Chapter I

INTRODUCTION
1.1. Introduction

The National Rural Employment Guarantee Act or NREGS is an Indian job guarantee scheme, enacted by legislation on August 25, 2005. The scheme provides a legal guarantee for 100 days of employment in every financial year to adult members of any rural household willing to do public work, related to unskilled manual work at the statutory minimum wage of Rs.100 per day. The Central government outlay for the scheme is Rs. 39,100 crores ($8 billion) in the financial year 2009-10.

This act was introduced with an aim of improving the purchasing power of the rural people, primarily semi or un-skilled work to people living in rural India, whether or not they are below the poverty line. Around one-third of the stipulated work force is women. It has been renamed as Mahatma Gandhi Rural Employment Guarantee Act on 2nd October, 2009.

A majority of the poor in rural areas of India depends mainly on the wages they earn through unskilled, casual and manual labour. The sinking labour demand and unpredictable natural disasters adversely affect their employment opportunity. They are vulnerable to the possibility of chronic poverty. The unemployment in the rural area forces them to migrate to the urban and the life become more miserable for them. When the professionals in the global of information technology flourish with more income and economic growth, their counterpart namely the rural youth are not provided with sufficient employment opportunity.

The National Rural Employment Guarantee Act, 2005 provides for enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work. The Act has been notified in all the rural areas in the country. By providing employment to those who seek it, this Act has emerged as one of the largest social safety net providing employment to 4.51 crore rural households in 2008-09 and providing employment to more than three crore households in the current financial year.

For the first time in India, citizens are guaranteed employment by the government. Under the terms of the National Rural Employment Guarantee Act (NREGS), passed by the Government of India in August 2005, each rural Indian household is now entitled by law to one hundred days of unskilled work per year on
public work programmes. Although countless schemes have provided temporary employment on public work programmes at the government’s discretion, no National Indian policy or legislation has ever before provided any guarantee of employment. Now, within fifteen days of a valid application, the government must provide work or unemployment allowance\(^1\). Countless activists, politicians, and academics have hailed the NREGS as vital legislation for improving the situation of rural workers\(^2\).

The key institutions for this change were the Congress political party, which included guaranteed employment in their manifesto for 2004 general elections. The civil service and the democratic political system that shaped the development of the Act after 2004 elections and prevailing attitudes that predisposed key decision-makers towards employment programmes and rights-based approaches.

Activists campaigning for guaranteed employment and powerful members of the government, particularly Congress Party Chairperson Sonia Gandhi were critical actors in pushing through the change against resistance from other actors in the government. The 2004 general election, won by the Congress alliance, was the critical catalyst that turned guaranteed employment from a relatively minor policy suggestion in the Congress Party into part of the national policy agenda.

1.2. Context of NREGS

India is the world’s largest democracy. In the last decade, the growth rate of India’s Gross Domestic Product has been around seven percent. However, India also contains more poor people than any other country. Estimates of what percentage of India’s 1.15 billion people are in poverty vary widely, depending on what features of poverty are analyzed and which data and methodologies are used.

At one end, the official National Sample Survey Organization finds that 1-5% of the population is ‘hungry’. At the other, calorie-based poverty is estimated at around 60\(^3\). Official Planning Commission estimates of head-count ratios for consumption, poverty are around 23.6% in urban areas and 27.1% in rural areas, but other estimates using the same data rise to 34.6% and 45.3% respectively\(^4\).

Within this ‘great debate’, the rural poor are generally understood to be worst off. Many argue their situation is worsening. For instance, one recent analysis found that although official data estimates that the percentage of rural households below the poverty line has fallen from 45.65% in 1993 to 27.9% in 2000. The other estimates suggest that the percentage of rural people consuming less than 90% of the required
calories has risen from 40.9% to 45.2% over the same period\textsuperscript{5}. The official estimates of unemployment among agricultural labour households have increased from 9.5% in 1993-1994 to 15.3% in 2004-2005\textsuperscript{6}.

Reports of 'rural distresses' abound in India's vibrant media. Many concern farmer suicides, usually on the part of small landholders who cannot maintain their agricultural practices in the face of rising input and credit costs and uncertainties in yield and market prices\textsuperscript{7}. Others address a separate (though related) phenomenon, more relevant to the NREGS reveals starvation deaths resulting from inadequate employment, poverty, and the failure of subsistence production during droughts\textsuperscript{8}.

A few studies have also emphasized the government's failure to prevent starvation both through its food distribution and its employment programmes. This narrative is closely bound up with criticism of 'neoliberal' economic reforms that the Congress government initiated in the early 1990s. As part of this advocacy, the People's Union for Civil Liberties submitted a Public Interest Litigation on the 'Right to Food' to the Supreme Court in 2001.

The Supreme Court has, as a result, issued various directives ordering the government to improve the performance of its programmes. Although these directives did not directly influence the progress of the NREGS, the Supreme Court's favourable opinion encouraged activists to increase the intensity and scope of their demands for improved government programmes\textsuperscript{9}.

1.3. Progress of NREGS up to the Congress Manifesto

Activists demanding improved government action on rural poverty tended to focus on one institution, the Congress party. The Congress party organized much of the struggle for Independence under Mahatma Gandhi and subsequently pursued a broadly left-of-centre model of development for thirty years led by Prime Minister Jawaharlal Nehru and his daughter Indira Gandhi. Interactions between actors within the Congress party and actors in the activist network encouraged the development of guaranteed employment as an issue.

First, activists came from a variety of institutions with different objectives. Whether the goal was rural poverty reduction, women's empowerment, democratization, or workers' rights, these actors perceived guaranteed employment as the most appropriate instrument. This perception was no doubt influenced by the recognition that a united activist front was more persuasive, by the context of rural
distress described above, by India’s long history of employment programmes, including the Maharashtra Employment Guarantee Scheme, and by the broader developing discourse in India on rights-based approaches.

In brief, however, it was felt that a demand-based system (where applicants must apply for work) would strengthen civil action. If work was not provided, applicants would be entitled to unemployment allowance. These constitute major changes from the passive beneficiary employment programmes of the past.

Second, Congress leaders responded favourably to representations and encouraged activists. Crucially, Congress Party president Sonia Gandhi took up the issue, writing to Congress Chief Ministers in 2001 to explore the idea. Two Congress leaders involved in framing the manifesto for 2004 elections, Manmohan Singh and Jairam Ramesh, were also in direct contact with activists. The idea of an employment guarantee act (EGA) gained some credence in Congress State leaderships and at various Congress party meetings.

1.4. The Post-Election Passage & NREGS

The critical event in the passage of the NREGS was the Congress alliance’s surprising victory in 2004 general elections. This alliance formed the United Progressive Alliance (UPA) government, which achieved a majority with the outside support of the Left parties (the CPIM and CPI), which had achieved unprecedented success. The UPA-Left coalition’s hastily prepared policy programme, the National Common Minimum Programme (NCMP), included an EGA.

In the immediate aftermath of the election, some commentators argued that the election provided a mandate for Congress and Left policies, including the EGA. This has subsequently been shown to be largely false and the Congress victory was primarily the result of strategic alliances and favourable vote-seat ratios.

However, the election result had three important immediate consequences. First, it may have created the perception among the Congress leaders that an EGA was politically sensible. Second, the Congress leadership needed to prepare a policy programme rapidly as the most relevant document available, the manifesto would thus form a central part of this. Third, the Left parties’ presence would in any case have made it difficult to remove employment guarantee from the programme even if the Congress leaders had wanted to - which they did not.
A directive for an EGA thus entered the institutions of the bureaucracy and the democratic policy process. First, however, Sonia Gandhi’s Italian birth became a political issue and instead of becoming Prime Minister, she chaired the newly formed National Advisory Council (NAC). This extra-constitutional group would oversee the implementation of the NCMP, and included several actors closely committed to the employment guarantee agenda, including professor and activist Jean Dreze, activist Aruna Roy, and Congress leader Jairam Ramesh. The NAC released a draft EGA based on the civil society draft from Rajasthan.

The Ministry of Rural Development was instructed by the Prime Minister’s Office (PMO) to work on this draft, in consultation with representatives from other concerned Ministries, primarily, Finance, Panchayati Raj (Village Government), and Labour. The passage of the draft through these bureaucracies is too complex to describe here. In brief, however, the Ministry of Finance was able to introduce a number of clauses intended to limit the government’s potential financial liability but which, in the view of activists and Left leaders would seriously compromise the ability of the proposed Act to achieve the multiple objectives they envisaged.

The Ministry of Rural Development was opposed to many (not all) of these insertions on the grounds that they would complicate the administrative handling of the schemes, but were over-ridden by Finance, supported usually by the Planning Commission (the powerful government-appointed body responsible for economic planning) and the PMO. The National Rural Employment Guarantee Bill (NREGB) that was submitted to the Parliament on 21st December 2004 was met with an outcry from activists and politicians, particularly from the Left.

The NREGB was referred on 23rd December to the Standing Committee on Rural Development (a bi-partisan group of MPs) for improvement, and a Group of Ministers was constituted to oversee its progress. From this stage onwards, the institutions through which the Bill passed meant that the politicians exercised greater control over the draft relating to bureaucrats, and activists were largely excluded from direct contribution. The prevailing public discourse around poverty and rural distress made it very risky for politicians to openly support the restrictions introduced by the Ministry of Finance, because they were seen as ‘anti-poor’. Given the large number of rural poor in India, such support was widely considered political suicide.
In large part, this association of fiscal restraint with being anti-poor was deliberately driven by a determined campaign by activists and (increasingly) left parties. This campaign involved a rural march sit-in protests, direct contacts with politicians, and public hearings, all given strong media coverage, especially by the left-of-centre media. Although this was effective in mobilizing awareness of the NREGS, some other civil society actors, who considered themselves pro-poor, were concerned that the stridency of the campaign foreclosed a reasoned debate about other policy or legislative options.

There was a tendency in public discourse, it was felt, to group the many who were vocal in the (usually right-wing) media in arguing against the NREGS on the basis that growth is a more appropriate government objective than redistribution, with those who argued against the NREGS but were in favour of other redistributive measures.

The Ministry of Rural Development was again given responsibility for incorporating the Standing Committee’s report, which was transferred to the Ministry on 5th July 2005. This report recommended removing most of Finance’s insertions into the NAC draft and making the guarantee offered in the NAC draft more expansive. However, as the draft passed through the Group of Ministers to the Cabinet and was again submitted to Parliament on 18th August 2005, several important issues were resolved by the intervention of key actors in the UPA government.

First, Sonia Gandhi intervened to ensure that two of Finance’s demands were over-ridden that the guarantee of employment could not be terminated by administrative decree and that employment would not be restricted to applicants holding Below Poverty Line cards. She was also successful in ensuring that the scheme would be implemented mainly through the gram panchayats (elected village governments) rather than State bureaucracies as the Ministry of Rural Development had wished.

There had been bitter debate between the Ministries of Rural Development and Panchayati Raj on this issue. The empowerment of the panchayats was an issue taken up initially by Sonia Gandhi’s husband and Congress Prime Minister Rajiv Gandhi in the late 1980s, and this association undoubtedly played a vital role in her firmness on this issue. Most activists supported all three of Sonia Gandhi’s interventions.

Second, at the behest of the Ministry of Finance, a ‘corruption clause’ was inserted at the last moment. This clause, not present in earlier drafts, permitted the
stoppage of funds to the scheme if there may be an evidence of corruption. Activists were extremely critical of this clause because they believed, it introduced incentives not to expose corruption, and this went against much of their other arguments and efforts around transparency, empowerment and the importance of the newly passed Right to Information Act.

Finally, despite attempts by the Left and by many activists to secure State minimum wages under the scheme, the Minister for Rural Development successfully moved an amendment in Parliament to allow the Central government to over-ride State minimums, subject to the centrally notified wage being a minimum of Rs 60/- a day. This was lower than the national floor wage of Rs 66 notified by the Ministry of Labour, but higher than some (not all) State minimums. This amendment was bitterly resented by many of the Left, because it creates the possibility for the government to set wages paid under the scheme below the State minimum in States where the minimum wage is above Rs 60.

Despite strong reservations on these and other issues from activists, bureaucrats, and some politicians, the NREGS was passed unanimously on 23rd August 2005. The final text was a compromise, but one which many felt had the potential to achieve much. With the law in place, the struggles over implementation began in February 2006.

1.5. Early Implementation Signs for NREGS

It is generally agreed that implementation has lasted insufficiently long to draw strong conclusions about the efficacy of the NREGS in achieving outcomes. NREGS is initially implemented in 200 ‘backward’ districts across India. The backwardness of the districts (often in terms also of their administration) and the early stages of implementation (such that administrations did not have time to set up systems by the peak demand months between April and June) imply that current data may underestimate the NREGS potential effectiveness.

Nevertheless, Drèze and Oldiges (2007) summarise data that are available from the Ministry of Rural Development for the first financial year (April 2006-2007)11. These show that 900 million person-days of employment were created or 17 person-days per rural household (against an allocation of 100). Thus while this is, Drèze and Oldiges argue, a vast improvement on previous wage employment programmes, the NREGS is currently falling well short of its potential in terms of employment creation.
Some tentative points about the pattern of implementation can be made. First, civil society organizations and advocates of the NREGS are reporting that it is making a significant difference to the livelihoods of rural households, and is reportedly reducing distress migration from some areas.

Second, the effectiveness of the NREGS varies significantly across the States and districts. For example, Ministry data shows that person-days of employment per rural household ranges from 77 in Rajasthan to only three in Kerala. Reports by civil society organizations confirm that this variation reflects variations in other parameters (wages paid, working conditions, and so on). In some cases, the stipulated wages are paid, in others, adverse piece rate or cheating coupled with lack of workers' knowledge of the correct rates leads to significant underpayment.

Third, it seems that some states with high need (including poor Northern States Bihar, Uttar Pradesh, and West Bengal) are performing quite badly in terms of person-days, wage rates, female participation, and so on. Finally, the States governed by the Congress and the Left parties are not working assiduously to 'own' the NREGS, rather, their implementation appears quite poor in comparison with States governed by the BJP. This tentative finding confirms that the passage of the NREGS was entrepreneurial rather than driven by electoral political concerns.

1.6. Poverty and NREGS

As we are aware, the National Rural Employment Guarantee Act, 2005 (NREGS/NREGA) aims at enhancing the livelihood security of the people in rural areas by guaranteeing 100 days of wage employment in a financial year to a rural household whose members volunteer to do unskilled manual work. The pro-poor policy of the Government is to create durable assets in one hand and at the same time to strengthen the livelihood of the rural poor needs a special mention.

The National Rural Employment Guarantee Scheme is no doubt, one of the finest Social Welfare enactments with an aim of improving the purchasing power of the rural people, primarily semi or un-skilled people living below poverty line in rural India. It attempts to bridge the gap between the rich and the poor in the country. Roughly, one-third of the stipulated work force must be women.

As per the data available in the World Bank report, more than 30 per cent of the Indian population lives on less than Rs 43.50 a day, but Indian economists believe the figure of poor, especially rural poor could be much higher. We have tried to fight
poverty by various means, but have met with little success. So, what India needs is something more lasting than patchwork policies to help its millions of poverty stricken people.

The NREGS is one of the means, which can solve the problem, given that it has the potential to provide a livelihood of millions. The success of any scheme depends upon the proper and timely implementation. Awareness is one of the main components for the success of any Scheme. There are several rights guaranteed under NREGS.

1.7. Job Cards and Guarantee of Employment

With job card, the adult members of the household in the rural areas are entitled to apply for work at any time. If they apply for work, employment has to be given within 15 days and if they do not get employment within 15 days, they are entitled to unemployment allowance. The workers are entitled to the statutory minimum wage, men and women should be paid equally, and wages should be paid within a week and in public.

Experience shows that barely half of all adults in NREGS districts are aware of the Employment Guarantee Act. According to a survey, the level of awareness ranges from 29% in Jharkhand to 98% in Andhra Pradesh. A comparison between total number of eligible households and number of households that registered for job cards or sought jobs shows a terrible lack of awareness about the NREGS.

1.8. Poverty and Unemployment

Since 1951, eradication of poverty and unemployment has been the major objectives of development planning in India. There have been continuous efforts to tackle the problem of unemployment in India. In the past, public employment programmes targeted at the poor are generally identified with poverty alleviation.

The NREGS goes beyond poverty alleviation and recognizes employment as a legal right of the job seekers in rural areas. In July 2004, a draft National Rural Employment Guarantee Act was prepared by concerned citizens and sent to the National Advisory Council. The NREGS was started as a pilot project from 14th November 2005 in selected districts of the country but later on from 2nd February 2006, it was formally initiated in 200 selected most backward districts of 27 States of the country. In 2007 it was extended to cover another 130 districts and with effect from April 1, 2008, the act is to cover all 604 districts of rural India.
Under this programme, a person from each rural family is guaranteed for unskilled wage employment for a minimum of 100 days in a year. Through this programme assets and infrastructure are to be created, which later on assist in securing sources of livelihood. One of the salient features of this programme is that if employment is not provided then employment allowance will be given to the identified job seekers in the rural areas.

This Act has been extended to cover not just Below Poverty Line (BPL) households but is entitled to the statutory minimum wage applicable to agricultural workers in the state unless the central government overrides this by notifying a different wage rate. If the central government notifies a wage rate, it is subject to a minimum of Rs.80 per day.

The act was brought about by the UPA coalition government supported by the left parties. The promise of this project was one of the major factors that gained UPA victory in the Indian general election, 2004. Dr. Jean Drèze, a Belgian born economist, at the Delhi School of Economics, has been a major influence on this project.

1.9. The plan of the Programme

The NREGS is an act and can be amended only by Parliament. The act directs state governments to implement NREGS schemes. Under the NREGS the Central Government meets the cost towards the payment of wage, 3/4 of material cost and some percentage of administrative cost. State Governments meet the cost of unemployment allowance, 1/4 of material cost and administrative cost of State council.

Since the State Governments pay the unemployment allowance, they are heavily incentivized to offer employment to workers. However, it is up to the State Government to decide the amount of unemployment allowance, subject to the stipulation that it not be less than 1/4th of the minimum wage for the first 30 days, and not less than 1/2th of the minimum wage thereafter. The 100 days of employment (or unemployment allowance) per household must be provided to able and willing workers in every financial year.

1.10. Process of NREGS

Adult members of rural households submit their name, age and address with a photo to the Gram Panchayat. The Panchayat registers households after verification and issues a job card. The job card contains the details of the adult member enrolled and his/her photo. A registered person can submit an application for work in writing (for at
least fourteen days of continuous work) either to the panchayat or to the Programme Officer.

The panchayat/programme officer accepts the valid application and issue a dated receipt of application. A letter providing employment will be sent to the applicant and also displayed at the panchayat office. Employment will be provided if possible within a radius of 5 km. If it is above 5 km, transport allowance and 10% extra living allowance will be paid. New public works can be started when at least 50 workers become available who cannot be absorbed under the existing schemes.

If employment under the scheme is not provided within fifteen days of receipt of the application, the unemployment allowance will be paid to the applicant. No discrimination between men and women is allowed under the act. Therefore, men and women must be paid the same wage. All adults can apply for employment, not just those below the poverty line.

1.11. NREGS renamed Mahatma National Rural Employment Guarantee Act

The Act has thus opened up opportunities to the rural households to obtain local employment, enhance their wage earning and through their labour to create rural assets which contribute to development of the rural economy. The association of the name of Mahatma Gandhi with National Rural Employment Guarantee Act, 2005 will reinforce the Act's thrust towards equity and inclusiveness, especially of the deprived groups and socio-economically marginalized communities.

The provisions of the Act of public accountability, through social audit and Right to Information will get central focus with the association of Mahatma Gandhi’s name, reflecting his ideas of the sovereignty of the public in a democracy. The Act is premised on rural households volunteering to do unskilled manual labour and the association of Mahatma Gandhi’s name with it underscores the dignity of labour. It is, therefore, considered befitting that the said Act bears the name of the Father of the Nation “Mahatma Gandhi” as it is a concrete expression of his development vision. Accordingly, the title of the said Act is proposed to be amended as the ‘Mahatma Gandhi National Rural Employment Guarantee Act’.

The government has renamed its flagship ‘Rural Job Guarantee Programme’, the National Rural Employment Guarantee Scheme, after Mahatma Gandhi on his birth anniversary. The Centre has also decided to appoint 100 prominent people from across the country to carry out independent evaluations and monitoring of the scheme. The
National Rural Employment Guarantee Act (NREGS), the United Progressive Alliance (UPA) government's flagship job scheme that provides 100 days of work in a financial year to every rural household, will now be called the Mahatma National Rural Employment Guarantee Act (MNREGA).

The new name was unveiled on the birth anniversary of Mahatma Gandhi, on October 2, 2009, with Prime Minister Manmohan Singh announcing it to a gathering of heads of villages in New Delhi to commemorate the 50th anniversary of the launch of Panchayati Raj. This is a small effort to pay homage to the Mahatma who always believed in gram swaraj.

Flooded with complaints about corruption in NREGS works, the Centre has also decided to appoint 100 prominent people from across the country to carry out independent evaluations and monitoring of the scheme. The idea is to openly discuss its performance and share the details with gram panchayats and villagers so that the scheme can be implemented well and transparency brought in. The government of India has decided to identify 100 eminent citizens to report independently on the progress of the scheme.

1.12. History and Funding of NREGS

The scheme started from February 2, 2006 in 200 districts, was expanded to cover another 130 districts in 2007-2008 and eventually covered all the districts in rural India in 2008. The outlay was Rs. 11,000 crores in 2006-2007, and has been rising steeply, to Rs. 39,100 crores in 2009-2010.

1.13. Implementation of the Scheme

The Comptroller and Auditor General (CAG) of India, in its performance, audit of the implementation of NREGS have found significant deficiencies in the implementation of the act. Around 449.41 lakh rural households were provided jobs under NREGS during 2008-09, with the national average of 48 working days per household.

1.14. Works/Activities under NREGS

The NREGS achieves twin objectives of rural development and employment. The NREGS stipulates that works must be targeted towards a set of specific rural development activities such as water conservation and harvesting, afforestation, rural connectivity, flood control and protection such as construction and repair of
embankments, etc. Digging of new tanks/ponds, percolation tanks and construction of small check dams are also carried out under this scheme.

Micro irrigation works such as construction of small canals is also carried out. The scheme provides irrigation facilities to land owned by people coming under SC/STs, beneficiaries of land reforms, Indira Awas Yojana, etc. Renovation of traditional water bodies is also carried out. This involves desilting of tanks/ponds, old canals, open wells, etc. Land development is also given importance. The unemployed are given work such as land leveling, tree plantation, etc.


1.15. IT implementation

The NREGS is the first programme having been implemented with full IT support. TATA Consultancy Services, India’s largest IT/ITES sector company has designed the software solution for the state of Andhra Pradesh. NIC, a government of India undertaking, developed solution has been implemented in other areas.

1.16. NREGS / APREGS IN A.P.

The NREG Act 2005 provides enhancement of livelihood security, giving at least 100 days of guaranteed wage employment in every financial year to every rural household, whose adult members volunteer to do unskilled manual work. Panchayats at districts, intermediate and village levels will be the principal authorities for planning and implementation of the scheme. As per the NREGS, Government of Andhra Pradesh notified the Andhra Pradesh Rural Employment Guarantee Scheme on 2nd February 2006. The APREGS is implemented currently in 22 districts. However, the APREGS is also called as NREGS or NREGA and recently as MGNREGA in the state also.

1.17. Significance of the Study

Programmes for reduction of poverty in India have to be viewed in the wider perspective of the socio-economic transformation in the country. The experiences of the
working of poverty alleviation programmes are not uniform in the country as a whole. Against this background of non-uniform implementation and performance of Special Employment Guarantee Scheme and anti-poverty programmes, the present study tries to assess the working of NREGS in Kurnool district of Rayalaseema region in Andhra Pradesh.

Kurnool district is one of the chronically drought prone districts of India and has been identified by the World Bank for special assistance. So, it is hoped that the study of the performance of NREGS in Kurnool district would be of considerable interest both to the planners and to the administrators. The NREGS is a demand driven scheme and has its focus on works relating to water conservation, drought proofing, land development, flood control and rural connectivity in terms of all weather roads. If it is implemented effectively, NREGS is going to be biggest social security programme for the unorganized workers.

The results of NREGS implementation are that the programme is supplementing the meager incomes of rural poor and reducing their dependence on moneylenders. The empowerment of rural poor by placing the right to demand for work is in the hands of poor is the biggest gain of the NREGS. The scheme is in the process of implementation and has also yielded productive assets in villages, specially in the form of village tanks, new school buildings, roads and repairs of old ones in those areas.

The special feature of the NREGS has been as one third of the scheme’s beneficiaries must be women. This type of programme becomes employment oriented, village oriented, poor oriented and basic needs oriented probably has more effective ‘trickle down effect.’ In these circumstances, the NREGS has become very vital for providing employment to poor people in rural India.

The study is based both on primary and secondary data, official reports concerning the working of NREGS have been widely used. Along with these, a sample study has also been undertaken.

1.18. Objectives of the Study

- to examine the status of NREGS in Andhra Pradesh
- to analyze the performance of NREGS in Kurnool district of Rayalaseema region in Andhra Pradesh and in the selected mandals
- to evaluate the NREGS in the selected Gram Panchayats under study
- to find out the socio-economic characteristics of the sample respondents
• to examine the awareness of the NREGS workers on the implementation process of NREGS at field level
• to work out the extent of additional employment generation from the NREGS to improve the living conditions of the rural poor
• to assess the changes in the income levels of the job seekers/rural poor after the implementation of NREGS
• to work out the contributions of the NREGS in the socio-economic transformation of rural households and
• to summarize the findings and to suggest the policy recommendations based on the field study

1.19. Methodology

For the purpose of the present study, Kurnool district of Rayalaseema region in Andhra Pradesh has been selected in the first stage. In the second stage three revenue mandals covering one from each revenue division (Mahanandi of Nandyal revenue division, Peapally of Kurnool revenue division and Alur of Adoni revenue division) have been selected based on availability of irrigation facilities and the development process. In third stage, four gram panchayats from each selected revenue mandal have been selected. In the final stage, 25 sample job seekers working under NREGS have been selected on the basis of simple random sampling covering different caste category. This altogether covers three revenue mandals, 12 gram panchayats, 25 respondents from each gram panchayat with coverage of 300 sample respondents belonging to different categories. The sample details are presented in table 1.1.

Table 1.1: Details of Sampling for the Study in Kurnool District

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<th>S.No.</th>
<th>Revenue Division</th>
<th>Mandal</th>
<th>Source of Irrigation</th>
<th>Gram Panchayat</th>
<th>Sample Size</th>
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<td>1.</td>
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<td>2.</td>
<td>Kurnool</td>
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Source: Primary Data
1.20. Sources of Data

For the purpose of the study, primary and secondary data were collected from different sources to assess the impact of NREGS on the living conditions of rural poor. The primary data was collected with a well prepared schedule. The secondary data was collected from the concerned gram panchayat offices, mandal offices, DWMA office, Kurnool and other concerned offices and research institutes at Hyderabad.

1.21. Statistical Tools

To analyze the primary and the secondary data to find out the impact of NREGS on the living conditions of rural poor in the sample areas, the data was interpreted by way of simple percentages, averages, pie and bar diagrams and with the help of other statistical tools wherever applicable.

1.22. Plan of the Study

The study comprises with ten chapters. The first chapter presents the introduction of the study, importance of National Rural Employment Guarantee Scheme (NREGS), review of literature, methodology, objectives and the chapter scheme.

The second chapter is a review of the structure and status of NREGS in India in general and in Andhra Pradesh in particular. The third chapter deals with the profile of Andhra Pradesh and the status of NREGS in the state. The fourth chapter analyses the profile of Kurnool district and the progress of NREGS in the district.

The fifth chapter covers the working and progress of NREGS in the selected mandals. The sixth chapter is entirely concentrated to study the performance of NREGS in the selected gram panchayats under reference. The seventh chapter examines the socio-economic characteristics of sample NREGS respondents in the selected gram panchayats underer study.

The eighth chapter is devoted for analyzing the awareness of the sample respondents on NREGS programme. The ninth chapter reviews the impact assessment of NREGS on income and employment generation and asset creation in the rural areas. The last chapter is devoted for summary of findings and policy recommendations.
1.2.3. References


