

1.1 INTRODUCTION

In India unemployment is a crucial problem. Due to unemployment a lot of problems are arising in our country. Poverty, illiteracy, underdeveloped agriculture sector etc. are the results of unemployment. In order to eradicate poverty, illiteracy and to develop agriculture sector Government has undertaken different schemes. This lead to the emergence of Mahathma Gandhi National Rural Employment Guarantee Act (MGNREGA)

The MGNREGA is an Indian law that aims to guarantee the right to work and ensure livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household. It was notified on SEPTEMBER 7, 2005. According to 11th 5 year plan(2007-2012),the plan targeted poverty through MGNREGA which promised employment as an entitlement. Previous Employment Guarantee Scheme (EGS)were“Sampoorna Grameen Rozgar Yogana” (SGRY) or Rural Employment Program and National Food for Work Programme (NFFWP). Both SGRY and NFFWP merged with MGNREGA for providing short term unskilled employment to poor, assured food and job security. The unemployment allowances must be paid if the work is not provided with in the statutory limit of 15 days. It is a recent employment scheme in India for providing 100 days guaranteed wage employment for all employment seekers above 18 years of age and willing to do work.

While MGNREGA is a landmark legislation that promotes decentralization, transparency, accountability and participation of marginalized sections. It also faces challenges due to its large scale focus and spread across the country, and other institutional constraints depending on the state/district of implementation.

This bottom up people centered, demand driven architecture also means that a great share of the responsibility for the success of the MGNREGA lies with wage seekers, GramaSabhas and GramaPanchayaths (GSs and GPs). The MGNREGA is implemented as a centrally sponsored scheme on a cost sharing basis between the center and the state as determined by the Act. Implementation of MGNREGA

involves role and responsibilities of a large number of stake holders from the village to the national level.

This is a rural wage employment program in India. It provides for a legal guarantee of at least 100 days of unskilled wage employment in a financial year to rural households whose adult members are willing to engage in unskilled manual work at a pre-determined minimum wage rate.

The objectives of the Act are: To enhance the livelihood security of the rural poor by generating wage employment opportunities; and to create a rural asset base which would enhance productive ways of employment, augment and sustain rural household income.

MGNREGA was initially implemented as National Rural Employment Guarantee Act (NREGA) in 200 selected backward districts in India on February 2, 2006. It was extended to an additional 130 districts with effect from April 1, 2007. Later, the remaining 285 districts were covered from April 1, 2008. The National Rural Employment Guarantee (Amendment) Act, 2009 renamed NREGA as MGNREGA.

Section 4(1) of MGNREGA mandates the design and implementation of State-specific Rural Employment Guarantee Schemes (REGS) to give effect to the provisions made in MGNREGA. Section 6(1) empowers the Central Government to specify the wage rates for MGNREGA beneficiaries. So far, the wage rates have been modified three times, the latest being on January 14, 2011 where the base minimum wage rate of Rs.100 was indexed to inflation.

MGNREGA is unique in not only ensuring at least 100 days of employment to the willing unskilled workers, but also in ensuring an enforceable commitment on the implementing machinery i.e., the State Governments, and providing a bargaining power to the laborers. The failure of provision for employment within 15 days of the receipt of job application from a prospective household will result in the payment of unemployment allowance to the job seekers.

1.2 SIGNIFICANCE OF THE STUDY

This present research on impact evaluation of the MGNREGS is intended to assess the impact of this scheme on the overall quality of life of people by gauging different parameters associated with the improvement of overall quality of life Of BPL people such as impact on income, earning levels of each household, expenditure on food and non-food items, household and cultivable assets creation by the beneficiaries. This study also captured the impact of the scheme to arrest out-migration, views and feed-back of the beneficiaries on various facets of implementation of the scheme at grass root level right from the stage of issue of job cards etc.

1.3 STATEMENT OF THE PROBLEM

Unemployment is one of the basic problems faced by most of the developing countries. Due to unemployment number of people living in a poor condition, most of them face poverty too, for avoiding all these problems the Government of India implemented an effective programme namely MGNREGA. This programme provide a lots of job opportunities to the people in agriculture and such other sectors.

1.4 OBJECTIVES OF THE STUDY

- To understand the response of ordinary people towards the MGNREGA.
- To understand the benefits enjoyed by the employees through MGNREGA.
- To analyses the success of MGNREGA in Kannur District.
- To find the working of MGNREGA in Kannur District.
- To find the draw backs of the programme

1.5 SCOPE OF THE STUDY

This study helped to identify the response of people towards MGNREGA and the benefits of people from the programme. The study enabled to find out the benefits and drawbacks of the programme in Kannur District.

1.6 RESEARCH METHODOLOGY

This study is based on 100 individuals and hence survey method is adopted. Since the population consists of large number of people, sample study is followed. This study used both kinds of data, namely primary and secondary. For collecting primary data questionnaire method was used.

1.6.1 SOURCES OF DATA

Source of Data

The sources of the data collected for the purpose of the study are broadly bifurcated into two:

- **Primary Data**

The data that has been collected from first-hand-experience is known as primary data. Primary data not been published yet and is more reliable, authentic and objective. Here primary data is collected from 100 respondents in Kannur District by a pre-standard questionnaire.

- **Secondary Data**

The data collected from a source that has already been published in any form is called secondary data. These secondary data is collected from various books, magazines, journals, internet etc.

1.6.2 SAMPLING DESIGN

A sample design is a finite plan for obtaining a sample from a given population. Non-Probability sampling design is used for this study. It is a sampling procedure which does not afford any estimating the probability that each item in the population has of being included in the sample.

1.6.3 SAMPLE AREA

The area is conducted among respondents from Kannur District

Samples are collected from different individuals from Kannur District

1.6.5 SAMPLE SIZE

We intend to conduct a sample survey, by taking a sample of 25 respondents from different locations of Kannur District.

1.6.6 SAMPLING TECHNIQUE

By convenience sampling method, a sample of 100 respondents was selected. A convenience sample is obtained by selecting convenient sampling units. The method of convenience sampling is also called chunk. A chunk refers to that fraction of the population being investigated which is selected neither by probability nor by judgment but by convenience.

1.7 LIMITATIONS OF THE STUDY

The major limitations of the study are;

- ❖ The study is confined to 100 individuals, thus finding may have limited applications.
- ❖ A detailed study could not be carried out owing to the time limit.
- ❖ The study depends entirely on the response of rural people.
- ❖ Prejudicial attitude of certain people to supply correct information.