

## **Activities and Institutional Mechanism of MNREGA and its Effectiveness in West Bengal**

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### **ABSTRACT**

The study was conducted in two districts, Burdwan and South Dinajpur of West Bengal with 200 Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) beneficiaries as respondents to assess the perceived effectiveness of MNREGA and to understand different activities and institutional mechanisms involved in MNREGA. The results revealed that rural connectivity was the most preferred work under the programme. Works like land development and renovation of traditional water bodies were benefiting local agriculture. A conceptual model of institutional mechanism of MNREGA functioning has been proposed which implies, inclusion of educational institutions in MNREGA which may enhance the quality of the programme and the beneficiaries may be benefitted. More than 50 per cent of the respondents perceived that MNREGA was functioning effectively at the grass root level.

**Key Words :** Perceived effectiveness, institutional mechanism, social institutions, educational institutions, poverty, employment generation

### **INTRODUCTION**

The Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) is an important strategy in the current context of global economic crisis and national economic slowdown, where raising aggregate demand is a major task of the government (Sharma, 2009). The Act commenced in 200 most backward districts of the country on 2<sup>nd</sup> February 2006 and was extended to another 130 districts from 1<sup>st</sup> April 2007. From 1<sup>st</sup> April 2008, the programme was extended to the remaining 274 districts of the country. The choice of works suggested in the act addresses causes of chronic poverty like drought, deforestation and soil erosion, so that the process of employment generation is maintained on a sustainable basis. Under the programme, till 2010-11, five crore rural household had been provided employment; of which major share belongs to the disadvantaged groups. The programme is focusing on natural resource management such as water conservation, drought proofing, afforestation and land development. The programme has also impact on minimum wages for agricultural labourers and distress migration of rural an workers. Central Government is making a large public expenditure for generation of rural employment under MNREGA. In the budget (2009-10), an allocation of ₹ 39,100 crore had been made for MNREGA, which was an increase of 144 per cent over the 2008-09 budget (₹16,000 crore). Under such circumstances, it became necessary to assess how effectively the programme was running at the field level. The present study was taken up to understand the different activities and institutional mechanism of the MNREGA

and to assess the perceived effectiveness of the programme among the beneficiaries.

### **METHODOLOGY**

The state West Bengal was selected purposively for the study. Two districts namely Burdwan and South Dinajpur were selected randomly. From each of the districts, two blocks were randomly selected. From each block, two Gram Panchayats (GP) were randomly selected and from each GP, one Gram Sabha (GS) was selected randomly for the study. The study was conducted in total eight Gram Sabhas. Twenty five beneficiaries from each of the eight gram sabha were selected randomly. It accomplished a total of two hundred MNREGA beneficiaries as respondents. An ex-post-facto research design was used for data collection. A rating scale was prepared to construct the perceived effectiveness index for each respondent with six components viz., Registration of the families, Distribution of job cards and allotment of the work to the applicant, Execution of the work, Payment of wages, Evaluation of the work and Payment of unemployment allowance. Statements were prepared under each component. Both positive and negative statements were formulated. Respondents were asked to respond over the statements according to their degree of agreements or disagreements on a five-point continuum ranging from strongly agree, agree, undecided, disagree and strongly disagree with respective score from 5 to 1. The following formula was used to derive the perceived effectiveness of MNREGA functioning for each respondent.

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The categorization of the respondents was done as follows:

Perceived effectiveness category	Index score
Very low	0-20
Low	21-40
Medium	41-60
High	61-80
Very high	81-100

The data were collected through field survey method. The major tools used for data collection were interview schedules (structured and semi-structured), and in-depth discussion. Secondary sources and participant observation method were also used to understand the different activities and institutional mechanism of MNREGA functioning at grass root level.

## RESULTS AND DISCUSSION

### Different activities under MNREGA

Chronic poverty reduction is one of the major objectives of MNREGA and to satisfy this objective the think tanks have decided some particular types of works or activities that are being carried out under the programme, so that the process of employment generation is maintained on a sustained manner and some community assets can be created. The works suggested under MNREGA are:

1. Water conservation and water harvesting.
2. Irrigation canals, including micro and minor irrigation works.
3. Provision of irrigation facility, plantation, horticulture, land development to land owned by households belonging to the SC/ST community.
4. Renovation of traditional water bodies, including de-silting of tanks.
5. Land development.
6. Flood-control and protection works, including drainage in waterlogged areas.
7. Rural connectivity to provide all-weather access. The construction of roads may include culverts where necessary.
8. Any other work that may be notified by the Central Government in consultation with the State Government.

Any contractors and use of any machinery is not permitted in MNREGA works.

Figure 1. Distribution of the percentage of different works completed under MNREGA in West Bengal up to the financial year 2009-10

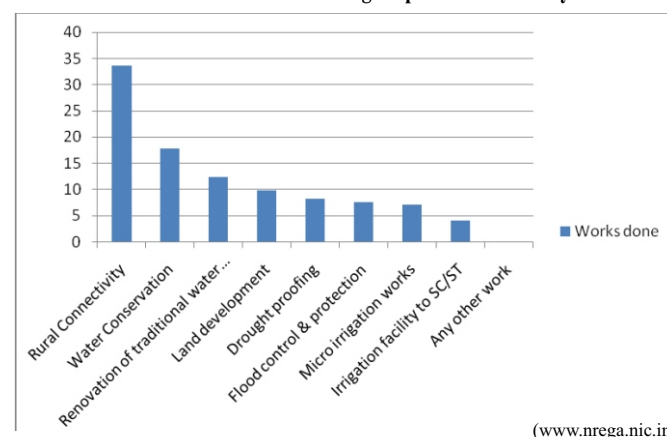
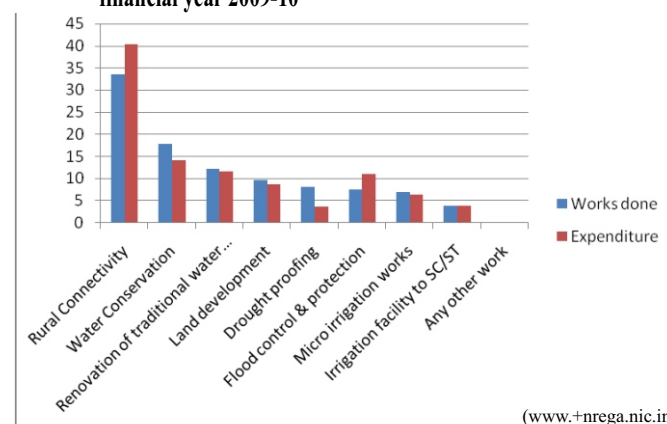


Figure 2. Distribution of the percentage of different works completed and expenditure incurred under MNREGA in West Bengal up to the financial year 2009-10



Rural connectivity stood first among the several works done under MNREGA in West Bengal up to the financial year 2009-10 followed by water conservation and water harvesting, renovation of traditional water bodies including de-silting of tanks, land development, drought proofing, flood-control and protection works including drainage in waterlogged areas, irrigation canals including micro and minor irrigation works, provision of irrigation facility, plantation, horticulture, land development to land owned by households belonging to the SC/ST community and any other works that may be notified by the Central Government in consultation with the State Government. During the above mentioned time period, total 40,860 rural roads covering 36,998.37 km were constructed with an expenditure of 57,427.05 crore rupees.

Having a critical look on the ratio of the distribution of different works taken up and expenditure incurred under MNREGA in West Bengal (Figure 2), it is evident that rural connectivity and flood-control & protection works were the kind of works where the proportionate expenditure was more than the proportionate work accomplished. In rest of the cases, proportionate work done was more than the proportionate expenditure incurred. In the two districts viz. Burdwan and South Dinajpur also, rural connectivity was the most preferred works under MNREGA (Table 2). In South Dinajpur district water conservation (22.53%) and renovation of traditional water bodies (16.17%) occupied second and third position accordingly in the percentage of different works completed in that district. But very little amount of works had been done in case of micro-irrigation works (3.72%) and provision of irrigation facility, plantation, horticulture, land development to land owned by households belonging to the SC/ST community (0.27%). In order to make best use of the conserved water, irrigation facility related works have to be emphasized in days ahead.

**Table 1: Distribution of the percentage of different works completed in Burdwan and South Dinajpur district of West Bengal**

Percentage of works done	Burdwan	South Dinajpur
Rural connectivity	24.52	39.17
Drought proofing	19.48	6.63
Water conservation	16.93	22.53
Renovation of traditional water bodies	12.88	16.17
Flood control & protection	10.83	2.3
Micro-irrigation works	8.77	3.72
Land development	4.81	8.99
Irrigation facility to SC/ST	0.44	0.27
Any other work	1.31	0.2

(www.+nrega.nic.in)

In both the districts, very negligible amount of works have been done under "any other work" that may be notified by the Central Government in consultation with the State Government".

#### **Institutional mechanism for MNREGA functioning**

Five basic social institutions are generally recognized in the society. They are

- Family
- Religion
- Government
- Economy and
- Education

Development of a society or community relies on the integrated and harmonious functioning of all the five social institutions. As mandated in MNREGA, the registration of the beneficiaries is based on the family principle. Every household willing to work under MNREGA is being registered. Every adult member is being issued a job card.

**Table 2: Percentage of the household (caste-wise) issued job card in 2009-10**

	SC	ST	Others
South Dinajpur	35.17	21.75	43.07
Burdwan	44.87	11.37	43.75
West Bengal	34.83	10.38	54.78

(www.+nrega.nic.in)

The job card holders may demand for work to their local Government when the other employment opportunities are lean and hundred days of employment guarantee has to be provided by the government in a financial year to the registered households.

**Table 3: Percentage of the household provided employment against their demand in 2009-10**

South Dinajpur District	100%
Burdwan district	100%
West Bengal state	99.73%

(www.+nrega.nic.in)

Family welfare has been kept in mind in this regard. Basic amenities like drinking water facilities, health care facilities, and shades in the work sites are being provided to the workers. Women who are working under MNREGA, for sake of their children's welfare, a provision of child care crèche has to be there at the work site of MNREGA.

Now coming to the role of the Government, village panchayats are the key implementing bodies for the MNREGA. Local bodies make plan, design and execute the works to be taken up. This is a step towards making this Act a participatory process and empowering people at the proletariat level.

At least 50 per cent of the works under the scheme have to be implemented through village panchayats. The Act mandates the panchayats to prepare village-level plans based on local resources and needs. The Gram Sabha is the statutorily mandated institutional mechanism for community involvement. In addition, other methods of community participation are also instituted, like formation of local vigilance and monitoring committees, workers associations, local beneficiary committees and other grass root structures.

The village council takes the decision to formulate such user groups. Implementation of the MNREGA starts from the Gram Sabha. The Gram Sabha also takes charge of popularizing the scheme for registration of people and also the procedures to demand works. The Act authorizes the Gram Sabha to recommend works to be taken up under the scheme, to monitor and supervise these works, and to conduct social audits of the implementation.

**Table 4: Status of the social audit conducted in 2009-10**

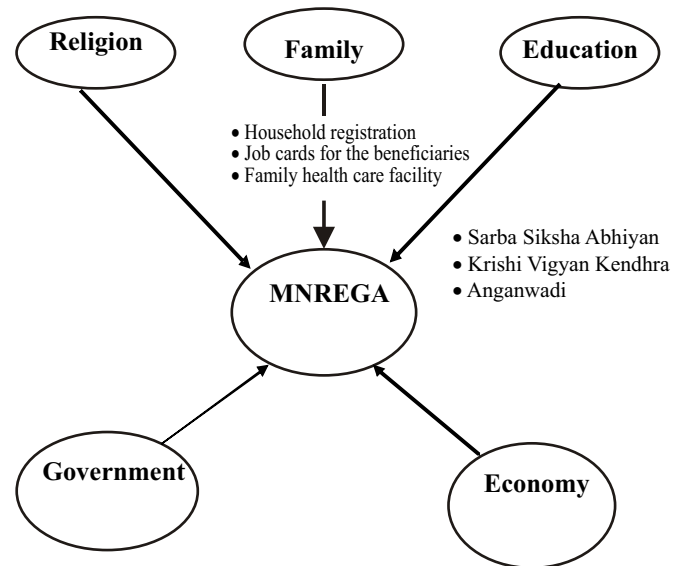
South Dinajpur district	100%
Burdwan district	92.06%
West Bengal state	76.87%

The village panchayat is responsible for planning of works, registering households, issuing job cards and monitoring of the scheme at the village level. The Act has provision for appointment of employment guarantee assistant (Gram Rojgar Sahayak) in each panchayat for this purpose.

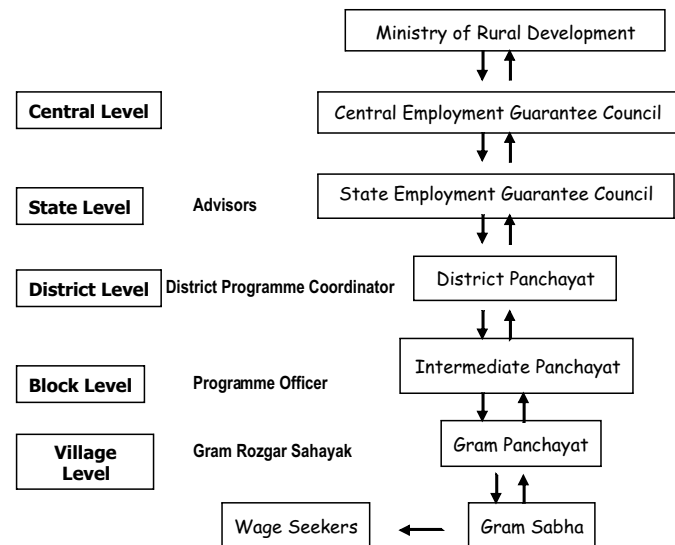
The intermediary panchayat is responsible for planning at the block level, and for monitoring and supervision. District panchayat is responsible for finalizing the district plans for MNREGA, which is a comprehensive plan of action for the scheme for the district.

- Panchayati Raj Institution
- State Employment Guarantee Council
- Central Employment Guarantee Council
- Ministry of Rural Development
- NGO's
- Local Vigilance and Monitoring Committee
- Workers Association
- Local Beneficiaries Committee
- Bank
- Post Office
- Self Help Groups
- User Groups

**Fig 3. Conceptual framework of institutional mechanism of MNREGA**



**Figure 4. Administrative hierarchy of MNREGA**



A State Employment Guarantee Council (SEGC) has been set up by the State Government. The SEGC advises the State Government on the implementation of the scheme, and evaluates and monitors it. At the central level, a Central Employment Guarantee Council (CEGC) has been set up under the chairmanship of the Minister of Rural Development. The central council is responsible for advising the Central Government on MNREGA related matters, and for monitoring and evaluating the implementation of the programme. The Ministry of Rural Development is the nodal ministry for the implementation of MNREGA. It ensures timely and adequate recourse

support to the states and central council. It undertakes regular review, monitoring and evaluation of processes and outcomes of MNREGA.

Financial inclusion is a very important mechanism in MNREGA. Every individual who works under the scheme, has to open an account with the local bank or post office. The payment of the wage is made through the bank or post office account. The inclusion of financial institution has brought greater transparency and accountability in the process.

The local self help groups and user groups monitor the MNREGA works. New self help groups and user groups can also be formed with the MNREGA beneficiaries with proper assessment.

Convergence of other developmental programmes with the MNREGA may bring radical changes in rural society. Efforts have not been made yet to include educational institutions with the MNREGA, though a lion share of the beneficiaries of the scheme are illiterate or functionally literate. Sarba Siksha Abhiyan (SSA) can be linked with the programme. The provision of semi-skilled labour or skilled labour can be used to employ educated youths who can teach the illiterate beneficiaries at night schools and also make them concerned with many other social responsibilities. Self help groups (SHGs) can be formed with the interested group of beneficiaries and necessary training can be provided to them at the local Krishi Vigyan Kendras (KVKs) for entering into profitable economic venture mainly agriculture in nature. Though provision of crèche facility for child care is there in MNREGA, some of the Anganwadis can be linked with it.

Religious institutions are very soft corner of every society. So it can not be ignored. If any religious matter comes in the way of decision making, it should be handled very diplomatically as well as emotionally. Keeping in mind the sensitivity of religious issues, no religious structure can be made under the MNREGA programme.

#### Perceived effectiveness of MNREGA functioning

An attempt was made to find out the perceived effectiveness of MNREGA functioning among the respondents. Direct questions were asked to the respondents regarding different steps of implementation of the programme and scores were assigned to them according to their degree of agreement or disagreement with the respective statements.

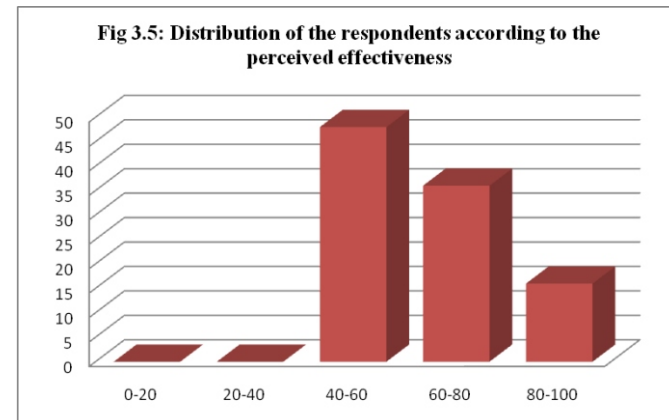
**Table 5 : Distribution of the respondents on the perceived effectiveness of MNREGA functioning**

**n=200**

Mean	64.88	
Standard deviation	10.04	
Range	49.13 to 83.04	
Categories	Frequency	Percentage
Very Low (0-20)	0	0
Low (20-40)	0	0
Medium (40-60)	96	48
High (60-80)	72	36
Very High (80-100)	32	16
<b>Total</b>	<b>200</b>	<b>100</b>

The results revealed that, the mean perceived effectiveness score for the respondents was 64.88 with a standard deviation of 10.04. The perceived effectiveness score varied from a range of 49.13 to 83.04. So there was a large variation in the perceived effectiveness of the programme among the MNREGA beneficiaries.

**Figure 5 : Distribution of the respondents according to the perceived effectiveness of MNREGA functioning**  
**n= 200**



Majority of the respondents (48%) belonged to a medium perceived effectiveness category, while 36 per cent of the respondents belonged to a high perceived effectiveness category and 16 per cent of the respondents belonged to very high perceived effectiveness category. None of the respondents was found under very low and low perceived effectiveness category.

An attempt was made to find out the correlation between the perceived effectiveness of MNREGA functioning and socio-economic, socio-personal and communication variables of the respondents.

**Table 6: Correlation between perceived effectiveness of MNREGA functioning and socio-economic, socio-personal and communication variables**

Particulars	r- value
Age	0.127
Education	-0.116
Social participation	-0.057
Land holding	0.508**
Family members	0.021
Annual family income	0.625**
Personal localite contact	0.002
Extension agency contact	0.545**
Mass media exposure	-0.127

\* Significant at 1% level of significance

\*\* Significant at 5% level of significance

It was found that land holding, annual family income and extension agency contact of the respondents had a positive correlation with the perceived effectiveness at 5 per cent level of significance; and source of income of the respondents had a negative correlation with the perceived effectiveness of MNREGA functioning.

From the results of the correlation study, it may be inferred that, relatively the beneficiaries of MNREGA from better socio-economic background were more benefited from the scheme. Rural connectivity, renovation of traditional water bodies and land development were the most preferred works under MNREGA in the study area. The respondents whose lands were developed and water bodies renovated, were benefitted as well as the rural poor people who were associated with that land or water bodies were also directly or indirectly benefited.

As for example, a big pond named Banskuria pond was renovated under the scheme, like many other water bodies under Sayadpur Gram Sabha in Gangarampur block. On the ridge of the pond, various types of vegetables were being cultivated. The rice field owners, whose fields were associated with the pond were supposed to get irrigation water from the pond at the time of water scarcity. As the traditional water bodies were renovated, fish production of the area increased many fold. The farmers were shifting to the hybrid rice cultivation in a big way as they perceived irrigation water would not be a big problem of that area.

### CONCLUSION

The trend of works in MNREGA showed that a major share of works was done under the category of 'rural connectivity'. The roads constructed were mostly earthen. So care should be taken to maintain the roads. Initiatives should be taken by the policy makers to make the roads

'pucca' for its durability. Use of machineries should be allowed with prior permission from the Ministry of Rural Development to make the rural roads durable. Though the works in MNREGA directly or indirectly benefiting agriculture, policy initiative should be taken to introduce some works solely devoted to agricultural production and productivity. Initiative should be taken to include educational institutions in MNREGA functioning. Care should be taken to form new self help groups (SHGs) with motivated and interested MNREGA beneficiaries and start new economic ventures, preferably related to agriculture and local KVKs should be linked to train the members of the SHGs. The perceived effectiveness of MNREGA functioning among the beneficiaries was quite satisfying. More than 50 per cent of the beneficiaries perceived that MNREGA was functioning on high to very high level in their locality. So the tempo should be maintained and initiatives should be taken to impress the effectiveness of MNREGA continuously

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