic, social and cultural spheres of life. They have also revealed that the impact of SHGs on socio-economic status of women were found to be significant on education, housing facilities, exposure of mass media, external orientation, occupation, size of holdings and material possessions.
Only few aspects were found to be non-significant and they are caste and type of family.

Ramakrishna, R, and B. CH, Krishnamurty, (2003), in their article "Micro Credit for the Rural Poor through SHGs" have highlighted about linkage programme of SHGs. Under this programme, broadly there are three models. These are: Model 1: NABARD - Bank - SHG (with NGO acting as facilitator); Model 2: NABARD - Bank - NGO - SHG (with NGO acting as facilitator and financial intermediary); Model 3: NABARD-Bank- SHG (without the facilitation of NGO). It is observed that the model where NGO is acting as a facilitator is the most popular one with 42% of such SHGs linked with banks followed by the model where NGOs playing the role of financial intermediary (40%). They have also indicated that SHGs as a strategy provide micro-finance to poor by linking them to banks and have moved from 'fringe' to 'main stream' and are attracting attention of all players in the field (policy-makers, NGOs and donor agencies).

Rengarajan, L. (2003), in his study "Role of Self Help Groups in Rural Poverty Alleviation" has stressed that the SHGs are playing a crucial role of harmonizing the society and strengthening rural economy; hence they must avail themselves of training programmes and should manufacture diversified quality products. He has also provided that the SHG is expected to be one of the major programme of poverty alleviation in India with fun participation from the formal banking system and without any interference from the government.
Sundar, I. and Asokan, R. (2004), have expressed in their article "Performance of Co-operative Banks in Financing Women Self Help Groups" that Co-operative Banks are financing Women Development Programmes in terms of self-help groups. Co-operative Banks in Karnataka State occupy the first position with respect to coverage of more number of women SHGs in their credit plan, followed by Tamil Nadu, Andhra and Kerala.

Nirmala, V., Sham Bhat, K. and P. Bhuvaneswasri (2004), in their study "SHGs for Poverty Alleviation in Pondicherry" have discussed about the performance and impact of SHGs on the empowerment of rural poor women in Pondicherry region. The following are the objectives examined by the study: (i) to observe the Socio-economic background of the sample respondents during the survey; (ii) to identify the main determinants of monthly income of the respondents and (iii) to examine the benefits and problems experienced by the SHG sample respondents. Such a study has contributed to an understanding of the functioning of SHGs in the rural Pondicherry.

Rasheeda Bhagat (2004), in her work "India Interior" has expressed that there has been a sea change in the attitude of men towards women's groups and micro-finance. She has also stated that in the last 10 years, the banker's attitude has changed substantially and there is a remarkable difference in the way they look at these women's groups. That is a major success of this programme.
Shanthi, G. and Dhanalakshmi, C. (2004), in their article "Case Study of Women's Empowerment through Self Help Groups in Gobichettipalayam Block-Erode District" state that empowerment is an active, multi-dimensional process which enables women to realize their fun potential and powers in an spheres of life. Women's empowerment process statewide economic empowerment. They have also disclosed that leadership qualities and active participation in group culture lead to improvement in political acumen which would in turn strengthen and sustain the overall process of empowerment.

Sanjoy Ray, (2004), has mentioned in his article "Linking Self Help groups under SGSY scheme with Co-operatives-Prospects and Concerns" that the distinguishing feature between Self Help Groups and Co-operatives is that the latter often tend to be large, sometimes heterogeneous and formal and sometimes lose cohesiveness and proximity with members in the process of their operations while the farmer is informal based on interpersonal relations where decision-making, implementation and follow up become comparatively easy. He has also pointed that the Central Government and State Government fund the SGSY in the ratio of 75:25.

Pothi Reddi R. (2004), has described in his article “Need for Self Reliant Co-operative Act and its Relevance for Self-Help Groups” that Self Reliant Co-operative Act is an act to provide for the formation and transformation of co-operatives. Self Reliant Co-operative Act will be
beneficial to the members, the SHGs, the Co-operatives, the Government
the total Community and the Department. The Self Reliant Co-operative
Act has to be introduced as a parallel Act only and not as a substitution Act.
The existing Co-operative Act 1983 will continue. He has also indicated
that the time has come to introduce comprehensive changes in the
co-operative laws, to bring them in line with the rapid changes in tile
national and global economy.

Dwivedi, H.K., IAS (2004), in his study “Co-operatives and Self Help
Groups - An Experience of Poverty Reduction Initiatives under SGSY in
North 24 Parganas - Policy Implications for Structural Integration” has
focused on field experience and demonstrates that when SHGs get the scope
of being integrated with functional co-operatives like Dairy Co-operative,
Paddy Processing and Marketing Co-operative, Fisheries Co-operative,
Primary Agricultural Co-operative Society, Handloom Co-operative,
Consumer Co-operative, they can develop symbiotic relationship. He has
also highlighted that both the -institutions-Co-operative and SHG-have
strong similarities based on principles of Self-Help and mutual aid. Their
integration is mutually supportive. SHG is thus, aptly called a Co-operative
within a Co-operative.

Kala, G.B. (2004), has mentioned in her article "Economic
Empowerment of Women through SHGs" that amongst all the states, Tamil
Nadu has the fourth highest percentage of female - headed households in
the country. The Tamil Nadu Women Development Project (TNWDP) taken
up for implementation under the name of "Mahalir Thittam" covered about 10 lakhs poor women of the state in the year 1997-1998. Women SHGs share was 78% in March, 1998. She has also stated that men SHGs accounted for 40% or more in only six states; viz., Karnataka, Gujarat, Rajasthan, Haryana, Madhya Pradesh and Meghalaya.

Shelik Mohamed, M. (2004), has mentioned in his article "Self-Help Group for the Success of Women Entrepreneurs", that women are contributing significantly in modern business and commercial world in their own way. Working women can be classified into different categories like women entrepreneurs, highly qualified professionals, employees in the organized private and public sectors, women workers in unorganized sector. He has also explained that transforming the prevailing social discrimination against women must become the top priority and must happen concurrently with increased direct action to rapidly improve the social and economic status of women.

Sorubarani, P. and Thenmozhi, G. (2004) in their article "Self Help Groups - Gateway to Women Empowerment" have described that the RBI issued instructions to commercial banks regarding establishment of linkages by them directly with NGOs and SHGs. They have also disclosed that 'the basic principles on which SHGs function are group approach" mutual trust, organization of poor, manageable small groups, group cohesiveness spirit of thrift, demand based lending's, collateral free, women friendly loan, peer
Senthil Vadivoo, K. and Sekar, V. (2004), have focused in their article "Self Help Group-A Movement for Women Empowerment" that empowering Women is not just for meeting their economic needs but also for more holistic social development. In SHGs, collective action and solidarity is an important empowering mechanism. They are of the opinion that by empowerment, women would be able to develop self-esteem, confidence, realize their potential and enhance their collective bargaining power.

Rajendra Kumar, C. and Sanjay S. Kaptan (2004), have discussed in their article “Self-Help Group (SHG) Strategic Alliance Partner (SAP) to Rural Marketer” that the members of SHG, with their local identity can easily predict the demand. The members, being a part of rural community, can be a good source of information. They can serve markets with required information regarding the behaviors of rural customers. They can help in designing the behavioral models that facilitate the marketers. They have also highlighted that the member’s local identity their knowledge of the local market their entrepreneurial spirits and cohesiveness in the group are great strengths.

Shylendra, H.S. (2004), has mentioned in her article "The SHG -Bank Linkage Programme" that three models of linkage have emerged under the programme. Under Model I, the financial institutions both promote finance
SHGs directly; under Model II, NGOs promote and nurture SHGs while the banks provide the credit support and; under Model III, NGOs both promote and finance SHGs using funds borrowed from outside agencies. However, a major chunk of the linkage is accounted together by Models II and III where there is involvement of NGOs. These two models account for 84% and 93% of the total SHGs linked up to March 2002 at all-India level and Gujarat respectively. She has also revealed that going by the experience so far, the prospects for the poor to obtain their due share in the formal finance appear relatively better under the SHG Bank linkage programme. Not only the targeting of the poor is much better, but the programme also seems to have enabled the poor to have sustained access to formal finance.

Leelavathy, (2004), has expressed in her paper "SHG is a Cream Layer for Women's social status" that the SHGs remove the curse of money lenders. SHGs are the ladder for upliftment of the down-trodden economically and socially. She has also pointed out that the SHGs are taking up construction work for their hamlets like laying of roads, closing down of liquor shops, contributing to the rehabilitation works and management of their village affairs.

Rosappu, K. and Kalyana Sundar, K. (2004), have discussed in their article "Economic Independence through Self Help Group" that in the absence of extra time government jobs, the role of SHGs in generating funds, getting loan from the banks and indulging in various business like making soaps, mats, chocolates, pappadas, coconut spoons, installing hand
pumps, building toilets, purchasing road rollers, running tea shops, stone quarries, installing gas plants and solar energy networks are highly commendable.

Ganesan, G., (2005), has focused in his article "Rural Transformation through Self Help Groups (SHGs)" that SHG have limited capital, consist of self-employed individuals, lack advanced skills or technology and poor ability to corner the market and most often operate outside the limits of regulations and the formal market mechanism. He has also indicated that all the work that they have started are eco-friendly and would not affect the soil, water and air.

Asokan, R. and Sudha, T. (2005), in their Article "Economic Status of Rural Women SHGs in Nagapattinam District with special reference to Elumagalur village" empirically analyze economic status of rural women SHGs in Nagapattinam District of Tamil Nadu. The results have shown that sample respondents' assets structure increased after joining as members in SHGs. particularly financial assets increased considerably from 6.6% to 15.5%, about 40% of income was generated through SHGs activities and 42% of women became empowered in decision-making. They have also revealed that the SHGs are successful to some extent in the study area in respect of economic process and social development.

Abdul Raheem (2005), in his article "Women’s Self Help Groups for Alleviating Poverty" has indicated 3 selected models; first one is CDF model (Co-operative Development Foundation), the second one is DWCRA
model (Development of Women and Children in Rural Areas), third one is SAPAP model (South Asia Poverty Alleviation Program). He has also expressed that these models are rooted in three premises, viz., lack of access to credit at favourable terms and conditions for poor is resulting in perpetuation of poverty; social capital contributes to poverty alleviation; and Women’s Empowerment reduces general and gender poverty. He has also mentioned that the women SHGs are promoted as basic entities under all the models.

Chittaranjan Mishra (2005), in his article "SHGs in the unorganized garment sector-A case, study of Madurai" has explained that two types of Self Help Promoting Institutions (SHPI), namely. Government and NGOs are active in the household level garment sector. The DRDA promoted SHGs are more organized and have better infrastructure to carry out the activities relating to the garment sector. The NGO-promoted SHGs, on the other hand, have taken part in other developmental activities in the village in a bigger way than in the DRDA - promoted ones. He has also indicated that capacity building and credit availability are complementary inputs to the growth of SHG-based garment sector.

Kamaraju, S. (2005), has mentioned in his article, "Self Help Groups-Emerging Rural Enterprises", that in rural areas SHGs utilized the loan for purchasing milch animals, goats and for meeting personal urgent needs. Some SHGs have purchased power tillers for agriculture purpose on hire basis. Investment in power tiller will increase their income both
individually and collectively. Hiring out power tiller to peasants is an important entrepreneurial activity of Self Help Groups. He has also indicated that the Self Help Groups should function as a non-political and non-controversial one. Political and religious neutrality paves the way for its healthy growth. He has also expressed that SHG gains momentum nowadays because of its many-fold, effect in the economic empowerment of poor women.

Fredrick, J. (2005), has pointed out in his article "SHGs Gate Way to Success for Rural Women Entrepreneurs" that as women's economic power grows, it will be easier to overcome the tradition of "Son Preference" and also put an end to the evil of dowry. He has also disclosed that as acceptance of violence diminishes families will be more likely to educate their daughters and the age of marriage for female will rise.

Gadekar, H.H. (2005), has indicated in his article "Women Empowerment through SRG Industrial Society Ltd.", that more than 80% of the Co-operatives are dominated by men. To change this scenario, the concept of SHG seems to have gained much importance. He visualizes that within next decade or so" the scenario will be something different from what we see today. Further he states that with the increase in SHGs, the marketing of their items become difficult. To resolve this problem of marketing of SHG products and also to bring women folk under the fold of co-operatives, a society is to be formed and registered. The membership is restricted to the members of SHGs only. Society will facilitate marketing of
their products and make them earn more income. Perhaps better marketing opportunities build confidence among women folk.

Ramakrishnan, T. (2005), has highlighted in his work "Online payment facility to give boost to SHGs" that online payment facility for products manufactured by rural Self Help Groups in the State will soon become reality. Both the state and district-level bodies are marketing products made by the SHGs. He has also expressed that the facility will be available to those within the country. Online payment can be made by accessing the website, http://www.tnruralbazaar.in. The SHGs transact business to the tune of Rs. 2 crore to Rs. 3 crore. A novel marketing strategy adopted by them is "Intra sales", where requirements of one set of groups are met by another. They have set up 225 village shops and 28 district marketing complexes.

Srinivasan, D. (2005), has indicated in his paper "Linkage to SHGs through banks" that the banking industry had recorded the utopian recovery rate of more than 950/- of loans to women SHGs with an added bonus on timely repayment. Repayment patterns turned the tables and risks were transformed into safe options in the form of SHGs. He has also explained that the SHGs showed to the world, the most innovative ways of saving—almost refining thrift.

Subashini Muthukrishnan (2005), has explained in her paper "Effective marketing strategies for women". Self-help groups that the SHGs should be careful in terms of positioning their product relative to other
competitive products and markets. It has to decide on the product and in price vis-a-vis its costs of production, returns and the price at which its competitors are selling the product, credit time, marketing infrastructure available, etc. She has also specified that SHGs must focus on improving the quality of their product.

Stephen, K. and Aseilan (2005), have stated in their article “Role of NGO’s in micro financing through self-help groups-A study in Kanyakumari District” that the inability of credit instructions to cover a sizeable segment of the rural poor is generally attributed to, the high cost of administering large number of small loans and the perceived lending risks in the absence of any collateral. They have also mentioned that this prompted a number of NGO's to enter the rural credit scene for organizing the poor into informal groups for mutual help and the benefit; many of these groups have been provided credit support. These NGOs are instrumental in promoting informal structures of the poor to help them save and promote self-reliance in financing their needs through the concept of self-help groups (SHGs). They conclude that NGOs can play a decisive role as an effective delivery mechanism in rural development as they have innate advantage to involve people and ensure their participation in the development process.

Karthikeyan, D., Erode District Collector (2005), in a press release on “Awareness created on social responsibilities and rural development”, has stated that the savings of Self Help Groups (SHGs) in the district is
Rs. 25 crore at various banks. 10,105 SHGs with 1,46,954 women members functioned in the district. Of them, 6856 SHGs are in rural areas. As many as 63,271 of the women members belong to scheduled caste and scheduled tribe. He has also disclosed that as per instructions from the Government, the district administration is initiating steps to start as many SHGs as possible with the support of non-Government Organizations. Once SHGs are formed, the members are to be made aware of social responsibilities and rural development.

Velu Suresh Kumar, (2005), has mentioned in his article "Women Empowerment-Success through Self Help Groups" that apart from financial aspects, it also becomes a platform for exchanging ideas regarding prevention of AIDS, dowry, nutrition, marital laws, literacy, sanitation, children rearing, etc. He has also pointed out that leadership qualities developed through SHG meetings have seen 2500 women becoming presidents (or) members of panchayats and local bodies in the state.

Banumathy, S. (2005), has explained in her article "Self Help Groups and Bank Linkages" that the initial role played by SHGs, prompted NABARD to venture linkage of SHGs with banks in February, 1992. She has also stated that RBI has advised banks to initiate action for adopting SHG village programmers as a part of their corporate, strategy.

Adam (1996) argues that empowerment paradigm has replaced of client treatment which dominated social work in former decades. This
offers an overview of the challenges and ambiguities of the empowerment paradigm in terms of a wide range of empowering relationships from individuals to communities. It describes self help as the most significant traditional activity in Britain on which empowerment practice draws.

According to Suguna B. (2001) the process of empowerment has provided a broad based activity scheduled to the regional, national and global agencies in which participation has been highlighted. By this method participation of women in the decision making process could be enhanced many fold and progress attained in a neb short time. The process of empowerment helps in identifying areas to be targeted planning strategies for action and outcomes, Empowerment is not a process which is horizontal or vertical but a process which goes round in a circle.

Verma, S.K. and Saidu Valulla (1991) from their study on self-employed women in Gujarat have observed that the key factors which make the women in the inferior position are poor economic status, limited choice in decision making in financial matters and non-availability of opportunities for participation in money-generating activities.

Rani (1992) conducted fit study on potential women entrepreneurs with the objective of exploring the factors that promoted women to start their own business. She found that the desire to do something to be independent was the prime motivating factor, which had influenced women irrespective of their age in setting up their units. Some women viewed entrepreneurship as a tool for earning.
According to Nanavaty Reema (1992) economic empowerment is the basis of social and political empowerment for the poor women. The process of liberation starts only when they are unable to survive the economic and ecological marginalization through ongoing and local productive work. By their efforts and products they are organized to penetrate and establish a foothold in the main stream of the economy.

Karl, M. (1995) studied the role of empowerment of women on decision making and concluded empowerment as a multifaceted process, involving the pooling of resources to achieve collective strength and countervailing power and entailing and the improvement of manual and technical skills, administrative, managerial and planning capacities and analytical reflective abilities of local women be enhanced many fold and progress attained in a much short time. The process of empowerment helps identifying areas to be targeted planning strategies for action and outcomes. Empowerment is not a process which is horizontal or vertical but a process which goes round in a circle.

Hill (1990) strongly felt that there is need for a deliberate policy bringing about occupational diversification by encouraging rural industries and support services.

According to Pillai, J.K. (1995) empowerment is an active, multidimensional process, which enables women to realize their full identity and powers in all spheres of life. Power is not a commodity to be
transacted nor can it be given away as aims. Power has to be acquired and once acquired; it needs to be exercised, sustained and preserved.

According to Lalitha Rani N. (1996) women form an important segment of the labour force and economic role played by them cannot be isolated from the total framework of development as the role and degree of integration of women in economic, development is always an indicator of economic independence and social status.

Chaudhary (1996) in her study stressed the need for sharpening women’s empowering strategies to make them effective and results oriented. She pointed out that money earned by poor women is more likely to be spent on the basic needs of life than that by men and that this realization would bring women as the focus of development efforts. She also examined the advantages of organizing women groups thereby creating a new sense of dignity and confidence to tackle their problems with a sense of solidarity and to work together for the cause of economic independence.

Carr Marilya, et al. (1997) reviewed women economic empowerment in South Asia. They defined empowerment as the process of challenging existing power relations and of gaining greater control over the sources of the power. Further, the goal of women’s empowerment is to challenge patriarchal ideology to transform the structures and institutions that reinforce and perpetuate gender discrimination and social inequality.
Empowerment enables poor women to gain access to, and control of both material and informational resources.

The above mentioned studies have their relevance as well as importance, based on the objectives and type of research work they carried out. Besides all these studies, the present study is entirely different from the other studies as it is taken up in order to examine the impact of MGNREGA on economic, social and Political development of rural people in one of the most backward district (Raichur) of Karnataka. Hence, the present study is one of the interdisciplinary one and has national and international status.

**Objectives of the Study**

The Present Study “The Role of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) in Socio-Political and Economic development of Rural People in Karnataka: A Study in Raichur District” have the following objectives.

1) To find out the importance of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) in the process of Rural Development.

2) To study the aims and objectives of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA).

3) To understand the structure and working of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) in Raichur District.
4) To find out the attempt of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) for the upliftment of rural areas particularly weaker sections and women.

5) To assess the Role of Mahatma Gandhi National Rural Employment Guarantee Act in Economic development of Rural people in Raichur district.

6) To assess the Role of Mahatma Gandhi National Rural Employment Guarantee Act in Social development of Rural people in Raichur district.

7) To assess the Role of Mahatma Gandhi National Rural Employment Guarantee Act in Political development of Rural people in Raichur district.

8) To examine the merits and demerits in the implementation of process of Mahatma Gandhi National Rural Employment Guarantee Act and to recommend policy implications for the effective implementation of the Act, over all development of rural people.

**Hypotheses of the Study:**

1. Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) has no role in economic, social and Political development of Rural People in Raichur District.

2. The implementation process of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) in Raichur district helped the rural rich, political representatives and middle class people.
3. Due to the illiteracy and ignorance among the people of rural areas, the working of MNREGA aimed at their development perverted by the district administration.

**Methodology**

The study intents to analyze the working of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) in Karnataka with special reference to Raichur district. Further it intends to identity the role of (MNREGA) for the socio, economic and political development of rural people. Normative (analytical) descriptive, historical methods had been employed in this study.

**Sample Design**

In the present study the required data has been collected randomly with the help of stratified random sample technique. Since the research area consists of five taluks, in each taluk two Gram panchayats will be chosen on the basis of the population, rainfall, economic development, illiteracy and the nature of implementation of (MNREGA). The sample collected in this study is 400. These samples consists of SCs, STs, OBCs, Minorities, Upper Castes and Women.

**Sources of Data**

The present study is made on the basis of both primary and secondary sources. The macro aspect of the study is based on the published and unpublished works on the subject, reports of Rural development and Panchayat raj institutions in the state and expert bodies.
Exclusively in this study, reports, records, annual action plans, bulletins and budget documents prepared by zilla panchayat, district planning of Raichur are the main sources of data. The information is also collected from government websites, www.kar.nic.in, rural.nic.in, localgovernment.com. Secondary data is also collected from books, journals and news papers. In addition to these sources, primary information is also collected through interview by the help of questionnaires with a cross section of the beneficiaries under (MNREGA) and thus collected was used for analysis.

**Data Collection and Tools used in the Study**

For collecting data different methods of social enquiry have been adopted. A special tool was used by the investigator for using scientific process, particularly the questionnaire process, the questionnaire consist of items in all spear over behaviour areas and also to collect personal data i.e., name, sex, age, social, economical, political, educational and cultural backgrounds.

**Data Analysis**

The collected data was analyzed with the help of a computer. The data was transformed into computer code and analysis has been made with the help of simple variable or multi variable tables. Statistical tools such as average, percentage, cross sectional analysis, mean, had used to analysis the data.
**Need, Importance and Scope of the Study**

The study has a vast scope in terms of understanding the nature, organization and working of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) and its role in understanding Economic, Social and Political development of Rural People in Karnataka in general and in Raichur district in particular. It is intended to make a study on the organization, working and its impact on the overall development of rural areas. A part from this, it also the aim of study to make an analysis of socio-economic and political status of rural areas and poor households with the impact of MGNREMGA in the study area. Therefore, the present study has its importance and scope.

**Statement of the Problem**

The statement of the present study entitled “The Role of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) in Socio-Political and Economic development of Rural People in Karnataka: A Study in Raichur District”. The (MNREGA) in Karnataka has evolved due to the recommendations of various study teams, and the acts of central and state.

**Limitations of the Study**

The presents study has certain limitations, which must be considered for the purpose of specific study and limited nature of research to be undertaken. Though the existence of several poverty eradication programmes even before the enforcement of NREGA 2005, there was not proper co-ordination between the institutions of rural development. In the
state of Karnataka, the working and implementation of poverty eradication (NREGA) was not in accordance of implementing rural developmental programme. Therefore, in the present study the aims, powers, working and the implementation process and its role in socio-political and economic development of rural people in Raichur district is taken into consideration.

The study employed only percentage, average and means analysis. This is also to be seen in view of the purpose of the study. There is no scope to be other types of statistics, since the study intended to deal with the role of NREGA in the development of rural people.

The study has been undertaken only in Raichur district. The finding of the present study naturally will have relative validity. The researcher has chosen to deal with a few variables. However, it will encompass innumerable variables, which the researcher considered to be significant for the study.

The researcher was set with time and special constraint due to time and resources. The data may not be all existence which is ideally required for this kind of study.

**Organization of the Research Work:**

The research study is organized in to seven chapters, which are as follows:
Chapter I: Introduction.

This chapter discusses the introductory aspects, review of related literature, statement of the problem, objective of the research study, scope of the study, importance of the study, methodology, sources of data, limitations of the research study etc.

Chapter II: Mahatma Gandhi National Rural Employment Guarantee Act: Historical Perspective:

This chapter is intended to discuss in detail relating to the evolution of MNREGA in India and Karnataka.

Chapter III- Employment Programmes in India With Special Reference to MENREGA:

This chapter is intended to discuss in detail relating to the employment programmes implemented in India for the purpose of rural development.

Chapter IV: Profile of Raichur District:

This examines the detail profile of Raichur district along with the analysis of MNREG in the study area. In this chapter the researcher has made an attempt to assess the rural development through MNREG in Raichur district.

Chapter V: Socio–Political Impact of MGNREGA - Evidences from Field:

This Chapter focuses on Socio- Political Development of Rural Areas in Raichur District. In this chapter the data has been collected from field with the help of questionnaire and analysis has been made to assess the
impact of MGNREGA on development of Socio-Political conditions in rural areas of Raichur district.

Chapter VI- Economic Impact of MGNREGA - Evidences from Field:

This Chapter focuses on Economic Development of Rural Areas in Raichur District. In this chapter the data has been collected from field with the help of questionnaire and analysis has been made to assess the impact of MGNREGA on development of Socio-Political conditions in rural areas of Raichur district.

Chapter VII: Conclusion.

This chapter focuses on what are all done in the previous chapters along with finding and policy implications of the research work.
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