

Q. Discuss the components and significance of MGNREGA in India. (10 marks)

In 2005, the world countries faced the problem of global recession. In India, majority of the people work in unorganized sector especially in rural India. Therefore, the Ministry of Rural Development (MoRD) guided by welfare approach came out with Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) to eliminate poverty and unemployment.

The aim of this act/scheme is that any person in rural India, above 18 years of age is eligible to get demand driven employment opportunity of minimum 100 days for work which does not require any skill, machine or technology.

The components of MGNREGA are:

Empowerment of Gram Sabha

A demand driven program

Financial inclusion and Direct Benefit Transfer (DBT)

Other components of the scheme include:

Demand driven program with minimum 100 days.

Gram Sabha identifies the people, allots work and socially acknowledges them.

MGNREGA converges with other schemes of the government such as PMGSY, PMAGY, PM Awas Yojna

Priority to more women (without a legal provision)

Opening of accounts in post office for regular money supply

Construction of rural infrastructure with the help of MGNREGA

Budget provided by central government to state government and subsequently to Gram Panchayats.

Significance of the scheme is:

1. Social Significance

Participation of all segments in rural India (including SC/ST/OBC/Women) above 18 years of

age.

Women earns good amount of money to further provide good education and skills to her children.

2) Economic Significance

Associated with multiplier effect i.e. money provided through MGNREGA flows into the economy ultimately which can be a solution for recession.

3) Political Significance

MGNREGA is a benchmark policy regarding decentralized governance in India.

Through MGNREGA government empowers panchayats which is fundamental to empower grass-root level of governance.

4) Social Significance

Infrastructure development in rural India like drinking water, housing, roads, watershed, pond, etc.

It also includes participation of rural poor.

5) MGNREGA is also helpful to control rural-urban migration vis-à-vis controlling rural poverty by providing 100 days of employment.

Despite of all these factors, MGNREGA is affected by the problem of:

Availability of proper funds

Average number of days provided by each state is different.

Even minimum wages provided is also different in each state.

The quality of infrastructure is not upto the mark

No proper social audit

Therefore, Government of India appointed Mehar Shah Committee to revive the provision of MGNREGA in India.