Socio economic condition of MGNREGA beneficiaries in Balangir District of Odisha: A study

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ABSTRACT

Background: Mahatma Gandhi National Rural Employment Guarantee Act, was notified by Ministry of Rural Development, Government of India in September, 2005. It is the first statute in the history of India empowering rural India with the power of work. The present study aims to analyse socio economic condition of the beneficiaries of MGNREGA in Balangir District of Western Odisha.

Methods: This study is done during 2024-25, Balangir district of Western Odisha is selected for the study. Balangir block is choosen for the study since it contains the greatest number of MGNREGA beneficiaries. Five villages in total were purposefully chosen for the study. A random sample of 130 respondents was obtained. Pre-structured interview schedules were used to collect the data and relevant statistical analysis was carried out to determine the significant findings.

Results: The findings of the study shows that the majority of respondents 41.54 percent belong to the middle age group; the majority of respondents 46.92 percent were illiterate; the majority 47.70 percent belonged to the schedule class caste; the majority 53.07 percent held land holdings of less than one acre; the majority 40 percent worked alone as their primary occupation ; 40.77 percent had low annual incomes; the majority 42.30 percent had a family of medium size; the majority 46.92 percent were involved in social activities; and most 46.15 percent of the respondents were having medium level of extension contacts.

Keywords: MGNREGA, Poverty, Consumption, Income, Economy

Introduction

The Indian government passed the National Rural Employment Guarantee Act (NREGA) in the year 2005. It is a one of a kind national policy intervention that strives to improve the livelihood security of those who reside in rural areas (Mishra *et al*., 2010 and Makwana and Shah, 2011).

The MGNREGA programme tops the list of the most effective initiatives ever launched in India to alter rural living (Ghosh, 2010; Thakur, 2011 and Seth, 2015). The NREGA is, in many ways, a legalised version of past systems. MGNREGA is a demand driven programme, unlike other programmes that are allocation based (Dreze, 2008). Beginning with 200 districts on 2nd February, 2006, the NREGA expanded to include all Indian districts on 1st April, 2008. Over the course of three to four years, the Indian government, along with non-governmental organisations, has successfully expanded the MGNREGA to over 40 million families (Holmes *et al*., 2010,; Khera, 2011).

By ensuring 100 days of pay employment, the plan has the huge potential to improve socio economic conditions and boost the standard of living for rural poor people (Bhat *et al*., 2021) MGNREGA benefits for women have been realised through efforts on income consumption, affects within households and improvements in choice and decision making within the family (Kumar et al., 2013;Pankaj and Tankha (2010). The implementation of MGNREGA evidently improved employment, income generation, women's participation, standard of living and the socio economic circumstances of the rural poor (Jacob, 2008; Khera and Nayak 2009; Sankari and Murugan, 2009; Roy and Sigh, 2010; Kumar .,2011; Pooniya, 2012; Karthika, 2015). However, Kareemulla et al. (2010); Thomas and Bhatia, (2012) and De and Jana, (2013) did not found the MGNREGA's operation to be very satisfactory and reported people's dissatisfaction

regarding the scheme's impact on their livelihood and the quality of work completed under it.

Eliminating underemployment and unemployment has been a major goal of national planning. The planning commission has always believed that increased investment will result in higher national income and more jobs being created in the nation. Moreover, the elimination of unemployment would raise gross national product on one hand and rural residents standard of living and per capita income on the other. A growth in labour absorption alone does not indicate the creation of job opportunities. However, it must address the issue of rising wages and salaries, meaning that employment must be productive in order for the living standards of those employed to rise along with productivity.

Numerous studies have evaluated the socio-economic impact of the programme on participants by partially accounting for a variety of parameters, including changes in households spending, savings, income and nutritional and health status (Sarkar, 2011). Additionally, socio- economic factors include significant variables like age, education, caste, family size, land ownership, occupation, yearly income, information source, social participation and extension contracts.

Materials and Methods

The study was carried out in Western Odisha's Balangir district during 2024 and 2025. Balangir block which has the most MGNREGA beneficiaries, it was chosen for the study using purposive sampling. Six communities in total were chosen for the study with the intention of including more MGNREGA beneficiaries in these villages. a random sample of 130 respondents was obtained.

Analytical tools

To access the socio-economic profile of the MGNREGA beneficiaries different dependent and independent variable were taken. Simple statistical tools like arithmetic mean, standard deviation, percentage analysis and Karl Pearson's correlation coefficient.

Results and Discussion

The data presented in Table 1 shows Age, Educational status, caste, size of family, land holding, occupation, Annual income, Sources of information, social participation and Extension contacts.

The data in Table 1, the bulk of MGNREGA beneficiary 41.54 percent belong in the middle age group, followed by the young age group 36.15 percent and the senior age group 22.31 percent. The results for the age groups mentioned above are consistent with Marin and Vineeth's (2012) findings. The majority of MGNREGA participants who were middle aged or younger are likely beneficiaries of the programme because of the lengthy commutes between work locations and the energy- intensive projects undertaken, such as excavating farm ponds.

It is evident that the more than one fourth 26.92 percent of the MGNREGA workers were functionally literate, most of the 46.92 percent MGNREGA workers were illiterate, about 15.38 percent of the workers of MGNREGA have undergone primary school education, about a difference of 0.09 percent, the MGNREGA workers fell into middle school education 0.02, Very few workers have completed their high school education. Education can be accumulated either through formal study or through informal study. The result of the study is parallel to the findings of Argade (2010). MGNREGA recipients only completed secondary school, they may benefit from using materials such as pamphlets, folders and other materials that provide information about MGNREGA activities. Posters, demonstration films, specimens and other materials can be utilised to raise awareness of the features of MGNREGA among the illiterate and those with primary school education.

From the Table 1 it is found that the 47.70 percent MGNREGA beneficiaries belong to the schedule class, followed by 30.00 percent belong to the backward class category and 22.30 percent fell into the general caste category. The result of the study is somewhat parallel to the Debabrata and Bandyopadhyay (2013). It is revealed that the Majority 49.23% of the MGNREGA beneficiaries were having medium size of family, followed by 31.54 percent of the MGNREGA beneficiaries were having small size of family and 19.23 percent of MGNREGA beneficiaries were having large size of

family. The result of the study is parallel to the findings of Argade (2010). It is because of their limited resources, impoverished people may have restricted their family size to a medium size, realising the challenges of raising a large number of children. There may be a high level of knowledge regarding small families and family planning, which will enhance both the health and the family environment. It is evident that the more than 53.07 percent of the MGNREGA beneficiaries were have less than 1 acre of land, followed by the 28.46 percent of the MGNREGA beneficiaries were 1-2 acre lands and few of the MGNREGA beneficiaries were have more than 2 acres of land. The result of the study is parallel to the findings of Parahad (2011). The reason for marginal and tiny land holdings could be attributed to family breakup causing land fragmentation. The large land holding may be the result of appropriate ancestry continuance.

Table 1 makes it clear that 40 percent, of the MGNREGA beneficiaries were labourers. These were followed by 33.85 percent or 34, of the MGNREGA beneficiaries who were labourers in addition to engaging in agriculture and 26.15 percent of the MGNREGA beneficiaries who were labourers

in addition to engaging in some small business, such as operating stalls. The study's outcome is consistent with Marin and Vinneth's (2012) findings. As a result, it can be said that the bulk of MGNREGA recipients worked mostly as labourers due to a lack of sufficient educational background to find employment. They were solely dependent on labourers because of this. The selected MGNREGA recipients were engaged in farming and labour because it was their ancestors customary vocation and because they lacked sufficient education, which led to their employment as labourers.

Table 1 states it clear that 40.77 % of MGNREGA beneficiaries earned less than ₹50,000 annually, followed by 34.61 percent who earned between ₹50,000 and ₹1,00,000 annually and 24.62%, or one-fourth of the beneficiaries, who earned more than ₹1,00,000 annually. The studies agree with Argade's (2010) findings. MGNREGA's primary goal is to improve the economic circumstances of rural impoverished people by giving them access to employment possibilities. Given that the majority of respondents had low incomes, MGNREGA should assist people in rising beyond the poverty line by raising their income.

Table 1: Socio economic profile distribution of the MGNREGA beneficiaries.

Particulars	Sub-category	Number of beneficiaries	Percentage (%)
Age (In years)	Young	47	36.15
	Middle	54	41.54
	Old	29	22.31
	Total	130	100.00
Educational status	Illiterate	61	46.92
	Functionally literate	35	26.92
	Primary school education	20	15.38
	Middle school education	12	0.09
	Higher school education	2	0.02
	Total	130	100.00
Caste	Schedule class (SC/ST)	62	47.70
	Backward class (OBC)	39	30.00
	General	29	22.30
	Total	130	100.00
Size of family	Small (1-3)	41	31.54
	Medium (4-6)	64	49.23
	Large (>6)	25	19.23
	Total	130	100.00
Land holding	Marginal farmers (<1 acre)	69	53.07
	Small farmers (1-2 acre)	37	28.46
	Big farmers (> 2 acre)	24	18.46

	Total	130	100.00
Occupation	Labourer	52	40.00
	Agriculture + Labour	44	33.85
	Labour + Small business	34	26.15
	Total	130	100.00
Annual Income	Low (<50,000)	53	40.77
	Medium (50,001-1,00,000)	45	34.61
	High (>1 lakh)	32	24.62
	Total	130	100.00
Sources of Information	Low	52	40.00
	Medium	55	42.30
	High	23	17.70
	Total	130	100.00
Social Participation	Low	44	33.85
	Medium	61	46.92
	High	25	19.23
	Total	130	100.00
Extension contacts	Low	46	35.38
	Medium	60	46.15
	High	24	18.46
	Total	130	100.00

Table 1 makes clear that 42.30 % of MGNREGA beneficiaries had medium levels of information sources, followed by 40 % with low levels and 17.70% with only high levels. The results shown above are consistent with those of Khalache and Gaikwad (2011). Perhaps in the current era of mass media and electronic media, Majority of MGNREGA beneficiaries recipients learned about the programme from friends, family, Gramme Sevak, television, radio, newspapers and technical officers (MGNREGA) . The medium level of information sources may have been caused due to the lack of time, a lack of mass media, inadequate communication tools and a low degree of comprehension. According to the Table 1. 46.92 percent of MGNREGA beneficiaries participated in society at a medium level, followed by 33.85percent who participated at a low level and 19.23 percent who participated at a high level. The results shown above are consistent with those of Bhandari 2014 and Bansode *et al.*2013. The majority of the respondents had membership of very few organisation organisations, such as cooperative societies, Gram Panchayats cooperative societies, etc., which may be the likely to be the probable reason of these outcomes. Another possible

explanation for their medium social participation could be that they hesitate to participate in formal and non- formal groups because of the dominance of higher castes, higher income groups and higher socio economic status people's . Low social participation was due to lack of time and interest, lack of perceived benefits and local politics.

It is clear from Table 1 that 46.15 % of MGNREGA beneficiaries had medium extension contacts, followed by 35.38 % who had low extension contacts and 18.46 percent who had high and low extension contacts respectively. The results are consistent with those of Rathod and Damodhar (2015). The majority of MGNREGA beneficiaries most likely fall into the medium category of extension contacts due to their eagerness to work with agriculture assistants, gram sevaks and other technical officers; this might be good relationships with extension workers and are interested in solving problems with them. MGNREGA beneficiaries received information about the programme from a variety of sources, including friends, family, KVK SMS, agriculture officers, assistants and NGOs that assist recipients in expanding their outreach.

Conclusion:

From above it is concluded that the majority of responders were middle-aged, with little to no formal education. The majority of the respondents belonged to the schedule class caste. With the majority of the respondents had medium sized families and were marginal farmers. The majority of respondents had low annual incomes and were employed as workers. The majority of teh participants exhibited poor levels of information sources, social activity and extension contacts. According to the study, the majority of MGNREGA recipients reported significant issues such low salary rate, lateness in receiving payment. Therefore, in order to raise awareness of the aforementioned issues, the government should hold demonstrations.

Conflict of interest

All authors declare that they have no conflicts of interest.

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