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**MGNREGA IMPROVED SOCIO-ECONOMIC CONDITION OF  
MARGINALIZED WORKERS: A STUDY IN HARYANA AND  
RAJASTHAN**

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**ABSTRACT**

*Mahatma Gandhi National Rural Employment Guarantee Programme developed by government of India keeping focus on inclusive growth approach and enacted as a law in 2006. The act promising for providing 100 days employment to improve living condition of the rural poor. The present study by using survey and questionnaire method evaluates the effects of MGNREGA on employment level, saving level and overall social-economic conditions of the workers. The study is descriptive type. After analyzing many demographic and socio-economic variables, study concludes that the scheme is performing better in Rajasthan than Haryana. Overall employment, saving, socio-economic condition and standard of living found improved in the study. The positive impact of MGNREGA visible on the worker's living standard*

**KEYWORDS:** NREGA; Employment; Saving, Socio-Economic Condition; Workers  
*MGNREGA Improved Socio-Economic Condition Of Marginalized Workers: A Study In Haryana And Rajasthan*

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**1. INTRODUCTION**

The government of India has launched a flagship program of employment guarantee on February 2, 2006, named as 'National Rural employment Guarantee Programme'. It was renamed as 'Mahatma Gandhi National Rural employment Guarantee programme' in 2008 after the name of Mahatma Gandhi. The purposes of program are providing direct benefit to the rural poor and promote inclusive growth. MGNREGA is a first ever law and largest development programme internationally that "guaranteed 100 days of employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work" (NREGA Act, 2005). The objectives of the act are, providing guaranteed minimum of 100 days employment to rural poor per demand and creates durable and quality productive assets, strengthen rural livelihood by the approach of social inclusion and reinforce institution of gram panchayats. It also ensures social protection by aiding the

empowerment of rural women and marginalized communities, especially scheduled castes (SCs) and scheduled tribes (STs).

Gram Panchayat is main implementing agency of MGNREGA. The adult member of registered household may apply for work to the gram panchayat orally or written. The gram panchayat issues a receipt with date against written application of employment. Against the date of receipt gram panchayat is liable to provide employment within 15 days. He act has provision of paying unemployment allowance for delay in providing employment. The state will provide unemployment allowance to beneficiary for each day delay after 15 days. The act has two important considerations which a gram panchayat have to follow during allocating the work to the beneficiaries. (1) Work is to be made available within the radius of 5 km of village. (2) Women should account for at least 1/3 of the total employment.

MGNREGA was implemented in India in three successive phases. In the first phase which started on February 2, 2006, has covered 200 most backward districts. Further, it acceded in another 130 districts in phase II in 2007-08. The remaining rural districts were covered under third phase on April 1, 2008 (MGNREG Act 2005, Report to the people 2<sup>nd</sup> February 2013). In the financial year 2019-20, MGNREGA spread across 691 districts (More December 3, 2019, [www.nrega.nic.in](http://www.nrega.nic.in)). MGNREGA implemented in both the states Haryana and Rajasthan in the first phase. The aim of the study is to evaluate the effect of MGNREGA on the socio-economic condition of workers. to fulfill the purpose of study, data were collected from the two states which were similar as well as dissimilar in many ways with each other.

### **1.1 Comparison in Haryana and Rajasthan**

There were many reasons for the selection of these two states for comparison. Both Haryana and Rajasthan are geographically north - western states of India and share boundaries with each other. The two states are primarily rural, approx. 72% population of Haryana and 77% population of Rajasthan, over total population lives in rural areas (Census 2011).

Despite these similarities, both states are dissimilar in many ways. "Haryana is one of the smallest states in India, accounting for 1.34% of the country's total geographical area. Almost 80% of the state's total geographical area of is under cultivation, of which 84% is irrigated". Haryana have two agro-climatic zones ([agriharyana.nic.in](http://agriharyana.nic.in)). Haryana's per capita income is second highest among states ([pbplanning.gov.in](http://pbplanning.gov.in)). On the other hand Rajasthan is largest state of India forming 10.4% of total geographical area of the country. Both of the states are north-western states of india but their soil conditions are very different. Rajasthan is also called as "state of desert" because 61% of its total geographical land area is desert ([rajasthan.gov.in](http://rajasthan.gov.in)). However nearly 50% of its total land area is cultivable of which 70% area is total rain fed ([www.icar.org.in](http://www.icar.org.in)). Thus the two states Haryana and Rajasthan were similar and dissimilar in many ways and it was expected that this diversity will help to build a more nuanced picture than possible through a focus on the state alone.

### **1.2 Comparison in Mahendragarh and Udaipur**

In Udaipur and Mahendragarh, the MGNREGA was launched initially in the first phase. In Udaipur 80% of total population and 86% population of Mahendragarh were living in villages (Census 2001). Udaipur had rank 44th and Mahendragarh had rank 411<sup>th</sup> out of 445 most backward districts of India. This backwardness index was measured on three parameters i.e., SC and ST population over total population, Agricultural Wages and output per agricultural worker. The district with low wage rate, low productivity and high SC/ST population has marked as backward on the index. Districts were listed as most backward to least backward. According to report Udaipur's total population consists approximately 45% of SC and ST Population where Mahendragarh consists 15.5% of SC and ST population (on the basis of 1991 census). Agricultural wage rate on 1996-97 bases was Rs. 30 only in Udaipur and while it was Rs. 64 in Mahendragarh, and agricultural output per worker was

2828 (in Rs.) only in Udaipur and which were 15095 (in RS in Mahendragarh (nrega.nic.in/planning\_commission .pdf

Both regions receive funding from "Backward Region Grant Fund" program, which provides financial support to local bodies for planning, implementation and monitoring the plans. The BRG fund provides the financial assistance to bridge critical gaps in local infrastructure and other development requirement that are not being adequately met through existing inflows (*Press Information Bureau, Government of India, 2012*). Udaipur is also comes under 5<sup>th</sup> schedule areas of India (*Press Information Bureau, Government of India, 2018*)

Above mentioned characteristics of both districts make them compatible to compare for the present study.

### **1.3 Research Objectives**

- 1). to evaluate effect of MGNREGA on employment level;
- 2). to evaluate the effect of MGNREGA on saving level of workers;
- 3). to evaluate the effect on overall socio-economic condition of workers;

### **1.4 Hypothesis of Study**

#### **Hypothesis 1:**

$H_0$  = MGNREGA does not help to increase the employment in Haryana and Rajasthan

$H_1$  = MGNREGA helps to increase the employment in Haryana and Rajasthan

#### **Hypothesis 2:**

$H_0$  = MGNREGA has not played significant role to increase saving capacity of workers in Haryana and Rajasthan

$H_1$  = MGNREGA has played significant role to increase saving capacity of workers in Haryana and Rajasthan

#### **Hypothesis 3:**

$H_0$  = MGNREGA did not improve the socio economic conditions in Haryana and Rajasthan

$H_1$  = MGNREGA improved the socio economic conditions in Haryana and Rajasthan

## **2. Review of Litrature**

Deininger k. and Liu Y. (2010) looked at the effect of NREGS on some major welfare indicators on its direct beneficiaries. It was found that NREGA impacted positively of accumulation of assets, consumption expenditure and protein and energy intake of workers. Jha R., et.al. (2010), has conclude that poor depended on NREGA then the non-poor. it was also found that NREGA also helps to improve earning of the poor households. Ahuja U.R. et.al (2011) found that MGNREGA is providing livelihood security to the resource poor people. Bonna K. et.al (2012) reported significant correlation between "state's literacy rate and its level of success in implementing MGNREGA". Narang B. (2013) clearly indicates that MGNREGA has immense potential to become an ideal scheme for rural development and transforming livelihoods at many levels. Azhagaiah R. and Radhika.G (2014) found that the socio-economic welfare of the workers of the MGNREGA was increased after the joining of the programme. There was better increment in house hold expenditure like on foods, clothing, and education of children. The best thing was that there was a pattern of increased savings. Narayanan S. ET. al. (2014) perceived MGNREGA is an anti-farmer scheme because it employs large number of workers. Simultaneously survey results suggests that it benefited to the farmers also, especially marginal and small. The study also pay concerns that in some sample villages implementation was good on paper but found missing on ground. Dev S.M.

(2015) draw results that adivasis, dalits and women are most in NREGA workers. Formation of productive assets and a gradual decrease in corruption was also found in study.. Pamecha S. and Sharma I. (2015) states that program have significantly changed the living standard of its beneficiaries. However it is a issue of debate that these changes in living standards are sustainable or not. Bahuguna R. ET. al. (2016) carried out their study in Rudraprayag after natural calamity. The results of the study states that MGNREGA has improved significantly economic and social wellbeing of beneficiaries. Breitkreuer R. et.al (2017) evaluates the right based protection of MGNREGA for SCs, STs, and Women. The study finds some small but significant shift in labor relations. Asish A.A. et.al (2018) evaluates the improvement in social and economic condition of women worker of NREGA. The study also checked the implementation effectiveness of NREGA. It is found that NREGA is contributing in women empowerment and effectively implemented by the GPs of Southern Kerala. Dhawan A.P. and Kumar A. (2018) conclude the NREGA has raised the living standard of the workers' of sample villages. It has considerably reduced the migration of workers. it also reduced socio-economic gaps among poor and increase the self defense of the women. Rekha and Mehta R. (2019) examined the effects of NREGA on rural poverty. They detected that the scheme is efficiently contributing for inclusive growth of nation.

### 3. Methodology

#### 3.1. Sampling and Hypothesis Testing

The study has purposive and multi stage stratified sampling. At very first stage two states Haryana and Rajasthan were selected on the basis of their geographical, social and economic diversity. on the second stage one district from Haryana i.e., Mahendragarh and one from Rajasthan i.e., Udaipur were selected. Both were moderate performing districts in their respective state's first phase cluster. At the stage three five blocks one from each districts were selected. Two of them were high performing, two were low performing and one was moderate performing from Udaipur. But at the time of study Mahendragarh had consisted only five block, so all the blocks surveyed. The blocks of Udaipur were Gogunda, Sarara (high performing), Girva (moderate performing), Bhinder and Mavli (low performing). The blocks of Mahendragarh were Ateli Nangal, Nangal Chaudhary, Narnaul, Kanina and Mahendragarh. On the fourth stage, two villages from each block were selected. one was near to the city and another is at least 20-25 km far from the city. At the last stage, a random sampling of 75, 50 and 25 worker's household selected per block basis on the population size. A sample size was fixed at 500 households in 10 blocks of two states. Schedule for households were constituted with the close ended and open ended questions.

#### To test hypothesis

The values at each column are ranked. The tie score has been assigned an average rank.  $r_{ij}$  denotes the rank within block  $j$  of the observation in treatment  $i$ .

The ranks are summed over each treatment to give rank sums, for  $i = 1, 2, \dots, k$

$$t_i = \sum_{j=1}^n r_{ij}$$

1. Friedman test statistic  $FR$  is calculated as

$$FR = \frac{12}{nk(k+1)} \sum_{i=1}^k \left\{ t_i - \frac{1}{2}n(k+1) \right\}^2$$

The  $\chi^2$  distribution with  $k - 1$  degrees of freedom has been used to compare the significance level. Where;

**k = total number of Variables (comparisons)**

**n= number of cases**

**$\chi^2$  = Chi-Square = FR**

**The level of significance:-** is calculated from the  $\chi^2$  distribution with k-1 degrees of freedom.

**The Mean Rank** The mean rank is calculated for the n samples of  $x_1, x_2, x_3 \dots, x_n$  event-series. The samples has been arranged in increasing order and the rank  $r_i$  is calculated for each sample . In case of ties, average ranks has been assigned to each sample.

### **3.2 Scope of further investigation and Limitations of present Study**

An empirical study based on comparison of government data (i.e., secondary data) and the primary data source (collected through survey) can be done.

The present studies also have some certain limitations. First of all study is descriptive. the second limitation is related to the data collection. In Rajasthan and Haryana both, the job cards were not available with the respondent families and even if some of the respondents had job cards, not a single job card was found updated. So it was difficult to capture genuine data/information from the beneficiary respondents. So that the results were drawn on the information whatever provided by the respondents on the basis of their memory (statements can be overemphasized and reason of discrepancy).

## **4. Analysis of Data and Hypothesis Testing**

### **4.1 Analysis of Data:**

#### **4.1.1) Members per Household working in MGNREGA**

This indicator depicts the number of members per household absorbed by MGNREGA. This indicator helps us to know whether only one or more than one members of one household could generate employment under MGNREGA. The following Table 4.1.1 presents the data of responses of workers in both the states of Haryana as well as Rajasthan regarding number of members per household working under MGNREGA.

**TABLE 4.1.1:- NUMBER OF MEMBERS PER HOUSEHOLD WORKING IN MGNREGA**

Name of the district	State	Number of Members per Household working in MGNREGA						Total
		1	2	3	4	5	6	
Mahendergarh	Haryana	36	157	42	14	1		250
Udaipur	Rajasthan	52	125	57	11	2	3	250
	Total	88	282	99	25	3	3	500

Source: - Data collected through Survey

The above table reveals that majority of respondents in both the states have reported that two members of their households have been engaged in MGNREGA. After that, considerable numbers of respondents have reported that 3 members per household have generated employment through MGNREGA. Following that, one member per household has also been reported by many workers in both the states. However, a negligible number of respondents have agreed to more than three members working under MGNREGA.

#### **4.1.2). Caste-distribution of workers**

The caste distribution of workers is a very important social indicator as it shows the participation of people belonging to different castes in MGNREGA. Here, in our analysis we have taken into account four categories of castes, i.e. General Caste, Scheduled Caste (SC),

Schedule Tribe (ST) and Other Backward Caste (OBC). The Table 4.1.2 portrays the caste-distribution of MGNREGA workers in both the states block-wise.

**TABLE 4.1.2: BLOCK WISE CASTE DISTRIBUTION OF THE WORKERS**

Block	Caste				Total
	General	SC	ST	OBC	
<b>Haryana- Mahendergarh</b>					
Mahendergarh	5 (1)	15 (3)	0 (0)	55 (11)	75 (15)
Nangal Chaudhary	1 (0.2)	33 (6.6)	0 (0)	16 (3.2)	50 (10)
Narnaul	0 (0)	50 (10)	0 (0)	0 (0)	50 (10)
AteliNangal	0 (0)	25 (5)	0 (0)	0 (0)	25 (5)
Kanina	0 (0)	50 (10)	0 (0)	0 (0)	50 (10)
<b>Rajasthan-Udaipur</b>					
Girva	8 (1.6)	8 (1.6)	34 (6.8)	0 (0)	50 (10)
Sarara	0 (0)	0 (0)	50 (10)	0 (0)	50 (10)
Gogunda	14 (2.8)	22 (4.4)	14 (2.8)	0 (0)	50 (10)
Bhinder	14 (2.8)	15 (3)	21 (4.2)	0 (0)	50 (10)
Mavli	8 (1.6)	19 (3.8)	23(4.6)	0 (0)	50 (10)
Total	50 (10)	237 (47.4)	142 (28.4)	71 (14.2)	500 (100)

Source: - Data calculated from the primary survey. Figures in brackets are percentages. Percentages show

Percentage from total sample

The data in the table reveals that in Haryana none of the respondents belong to Scheduled Tribe (ST) caste as the population of STs in Haryana is almost negligible. However, participation of Scheduled Castes (SCs) in Haryana is quite robust. In fact three blocks of Mahendergarh district of Haryana comprised of only Scheduled Caste (SC) respondents. However, Udaipur District of Rajasthan had considerable number of Scheduled Tribe (ST) respondents, whereas, none of the respondents belonged to Other Backward Caste (OBC) category here. Overall, Mahendergarh district of Haryana was dominated by Scheduled Castes (SCs), while, Udaipur district of Rajasthan was dominated by Schedule Tribe (ST) caste. In aggregate the most dominant class was Scheduled Caste (SC) followed by Schedule Tribe (ST) and Other Backward Caste (OBC), respectively. The least number of respondents belonged to General category.

#### 4.1.3). Level of education of workers in Haryana and Rajasthan

The data in the table reveals that Rajasthan comprises of more number of illiterate workers than Haryana. The proportion of Primary level educated workers is more in Rajasthan, whereas, the percentage of Middle level as well as Secondary level educated workers are much more in Haryana. Also, the table suggests that Rajasthan has none of the higher secondary level or graduate level educated workers in MGNREGA, whereas, the proportion of these workers is quite considerable in Haryana. Additionally, the percentage of diploma holder workers is more in Haryana as compared to Rajasthan.

**TABLE 4.1.3: AGGREGATE RESULTS OF LEVEL OF EDUCATION OF WORKERS IN HARYANA AND RAJASTHAN**

Education Levels		Haryana	Rajasthan	Total
<b>Not Literate</b>	% within State	38.8	66.8	52.8
	% of Total Sample	19.4	33.4	52.8
<b>Literate without formal schooling</b>	% within State	6.0	6.8	6.4
	% of Total	3.0	3.4	6.4

	Sample			
<b>Primary</b>	% within State	10.8	13.2	12.0
	% of Total Sample	5.4	6.6	12.0
<b>Middle</b>	% within State	9.6	6.8	8.2
	% of Total Sample	4.8	3.4	8.2
<b>Secondary</b>	% within State	19.2	5.6	12.4
	% of Total Sample	9.6	2.8	12.4
<b>Higher Secondary</b>	% within State	6.8		3.4
	% of Total Sample	3.4		3.4
<b>Diploma/Certificate Course</b>	% within State	2.4	0.8	1.6
	% of Total Sample	1.2	0.4	1.6
<b>Graduate</b>	% within State	6.4		3.2
	% of Total Sample	3.2		3.2
<b>Total</b>	% within State	100	100	100
	% of Total Sample	50	50	100

Source: - Data collected through Survey. All figures are in percentages. % of total is from Percentage of total sample

#### 4.1.4). Mean Person Days of MGNREGA Workers

The Table 4.1.3 presents the district-wise data on average person days of employment per worker in Mahendergarh district of Haryana as well as Udaipur district of Rajasthan over the years. The mean person days of workers in both the districts depict fluctuations but yet illustrate an upward trend over the years. However, the mean person days of workers in Haryana remained lower than mean person days of workers in Rajasthan in all the years. It may be concluded that Rajasthan performed much better than Haryana in this regard.

**TABLE 4.1.4:- DISTRICT WISE MEAN PERSON DAYS OF WORKERS**

District	2007-08		2008-09		2009-10		2010-11		2011-12		2012-13	
	Mean	Sum	Mean	Sum	Mean	Sum	Mean	Sum	Mean	Sum	Mean	Sum
Mahendergarh	8	1980	14	3621	24	6090	23	5758	29	7332	39	9658
Udaipur	11	2869	43	10668	65	16325	52	12987	49	12276	69	17139

Source: Data collected through field survey.

#### 4.1.5). Impact of MGNREGA on Income of Workers

This indicator unveils the performance of MGNREGA in context of raising the Income of workers in rural areas. This indicator depicts whether MGNREGA has some impact on the Income level of workers besides providing employment assurance for 100 days. The Table 4.1.5 presents the responses of MGNREGA workers in Mahendergarh district of Haryana as well as Udaipur district of Rajasthan regarding the rise in their Income level.

**TABLE 4.1.5: IMPACT OF MGNREGA ON INCOME OF WORKERS**

Name of the district	Impact of MGNREGA on Income			Total
	Considerably Increase	Increased somewhat	Not Increased	
Mahendergarh	16	194	40	250
Udaipur	12	222	16	250
Total	28	416	56	500

Source: - Data collected through Survey

The table reveals that very less number of workers in both the districts of Mahendergarh (Haryana) and Udaipur (Rajasthan) have reported that their incomes have considerably increased due to MGNREGA. However, majority of the workers from both the states have agreed to a positive change in their incomes due to MGNREGA, while, the response is more robust in Udaipur (Rajasthan). Considerably large numbers of workers (40) from Mahendergarh (Haryana) have reported that their incomes have not increased after the implementation of MGNREGA. Though small, but yet considerable number of workers from Udaipur (Rajasthan) have also given the same statement.

#### 4.1.6). MGNREGA Impact` on Expenditure on Food Items

This indicator depicts the impact of MGNREGA on expenditure of workers on food items. This indicator is important in evaluating the performance of MGNREGA as the beneficiaries of MGNREGA are the most vulnerable people who manage their survival with difficulty. So, if it has a considerable impact on expenditure of workers on food items then it is considered as a success of the program. The table 4.1.6 presents the responses of workers in Mahendergarh district of Haryana and Udaipur district of Rajasthan regarding the MGNREGA impact on expenditure of workers on food items.

**TABLE 4.1.6: MGNREGA IMPACT ON EXPENDITURE ON FOOD ITEMS**

Name of the district	Impact of MGNREGA on Expenditure on Food Items		Total
	Increased	Same	
Mahendergarh	225	25	250
Udaipur	250		250
Total	475	25	500

Source: - Data collected through Survey

The results in the table reveal that expenditure of workers on food items has drastically increased due to MGNREGA. The entire sample of workers from Udaipur district of Rajasthan agreed to this fact. Even in Haryana the majority of workers (225) have accepted the positive impact of MGNREGA on their expenditure on food items.

#### 4.1.7) MGNREGA Impact on Expenditure on Non-food items

This indicator depicts the impact of MGNREGA on expenditure of workers on non-food items. This indicator is important in evaluating the performance of MGNREGA as for survival and to have a considerable standard of living, not only food items but also non-food items are an important part of daily budget of workers. So, if MGNREGA has a considerable impact on expenditure of workers on non-food items then it is considered as complete success of the program. The table 4.1.7 presents the responses of workers in Mahendergarh district of Haryana and Udaipur district of Rajasthan regarding the MGNREGA impact on expenditure of workers on non-food items.



**TABLE 4.1.7: MGNREGA IMPACT ON EXPENDITURE ON NON-FOOD ITEMS**

Name of the district	Impact of MGNREGA on Non-Food Items		Total
	Increased	No Impact	
Mahendergarh	98	152	250
Udaipur	100	150	250
Total	198	302	500

Source: - Data collected through Survey

As against the results of previous indicator, i.e. impact of MGNREGA on expenditure of workers on food items, the results of the table 4.1.7 highlight that the impact of MGNREGA on expenditure on non-food items was not as significant. Majority of the workers from both the districts of Mahendergarh (Haryana) and Udaipur (Rajasthan) have reported no impact of MGNREGA on their expenditure on non-food items. Whereas, considerable number of workers have also reported an increase in expenditure on non-food items due to MGNREGA which implies partial success of MGNREGA in this regard.

#### **4.1.8). MGNREGA Impact on the Condition of Poor workers**

This indicator depicts the MGNREGA impact on the condition of poor people in rural areas of India. As we know that the main objective of MGNREGA was to alleviate the expounding levels of poverty in the country especially in the rural areas by providing employment to the people. This indicator is important in evaluating the performance of MGNREGA in fulfilling its objective of reducing the poverty level. So, if it has a considerable impact on the condition of poor workers then it is considered as a major success of the program. The table 4.1.8 presents the responses of workers in Mahendergarh district of Haryana and Udaipur district of Rajasthan regarding the MGNREGA impact on the condition of poor.

**TABLE 4.1.8: MGNREGA IMPACT ON THE CONDITION OF POOR WORKERS**

Name of the district	MGNREGA Impact on the Condition of Poor workers		Total
	Yes	No	
Mahendergarh	208	42	250
Udaipur	210	40	250
Total	418	82	500

Source: - Data collected through Survey

The table provides evidence in favor of MGNREGA that it has considerably improved the condition of the poor. Majority of the respondent workers from both the districts of Mahendergarh (Haryana) and Udaipur (Rajasthan) have accepted the positive impact of MGNREGA on improving their living conditions. This highlights that MGNREGA has been successful in improving the conditions of majority of beneficiaries working under its purview.

#### **4.1.9). Impact of MGNREGA on Loan Repayment**

This indicator depicts the impact of MGNREGA on Loan Repayments of workers. This indicator is important to be studied in evaluating the performance of MGNREGA as most of the workers participating in MMGNREGA are so vulnerable that they are highly indebted. So, if MGNREGA cannot be considered effective if it does not have a considerable impact on Loan repayments of workers. The table 4.1.9 presents the responses of workers in Mahendergarh district of Haryana and Udaipur district of Rajasthan regarding the impact of MGNREGA on Loan Repayments.

**TABLE 4.1.9: IMPACT OF MGNREGA ON LOAN REPAYMENT**

Name of the district	Loan Repayment after working in MGNREGA			Total
	0	Yes	No	
Mahendergarh	16	38	196	250
Udaipur	60	22	168	250
Total	76	60	364	500

Source: - Data collected through Survey. 0 means no response.

The table reveals that some marginal impact on loan repayment after participating in the MGNREGA was found. Zero indicates that there was no response from the workers about the loan payment. But majority of workers from both the states denied the impact of MGNREGA on loan repayment. Out of 250 workers, 196 from Haryana and 168 from Rajasthan have denied the impact on loan payment due to MGNREGA. We may infer that MGNREGA has helped the workers in raising their standard of living but not on releasing the debt burden on them.

#### 4.1.10). MGNREGA Impact on Savings Capacity of Workers

This indicator unveils the performance of MGNREGA in context of raising the capacity of savings of workers in rural areas. This indicator depicts whether MGNREGA has provided some scope of securing the future of workers by generating some savings out of their current incomes in order to remain unaffected by any future uncertainty. The table 4.1.9 presents the responses of workers of MGNREGA in Mahendergarh district of Haryana as well as Udaipur district of Rajasthan regarding the MGNREGA impact on the savings capacity of workers.

**TABLE 4.1.10: MGNREGA IMPACT ON SAVINGS CAPACITY OF WORKERS**

Name of the district	MGNREGA Impact on Savings		Total
	Yes	No	
Mahendergarh	181	69	250
Udaipur	241	9	250
Total	422	78	500

Source: - Data collected through Survey

The results suggest that MGNREGA positively impacted the savings capacity of workers in both the states Haryana and Rajasthan. Majority of the workers from both the states accepted that their savings increased with the implementation of MGNREGA. In Haryana out of 250 workers 181 workers agreed to the hypothesis, while, in Rajasthan 241 workers out of the sample of 250 workers agreed to it. It could be inferred from the above figures that MGNREGA has considerably raised the savings of the workers and provided them some kind of future security.

#### 4.2 Testing of the Hypotheses

This section focuses on Quantitative analysis of performance of MGNREGA on the basis of Hypotheses testing. As we know that every Research is based on some underlying Hypotheses which are tested during the process of Research to derive significant conclusions out of it. These conclusions are the end results of Research. In our analysis of performance evaluation of MGNREGA in two states of India, namely, Haryana and Rajasthan, we have three sets of underlying Hypotheses on which our study is based. These Hypotheses are tested in this section with the help of Friedman test and Descriptive Statistics applied on the primary data collected from workers of MGNREGA in two districts, namely, Mahendergarh district in Haryana and Udaipur district in Rajasthan through SPSS (Statistical Package for Social Sciences).

#### 4.2.1). Hypothesis 1

This hypothesis checks whether MGNREGA helped significantly increased the employment in Haryana and Rajasthan. MGNREGA has targeted to provide guaranteed employment to workers for 100 days or Unemployment Allowance in place of that. This Hypothesis confirms whether MGNREGA has achieved its target or not.

**H<sub>0</sub> = MGNREGA does not help to increase the employment in Haryana and Rajasthan**

**H<sub>1</sub> = MGNREGA helps to increase the employment in Haryana and Rajasthan**

**TABLE 4.2.1: RANK ASSIGNED AND FRIEDMAN SCORE OF TEST STATISTICS FOR HYPOTHESIS 1**

Ranks	
	Mean Rank
No of House hold worked in MGNREGA	8.08
Member worked with	6.10
Apply for registration to GP	6.95
Apply for employment	2.40
Panchayat issued a dated receipts of written	2.35
No of days to get employment after receipts	2.35
Job card availability	7.06
Distance of working	5.75
Rotation System	3.97

#### Test Statistics<sup>a</sup>

N	500
Chi-Square	3198.333
Df	8
Asymp. Sig.	.000

a. Friedman Test

The table 4.2.1 shows output derived through SPSS presents values of test statistic. The value test statistic is 3198.333 and degree of freedom (K-1) i.e., 9-1=8. The value depicting level of significance is 0.000, which is less than 0.05 (at 95% of confidence level), therefore Null Hypothesis is rejected and it can be concluded that MGNREGA has significantly increased the employment in Haryana and Rajasthan.

#### 4.2.2). Hypothesis 2

This Hypothesis examines whether MGNREGA significantly improved the capacity of savings among workers or not. MGNREGA provides guaranteed employment to workers or Unemployment Allowance in place of that. This has led to consistent flow of income in the families of MGNREGA workers which may or may not have an impact on their pattern of savings.

**H<sub>0</sub> = MGNREGA has not played significant role to increase saving capacity of workers in Haryana and Rajasthan**

**H<sub>1</sub> = MGNREGA has played significant role to increase saving capacity of workers in Haryana and Rajasthan**

**Table 4.2.2: Rank assigned and Friedman Score of Test Statistics for Hypothesis 2****Ranks**

	Mean Rank
Saving	1.68
Saving affected with NAREGA	1.32

**Test Statistics<sup>a</sup>**

N	500
Chi-Square	150.000
Df	1
Asymp. Sig.	.000

## a. Friedman Test

The table 4.2.2 shows output derived through SPSS presents the values of test statistic. Here test statistic value is 150.000 with the degree of freedom (K-1) i.e., 2-1=1. The level of significance is 0.000, which is less than 0.05 (at 95% of confidence level), hence Null Hypothesis is rejected and it can be concluded that MGNREGA significantly improved the saving capacity of workers in Haryana and Rajasthan.

**4.2.3). Hypothesis 3**

This Hypothesis analyzes whether MGNREGA significantly improved socio-economic conditions of workers or not. MGNREGA provides guaranteed employment to workers or Unemployment Allowance in place of that. But the main objective of MGNREGA is not only to provide employment but also to improve the socio-economic conditions of the workers like their children's education, savings, indebtedness, expenditure on food and non-food items, nature of loans, etc. This Hypothesis confirms whether MGNREGA improved these socio-economic outcomes of the workers.

**H<sub>0</sub> = MGNREGA did not improve the socio economic conditions in Haryana and Rajasthan**

**H<sub>1</sub> = MGNREGA improved the socio economic conditions in Haryana and Rajasthan**

**Ranks**

	Mean Rank
Education	13.41
Children going school in the age of school going	6.49
Saving	12.17
Saving affected with MGNREGA	9.85
Indebtedness	11.58
Any Earning from livestock	4.04
Nature of loan	8.08
Loan contracted	5.21
Source of loan	10.52
Purpose of Loan	10.29
If employment delayed more than 5 days then employment allowance	2.78
Effect of MGNREGA on income	14.99
Impact of MGNREGA on children education	14.96
Impact of MGNREGA expenditure on food items	9.34
Impact of MGNREGA on nonfood items	14.09
Expenditure of last income from MGNREGA	10.14
Loan payment after working in MGNREGA	12.37
MGNREGA improving the conditions of Poor	9.83

Social auditing	9.86
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**Test Statistics<sup>a</sup>**

N	500
Chi-Square	3875.401
Df	18
Asymp. Sig.	.000

a. Friedman Test

The table 4.2.3 shows output derived through SPSS presents the values of test statistic. The Chi-Square value of test statistic is 3875.401 and counted degree of freedom (K-1) i.e., 19-1=18. Here level of significance is 0.000, which is less than 0.05 (at 95% of confidence level), therefore Null Hypothesis is rejected and it can be concludes that MGNREGA helped in significantly improves the socio-economic conditions of workers in Haryana and Rajasthan.

**5. CONCLUSION**

The nature of MGNREGA is very ambitious and democratic. The scheme has significantly charged up the rural Indian economy. However, the effects of MNREGA have been seen differently in every region. All these effects depend on how MGNREGA is implemented. The three hypothesis of the present study proves that if implemented well, MGNREGA not even helps in improving the employment, saving but also improves the overall socio-economic conditions of the workers. Socio-economic development of a worker includes almost all the variables which are necessary for their holistic development for example, education of workers, children's education, worker's earning level, saving capacity, indebtness, loan repayment and increase in expenditure on food and non food (including durables) items. The present study performed in two states Haryana and Rajasthan. After examine all mentioned demographic and socio-economic variables, study concludes that the scheme is performing better in Rajasthan then Haryana.

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**MGNREGA IMPROVED SOCIO-ECONOMIC CONDITION OF  
MARGINALIZED WORKERS: A STUDY IN HARYANA AND  
RAJASTHAN**

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**ABSTRACT**

*Mahatma Gandhi National Rural Employment Guarantee Programme developed by government of India keeping focus on inclusive growth approach and enacted as a law in 2006. The act promising for providing 100 days employment to improve living condition of the rural poor. The present study by using survey and questionnaire method evaluates the effects of MGNREGA on employment level, saving level and overall social-economic conditions of the workers. The study is descriptive type. After analyzing many demographic and socio-economic variables, study concludes that the scheme is performing better in Rajasthan than Haryana. Overall employment, saving, socio-economic condition and standard of living found improved in the study. The positive impact of MGNREGA visible on the worker's living standard*

**KEYWORDS:** NREGA; Employment; Saving, Socio-Economic Condition; Workers  
*MGNREGA Improved Socio-Economic Condition Of Marginalized Workers: A Study In Haryana And Rajasthan*

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**1. INTRODUCTION**

The government of India has launched a flagship program of employment guarantee on February 2, 2006, named as 'National Rural employment Guarantee Programme'. It was renamed as 'Mahatama Gandhi National Rural employment Guarantee programme' in 2008 after the name of Mahatama Gandhi. The purposes of program are providing direct benefit to the rural poor and promote inclusive growth. MGNREGA is a first ever law and largest development programme internationally that "guaranteed 100 days of employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work" (NREGA Act, 2005). The objectives of the act are, providing guaranteed minimum of 100 days employment to rural poor per demand and creates durable and quality productive assets, strengthen rural livelihood by the approach of social inclusion and reinforce institution of gram panchayats. It also ensures social protection by aiding the

empowerment of rural women and marginalized communities, especially scheduled castes (SCs) and scheduled tribes (STs).

Gram Panchayat is main implementing agency of MGNREGA. The adult member of registered household may apply for work to the gram panchayat orally or written. The gram panchayat issues a receipt with date against written application of employment. Against the date of receipt gram panchayat is liable to provide employment within 15 days. He act has provision of paying unemployment allowance for delay in providing employment. The state will provide unemployment allowance to beneficiary for each day delay after 15 days. The act has two important considerations which a gram panchayat have to follow during allocating the work to the beneficiaries. (1) Work is to be made available within the radius of 5 km of village. (2) Women should account for at least 1/3 of the total employment.

MGNREGA was implemented in India in three successive phases. In the first phase which started on February 2, 2006, has covered 200 most backward districts. Further, it acceded in another 130 districts in phase II in 2007-08. The remaining rural districts were covered under third phase on April 1, 2008 (MGNREG Act 2005, Report to the people 2<sup>nd</sup> February 2013). In the financial year 2019-20, MGNREGA spread across 691 districts (More December 3, 2019, [www.nrega.nic.in](http://www.nrega.nic.in)). MGNREGA implemented in both the states Haryana and Rajasthan in the first phase. The aim of the study is to evaluate the effect of MGNREGA on the socio-economic condition of workers. to fulfill the purpose of study, data were collected from the two states which were similar as well as dissimilar in many ways with each other.

### **1.1 Comparison in Haryana and Rajasthan**

There were many reasons for the selection of these two states for comparison. Both Haryana and Rajasthan are geographically north - western states of India and share boundaries with each other. The two states are primarily rural, approx. 72% population of Haryana and 77% population of Rajasthan, over total population lives in rural areas (Census 2011).

Despite these similarities, both states are dissimilar in many ways. "Haryana is one of the smallest states in India, accounting for 1.34% of the country's total geographical area. Almost 80% of the state's total geographical area of is under cultivation, of which 84% is irrigated". Haryana have two agro-climatic zones ([agriharyana.nic.in](http://agriharyana.nic.in)). Haryana's per capita income is second highest among states ([pbplanning.gov.in](http://pbplanning.gov.in)). On the other hand Rajasthan is largest state of India forming 10.4% of total geographical area of the country. Both of the states are north-western states of india but their soil conditions are very different. Rajasthan is also called as "state of desert" because 61% of its total geographical land area is desert ([rajasthan.gov.in](http://rajasthan.gov.in)). However nearly 50% of its total land area is cultivable of which 70% area is total rain fed ([www.icar.org.in](http://www.icar.org.in)). Thus the two states Haryana and Rajasthan were similar and dissimilar in many ways and it was expected that this diversity will help to build a more nuanced picture than possible through a focus on the state alone.

### **1.2 Comparison in Mahendragarh and Udaipur**

In Udaipur and Mahendergarh, the MGNREGA was launched initially in the first phase. In Udaipur 80% of total population and 86% population of Mahendragarh were living in villages (Census 2001). Udaipur had rank 44th and Mahendragarh had rank 411<sup>th</sup> out of 445 most backward districts of India. This backwardness index was measured on three parameters i.e., SC and ST population over total population, Agricultural Wages and output per agricultural worker. The district with low wage rate, low productivity and high SC/ST population has marked as backward on the index. Districts were listed as most backward to least backward. According to report Udaipur's total population consists approximately 45% of SC and ST Population where Mahendragarh consists 15.5% of SC and ST population (on the basis of 1991 census). Agricultural wage rate on 1996-97 bases was Rs. 30 only in Udaipur and while it was Rs. 64 in Mahendragarh, and agricultural output per worker was



2828 (in Rs.) only in Udaipur and which were 15095 (in RS in Mahendragarh (nrega.nic.in/planning\_commission .pdf

Both regions receive funding from "Backward Region Grant Fund" program, which provides financial support to local bodies for planning, implementation and monitoring the plans. The BRG fund provides the financial assistance to bridge critical gaps in local infrastructure and other development requirement that are not being adequately met through existing inflows (*Press Information Bureau, Government of India, 2012*). Udaipur is also comes under 5<sup>th</sup> schedule areas of India (*Press Information Bureau, Government of India, 2018*)

Above mentioned characteristics of both districts make them compatible to compare for the present study.

### **1.3 Research Objectives**

- 1). to evaluate effect of MGNREGA on employment level;
- 2). to evaluate the effect of MGNREGA on saving level of workers;
- 3). to evaluate the effect on overall socio-economic condition of workers;

### **1.4 Hypothesis of Study**

#### **Hypothesis 1:**

$H_0$  = MGNREGA does not help to increase the employment in Haryana and Rajasthan

$H_1$  = MGNREGA helps to increase the employment in Haryana and Rajasthan

#### **Hypothesis 2:**

$H_0$  = MGNREGA has not played significant role to increase saving capacity of workers in Haryana and Rajasthan

$H_1$  = MGNREGA has played significant role to increase saving capacity of workers in Haryana and Rajasthan

#### **Hypothesis 3:**

$H_0$  = MGNREGA did not improve the socio economic conditions in Haryana and Rajasthan

$H_1$  = MGNREGA improved the socio economic conditions in Haryana and Rajasthan

## **2. Review of Litratue**

Deininger k. and Liu Y. (2010) looked at the effect of NREGS on some major welfare indicators on its direct beneficiaries. It was found that NREGA impacted positively of accumulation of assets, consumption expenditure and protein and energy intake of workers. Jha R., et.al. (2010), has conclude that poor depended on NREGA then the non-poor. it was also found that NREGA also helps to improve earning of the poor households. Ahuja U.R. et.al (2011) found that MGNREGA is providing livelihood security to the resource poor people. Bonna K. et.al (2012) reported significant correlation between "state's literacy rate and its level of success in implementing MGNREGA". Narang B. (2013) clearly indicates that MGNREGA has immense potential to become an ideal scheme for rural development and transforming livelihoods at many levels. Azhagaiah R. and Radhika.G (2014) found that the socio-economic welfare of the workers of the MGNREGA was increased after the joining of the programme. There was better increment in house hold expenditure like on foods, clothing, and education of children. The best thing was that there was a pattern of increased savings. Narayanan S. ET. al. (2014) perceived MGNREGA is an anti-farmer scheme because it employs large number of workers. Simultaneously survey results suggests that it benefited to the farmers also, especially marginal and small. The study also pay concerns that in some sample villages implementation was good on paper but found missing on ground. Dev S.M.

(2015) draw results that adivasis, dalits and women are most in NREGA workers. Formation of productive assets and a gradual decrease in corruption was also found in study.. Pamecha S. and Sharma I. (2015) states that program have significantly changed the living standard of its beneficiaries. However it is a issue of debate that these changes in living standards are sustainable or not. Bahuguna R. ET. al. (2016) carried out their study in Rudraprayag after natural calamity. The results of the study states that MGNREGA has improved significantly economic and social wellbeing of beneficiaries. Breitkreuer R. et.al (2017) evaluates the right based protection of MGNREGA for SCs, STs, and Women. The study finds some small but significant shift in labor relations. Asish A.A. et.al (2018) evaluates the improvement in social and economic condition of women worker of NREGA. The study also checked the implementation effectiveness of NREGA. It is found that NREGA is contributing in women empowerment and effectively implemented by the GPs of Southern Kerala. Dhawan A.P. and Kumar A. (2018) conclude the NREGA has raised the living standard of the workers' of sample villages. It has considerably reduced the migration of workers. it also reduced socio-economic gaps among poor and increase the self defense of the women. Rekha and Mehta R. (2019) examined the effects of NREGA on rural poverty. They detected that the scheme is efficiently contributing for inclusive growth of nation.

### 3. Methodology

#### 3.1. Sampling and Hypothesis Testing

The study has purposive and multi stage stratified sampling. At very first stage two states Haryana and Rajasthan were selected on the basis of their geographical, social and economic diversity. on the second stage one district from Haryana i.e., Mahendragarh and one from Rajasthan i.e., Udaipur were selected. Both were moderate performing districts in their respective state's first phase cluster. At the stage three five blocks one from each districts were selected. Two of them were high performing, two were low performing and one was moderate performing from Udaipur. But at the time of study Mahendragarh had consisted only five block, so all the blocks surveyed. The blocks of Udaipur were Gogunda, Sarara (high performing), Girva (moderate performing), Bhinder and Mavli (low performing). The blocks of Mahendragarh were Ateli Nangal, Nangal Chaudhary, Narnaul, Kanina and Mahendragarh. On the fourth stage, two villages from each block were selected. one was near to the city and another is at least 20-25 km far from the city. At the last stage, a random sampling of 75, 50 and 25 worker's household selected per block basis on the population size. A sample size was fixed at 500 households in 10 blocks of two states. Schedule for households were constituted with the close ended and open ended questions.

#### To test hypothesis

The values at each column are ranked. The tie score has been assigned an average rank.  $r_{ij}$  denotes the rank within block  $j$  of the observation in treatment  $i$ .

The ranks are summed over each treatment to give rank sums, for  $i = 1, 2, \dots, k$

$$t_i = \sum_{j=1}^n r_{ij}$$

1. Friedman test statistic  $FR$  is calculated as

$$FR = \frac{12}{nk(k+1)} \sum_{i=1}^k \left\{ t_i - \frac{1}{2}n(k+1) \right\}^2$$

The  $\chi^2$  distribution with  $k - 1$  degrees of freedom has been used to compare the significance level. Where;

**k = total number of Variables (comparisons)**

**n= number of cases**

**$\chi^2$  = Chi-Square = FR**

**The level of significance:-** is calculated from the  $\chi^2$  distribution with k-1 degrees of freedom.

**The Mean Rank** The mean rank is calculated for the n samples of  $x_1, x_2, x_3 \dots, x_n$  event-series. The samples has been arranged in increasing order and the rank  $r_i$  is calculated for each sample . In case of ties, average ranks has been assigned to each sample.

### **3.2 Scope of further investigation and Limitations of present Study**

An empirical study based on comparison of government data (i.e., secondary data) and the primary data source (collected through survey) can be done.

The present studies also have some certain limitations. First of all study is descriptive. the second limitation is related to the data collection. In Rajasthan and Haryana both, the job cards were not available with the respondent families and even if some of the respondents had job cards, not a single job card was found updated. So it was difficult to capture genuine data/information from the beneficiary respondents. So that the results were drawn on the information whatever provided by the respondents on the basis of their memory (statements can be overemphasized and reason of discrepancy).

## **4. Analysis of Data and Hypothesis Testing**

### **4.1 Analysis of Data:**

#### **4.1.1) Members per Household working in MGNREGA**

This indicator depicts the number of members per household absorbed by MGNREGA. This indicator helps us to know whether only one or more than one members of one household could generate employment under MGNREGA. The following Table 4.1.1 presents the data of responses of workers in both the states of Haryana as well as Rajasthan regarding number of members per household working under MGNREGA.

**TABLE 4.1.1:- NUMBER OF MEMBERS PER HOUSEHOLD WORKING IN MGNREGA**

Name of the district	State	Number of Members per Household working in MGNREGA						Total
		1	2	3	4	5	6	
Mahendergarh	Haryana	36	157	42	14	1		250
Udaipur	Rajasthan	52	125	57	11	2	3	250
	Total	88	282	99	25	3	3	500

Source: - Data collected through Survey

The above table reveals that majority of respondents in both the states have reported that two members of their households have been engaged in MGNREGA. After that, considerable numbers of respondents have reported that 3 members per household have generated employment through MGNREGA. Following that, one member per household has also been reported by many workers in both the states. However, a negligible number of respondents have agreed to more than three members working under MGNREGA.

#### **4.1.2). Caste-distribution of workers**

The caste distribution of workers is a very important social indicator as it shows the participation of people belonging to different castes in MGNREGA. Here, in our analysis we have taken into account four categories of castes, i.e. General Caste, Scheduled Caste (SC),

Schedule Tribe (ST) and Other Backward Caste (OBC). The Table 4.1.2 portrays the caste-distribution of MGNREGA workers in both the states block-wise.

**TABLE 4.1.2: BLOCK WISE CASTE DISTRIBUTION OF THE WORKERS**

Block	Caste				Total
	General	SC	ST	OBC	
<b>Haryana- Mahendergarh</b>					
Mahendergarh	5 (1)	15 (3)	0 (0)	55 (11)	75 (15)
Nangal Chaudhary	1 (0.2)	33 (6.6)	0 (0)	16 (3.2)	50 (10)
Narnaul	0 (0)	50 (10)	0 (0)	0 (0)	50 (10)
AteliNangal	0 (0)	25 (5)	0 (0)	0 (0)	25 (5)
Kanina	0 (0)	50 (10)	0 (0)	0 (0)	50 (10)
<b>Rajasthan-Udaipur</b>					
Girva	8 (1.6)	8 (1.6)	34 (6.8)	0 (0)	50 (10)
Sarara	0 (0)	0 (0)	50 (10)	0 (0)	50 (10)
Gogunda	14 (2.8)	22 (4.4)	14 (2.8)	0 (0)	50 (10)
Bhinder	14 (2.8)	15 (3)	21 (4.2)	0 (0)	50 (10)
Mavli	8 (1.6)	19 (3.8)	23(4.6)	0 (0)	50 (10)
Total	50 (10)	237 (47.4)	142 (28.4)	71 (14.2)	500 (100)

Source: - Data calculated from the primary survey. Figures in brackets are percentages. Percentages show

Percentage from total sample

The data in the table reveals that in Haryana none of the respondents belong to Scheduled Tribe (ST) caste as the population of STs in Haryana is almost negligible. However, participation of Scheduled Castes (SCs) in Haryana is quite robust. In fact three blocks of Mahendergarh district of Haryana comprised of only Scheduled Caste (SC) respondents. However, Udaipur District of Rajasthan had considerable number of Scheduled Tribe (ST) respondents, whereas, none of the respondents belonged to Other Backward Caste (OBC) category here. Overall, Mahendergarh district of Haryana was dominated by Scheduled Castes (SCs), while, Udaipur district of Rajasthan was dominated by Schedule Tribe (ST) caste. In aggregate the most dominant class was Scheduled Caste (SC) followed by Schedule Tribe (ST) and Other Backward Caste (OBC), respectively. The least number of respondents belonged to General category.

#### 4.1.3). Level of education of workers in Haryana and Rajasthan

The data in the table reveals that Rajasthan comprises of more number of illiterate workers than Haryana. The proportion of Primary level educated workers is more in Rajasthan, whereas, the percentage of Middle level as well as Secondary level educated workers are much more in Haryana. Also, the table suggests that Rajasthan has none of the higher secondary level or graduate level educated workers in MGNREGA, whereas, the proportion of these workers is quite considerable in Haryana. Additionally, the percentage of diploma holder workers is more in Haryana as compared to Rajasthan.

**TABLE 4.1.3: AGGREGATE RESULTS OF LEVEL OF EDUCATION OF WORKERS IN HARYANA AND RAJASTHAN**

Education Levels		Haryana	Rajasthan	Total
<b>Not Literate</b>	% within State	38.8	66.8	52.8
	% of Total Sample	19.4	33.4	52.8
<b>Literate without formal schooling</b>	% within State	6.0	6.8	6.4
	% of Total	3.0	3.4	6.4

	Sample			
<b>Primary</b>	% within State	10.8	13.2	12.0
	% of Total Sample	5.4	6.6	12.0
<b>Middle</b>	% within State	9.6	6.8	8.2
	% of Total Sample	4.8	3.4	8.2
<b>Secondary</b>	% within State	19.2	5.6	12.4
	% of Total Sample	9.6	2.8	12.4
<b>Higher Secondary</b>	% within State	6.8		3.4
	% of Total Sample	3.4		3.4
<b>Diploma/Certificate Course</b>	% within State	2.4	0.8	1.6
	% of Total Sample	1.2	0.4	1.6
<b>Graduate</b>	% within State	6.4		3.2
	% of Total Sample	3.2		3.2
<b>Total</b>	% within State	100	100	100
	% of Total Sample	50	50	100

Source: - Data collected through Survey. All figures are in percentages. % of total is from Percentage of total sample

#### 4.1.4). Mean Person Days of MGNREGA Workers

The Table 4.1.3 presents the district-wise data on average person days of employment per worker in Mahendergarh district of Haryana as well as Udaipur district of Rajasthan over the years. The mean person days of workers in both the districts depict fluctuations but yet illustrate an upward trend over the years. However, the mean person days of workers in Haryana remained lower than mean person days of workers in Rajasthan in all the years. In may be concluded that Rajasthan performed much better than Haryana in this regard.

**TABLE 4.1.4:- DISTRICT WISE MEAN PERSON DAYS OF WORKERS**

District	2007-08		2008-09		2009-10		2010-11		2011-12		2012-13	
	Mean	Sum	Mean	Sum	Mean	Sum	Mean	Sum	Mean	Sum	Mean	Sum
Mahendergarh	8	1980	14	3621	24	6090	23	5758	29	7332	39	9658
Udaipur	11	2869	43	10668	65	16325	52	12987	49	12276	69	17139

Source: Data collected through field survey.

#### 4.1.5). Impact of MGNREGA on Income of Workers

This indicator unveils the performance of MGNREGA in context of raising the Income of workers in rural areas. This indicator depicts whether MGNREGA has some impact on the Income level of workers besides providing employment assurance for 100 days. The Table 4.1.5 presents the responses of MGNREGA workers in Mahendergarh district of Haryana as well as Udaipur district of Rajasthan regarding the rise in their Income level.

**TABLE 4.1.5: IMPACT OF MGNREGA ON INCOME OF WORKERS**

Name of the district	Impact of MGNREGA on Income			Total
	Considerably Increase	Increased somewhat	Not Increased	
Mahendergarh	16	194	40	250
Udaipur	12	222	16	250
Total	28	416	56	500

Source: - Data collected through Survey

The table reveals that very less number of workers in both the districts of Mahendergarh (Haryana) and Udaipur (Rajasthan) have reported that their incomes have considerably increased due to MGNREGA. However, majority of the workers from both the states have agreed to a positive change in their incomes due to MGNREGA, while, the response is more robust in Udaipur (Rajasthan). Considerably large numbers of workers (40) from Mahendergarh (Haryana) have reported that their incomes have not increased after the implementation of MGNREGA. Though small, but yet considerable number of workers from Udaipur (Rajasthan) have also given the same statement.

#### 4.1.6). MGNREGA Impact` on Expenditure on Food Items

This indicator depicts the impact of MGNREGA on expenditure of workers on food items. This indicator is important in evaluating the performance of MGNREGA as the beneficiaries of MGNREGA are the most vulnerable people who manage their survival with difficulty. So, if it has a considerable impact on expenditure of workers on food items then it is considered as a success of the program. The table 4.1.6 presents the responses of workers in Mahendergarh district of Haryana and Udaipur district of Rajasthan regarding the MGNREGA impact on expenditure of workers on food items.

**TABLE 4.1.6: MGNREGA IMPACT ON EXPENDITURE ON FOOD ITEMS**

Name of the district	Impact of MGNREGA on Expenditure on Food Items		Total
	Increased	Same	
Mahendergarh	225	25	250
Udaipur	250		250
Total	475	25	500

Source: - Data collected through Survey

The results in the table reveal that expenditure of workers on food items has drastically increased due to MGNREGA. The entire sample of workers from Udaipur district of Rajasthan agreed to this fact. Even in Haryana the majority of workers (225) have accepted the positive impact of MGNREGA on their expenditure on food items.

#### 4.1.7) MGNREGA Impact on Expenditure on Non-food items

This indicator depicts the impact of MGNREGA on expenditure of workers on non-food items. This indicator is important in evaluating the performance of MGNREGA as for survival and to have a considerable standard of living, not only food items but also non-food items are an important part of daily budget of workers. So, if MGNREGA has a considerable impact on expenditure of workers on non-food items then it is considered as complete success of the program. The table 4.1.7 presents the responses of workers in Mahendergarh district of Haryana and Udaipur district of Rajasthan regarding the MGNREGA impact on expenditure of workers on non-food items.

**TABLE 4.1.7: MGNREGA IMPACT ON EXPENDITURE ON NON-FOOD ITEMS**

Name of the district	Impact of MGNREGA on Non-Food Items		Total
	Increased	No Impact	
Mahendergarh	98	152	250
Udaipur	100	150	250
Total	198	302	500

Source: - Data collected through Survey

As against the results of previous indicator, i.e. impact of MGNREGA on expenditure of workers on food items, the results of the table 4.1.7 highlight that the impact of MGNREGA on expenditure on non-food items was not as significant. Majority of the workers from both the districts of Mahendergarh (Haryana) and Udaipur (Rajasthan) have reported no impact of MGNREGA on their expenditure on non-food items. Whereas, considerable number of workers have also reported an increase in expenditure on non-food items due to MGNREGA which implies partial success of MGNREGA in this regard.

#### **4.1.8). MGNREGA Impact on the Condition of Poor workers**

This indicator depicts the MGNREGA impact on the condition of poor people in rural areas of India. As we know that the main objective of MGNREGA was to alleviate the expounding levels of poverty in the country especially in the rural areas by providing employment to the people. This indicator is important in evaluating the performance of MGNREGA in fulfilling its objective of reducing the poverty level. So, if it has a considerable impact on the condition of poor workers then it is considered as a major success of the program. The table 4.1.8 presents the responses of workers in Mahendergarh district of Haryana and Udaipur district of Rajasthan regarding the MGNREGA impact on the condition of poor.

**TABLE 4.1.8: MGNREGA IMPACT ON THE CONDITION OF POOR WORKERS**

Name of the district	MGNREGA Impact on the Condition of Poor workers		Total
	Yes	No	
Mahendergarh	208	42	250
Udaipur	210	40	250
Total	418	82	500

Source: - Data collected through Survey

The table provides evidence in favor of MGNREGA that it has considerably improved the condition of the poor. Majority of the respondent workers from both the districts of Mahendergarh (Haryana) and Udaipur (Rajasthan) have accepted the positive impact of MGNREGA on improving their living conditions. This highlights that MGNREGA has been successful in improving the conditions of majority of beneficiaries working under its purview.

#### **4.1.9). Impact of MGNREGA on Loan Repayment**

This indicator depicts the impact of MGNREGA on Loan Repayments of workers. This indicator is important to be studied in evaluating the performance of MGNREGA as most of the workers participating in MMGNREGA are so vulnerable that they are highly indebted. So, if MGNREGA cannot be considered effective if it does not have a considerable impact on Loan repayments of workers. The table 4.1.9 presents the responses of workers in Mahendergarh district of Haryana and Udaipur district of Rajasthan regarding the impact of MGNREGA on Loan Repayments.

**TABLE 4.1.9: IMPACT OF MGNREGA ON LOAN REPAYMENT**

Name of the district	Loan Repayment after working in MGNREGA			Total
	0	Yes	No	
Mahendergarh	16	38	196	250
Udaipur	60	22	168	250
Total	76	60	364	500

Source: - Data collected through Survey. 0 means no response.

The table reveals that some marginal impact on loan repayment after participating in the MGNREGA was found. Zero indicates that there was no response from the workers about the loan payment. But majority of workers from both the states denied the impact of MGNREGA on loan repayment. Out of 250 workers, 196 from Haryana and 168 from Rajasthan have denied the impact on loan payment due to MGNREGA. We may infer that MGNREGA has helped the workers in raising their standard of living but not on releasing the debt burden on them.

#### 4.1.10). MGNREGA Impact on Savings Capacity of Workers

This indicator unveils the performance of MGNREGA in context of raising the capacity of savings of workers in rural areas. This indicator depicts whether MGNREGA has provided some scope of securing the future of workers by generating some savings out of their current incomes in order to remain unaffected by any future uncertainty. The table 4.1.9 presents the responses of workers of MGNREGA in Mahendergarh district of Haryana as well as Udaipur district of Rajasthan regarding the MGNREGA impact on the savings capacity of workers.

**TABLE 4.1.10: MGNREGA IMPACT ON SAVINGS CAPACITY OF WORKERS**

Name of the district	MGNREGA Impact on Savings		Total
	Yes	No	
Mahendergarh	181	69	250
Udaipur	241	9	250
Total	422	78	500

Source: - Data collected through Survey

The results suggest that MGNREGA positively impacted the savings capacity of workers in both the states Haryana and Rajasthan. Majority of the workers from both the states accepted that their savings increased with the implementation of MGNREGA. In Haryana out of 250 workers 181 workers agreed to the hypothesis, while, in Rajasthan 241 workers out of the sample of 250 workers agreed to it. It could be inferred from the above figures that MGNREGA has considerably raised the savings of the workers and provided them some kind of future security.

#### 4.2 Testing of the Hypotheses

This section focuses on Quantitative analysis of performance of MGNREGA on the basis of Hypotheses testing. As we know that every Research is based on some underlying Hypotheses which are tested during the process of Research to derive significant conclusions out of it. These conclusions are the end results of Research. In our analysis of performance evaluation of MGNREGA in two states of India, namely, Haryana and Rajasthan, we have three sets of underlying Hypotheses on which our study is based. These Hypotheses are tested in this section with the help of Friedman test and Descriptive Statistics applied on the primary data collected from workers of MGNREGA in two districts, namely, Mahendergarh district in Haryana and Udaipur district in Rajasthan through SPSS (Statistical Package for Social Sciences).



#### 4.2.1). Hypothesis 1

This hypothesis checks whether MGNREGA helped significantly increased the employment in Haryana and Rajasthan. MGNREGA has targeted to provide guaranteed employment to workers for 100 days or Unemployment Allowance in place of that. This Hypothesis confirms whether MGNREGA has achieved its target or not.

**H<sub>0</sub> = MGNREGA does not help to increase the employment in Haryana and Rajasthan**

**H<sub>1</sub> = MGNREGA helps to increase the employment in Haryana and Rajasthan**

**TABLE 4.2.1: RANK ASSIGNED AND FRIEDMAN SCORE OF TEST STATISTICS FOR HYPOTHESIS 1**

Ranks	
	Mean Rank
No of House hold worked in MGNREGA	8.08
Member worked with	6.10
Apply for registration to GP	6.95
Apply for employment	2.40
Panchayat issued a dated receipts of written	2.35
No of days to get employment after receipts	2.35
Job card availability	7.06
Distance of working	5.75
Rotation System	3.97

#### Test Statistics<sup>a</sup>

N	500
Chi-Square	3198.333
Df	8
Asymp. Sig.	.000

a. Friedman Test

The table 4.2.1 shows output derived through SPSS presents values of test statistic. The value test statistic is 3198.333 and degree of freedom (K-1) i.e., 9-1=8. The value depicting level of significance is 0.000, which is less than 0.05 (at 95% of confidence level), therefore Null Hypothesis is rejected and it can be concluded that MGNREGA has significantly increased the employment in Haryana and Rajasthan.

#### 4.2.2). Hypothesis 2

This Hypothesis examines whether MGNREGA significantly improved the capacity of savings among workers or not. MGNREGA provides guaranteed employment to workers or Unemployment Allowance in place of that. This has led to consistent flow of income in the families of MGNREGA workers which may or may not have an impact on their pattern of savings.

**H<sub>0</sub> = MGNREGA has not played significant role to increase saving capacity of workers in Haryana and Rajasthan**

**H<sub>1</sub> = MGNREGA has played significant role to increase saving capacity of workers in Haryana and Rajasthan**

**Table 4.2.2: Rank assigned and Friedman Score of Test Statistics for Hypothesis 2****Ranks**

	Mean Rank
Saving	1.68
Saving affected with NAREGA	1.32

**Test Statistics<sup>a</sup>**

N	500
Chi-Square	150.000
Df	1
Asymp. Sig.	.000

## a. Friedman Test

The table 4.2.2 shows output derived through SPSS presents the values of test statistic. Here test statistic value is 150.000 with the degree of freedom (K-1) i.e., 2-1=1. The level of significance is 0.000, which is less than 0.05 (at 95% of confidence level), hence Null Hypothesis is rejected and it can be concluded that MGNREGA significantly improved the saving capacity of workers in Haryana and Rajasthan.

**4.2.3). Hypothesis 3**

This Hypothesis analyzes whether MGNREGA significantly improved socio-economic conditions of workers or not. MGNREGA provides guaranteed employment to workers or Unemployment Allowance in place of that. But the main objective of MGNREGA is not only to provide employment but also to improve the socio-economic conditions of the workers like their children's education, savings, indebtedness, expenditure on food and non-food items, nature of loans, etc. This Hypothesis confirms whether MGNREGA improved these socio-economic outcomes of the workers.

**H<sub>0</sub> = MGNREGA did not improve the socio economic conditions in Haryana and Rajasthan**

**H<sub>1</sub> = MGNREGA improved the socio economic conditions in Haryana and Rajasthan**

**Ranks**

	Mean Rank
Education	13.41
Children going school in the age of school going	6.49
Saving	12.17
Saving affected with MGNREGA	9.85
Indebtedness	11.58
Any Earning from livestock	4.04
Nature of loan	8.08
Loan contracted	5.21
Source of loan	10.52
Purpose of Loan	10.29
If employment delayed more than 5 days then employment allowance	2.78
Effect of MGNREGA on income	14.99
Impact of MGNREGA on children education	14.96
Impact of MGNREGA expenditure on food items	9.34
Impact of MGNREGA on nonfood items	14.09
Expenditure of last income from MGNREGA	10.14
Loan payment after working in MGNREGA	12.37
MGNREGA improving the conditions of Poor	9.83

Social auditing	9.86
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**Test Statistics<sup>a</sup>**

N	500
Chi-Square	3875.401
Df	18
Asymp. Sig.	.000

a. Friedman Test

The table 4.2.3 shows output derived through SPSS presents the values of test statistic. The Chi-Square value of test statistic is 3875.401 and counted degree of freedom (K-1) i.e., 19-1=18. Here level of significance is 0.000, which is less than 0.05 (at 95% of confidence level), therefore Null Hypothesis is rejected and it can be concludes that MGNREGA helped in significantly improves the socio-economic conditions of workers in Haryana and Rajasthan.

**5. CONCLUSION**

The nature of MGNREGA is very ambitious and democratic. The scheme has significantly charged up the rural Indian economy. However, the effects of MNREGA have been seen differently in every region. All these effects depend on how MGNREGA is implemented. The three hypothesis of the present study proves that if implemented well, MGNREGA not even helps in improving the employment, saving but also improves the overall socio-economic conditions of the workers. Socio-economic development of a worker includes almost all the variables which are necessary for their holistic development for example, education of workers, children's education, worker's earning level, saving capacity, indebtness, loan repayment and increase in expenditure on food and non food (including durables) items. The present study performed in two states Haryana and Rajasthan. After examine all mentioned demographic and socio-economic variables, study concludes that the scheme is performing better in Rajasthan then Haryana.

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