

IMPACT OF DIRECT BENEFIT TRANSFER ON MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT (MGNREGA) IN BENGALURU DISTRICT

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ABSTRACT

MGNREGA or earlier called as NREGA is a social security measure taken by Government of India in order to bring up the employment opportunities to the unskilled unemployed people in the country. The Act guarantees 100 days of work or 150 days of work during drought and emergency to at-least one member of every rural household which helps them to enhance their living standards in the society. Wage amount will be transferred to their personal bank/postal account through Direct Benefit Transfer scheme. The current paper is focusing on studying the awareness and effectiveness of implementing the act, to know about the factors which are influencing the act and to study the impact of Direct benefit transfer scheme on the entire system.

Key words: Guaranteed Employment, Direct Benefit transfer, improving living standards.

1. INTRODUCTION

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is one of the most successful mission of the Government of India which was introduced in 2005. The main aim of this scheme is to provide 100 days of guaranteed employment to the unskilled unemployed people in the country. During the days of emergency, flood or drought it can be extended to 150 days. By implementing this government is striving to reduce the unemployment cases in the country and to uplift the living standards of the people. At-least one person from every household of rural India must be the beneficiary of this act. Apart from this MGNREGA also focuses on creating the infrastructures in the country by employing these people. The work will be provided within 5 kms radius, in case if the government fails to allot the work within 15 days of application such people will be getting unemployment allowance from the regional Gram panchayat offices. It also helps in women empowerment, protecting the environment and bringing up the social equality in the country.

Previously, In-hand wage payment system was followed where the cash was directly paid to the beneficiaries which led to huge corruption and leakage in the system. Due to this issue, the scheme was added under Direct benefit transfer scheme where the wage amounts were directly transferred to the beneficiaries

bank/postal account which reduced the leakage in the system. As the study was conducted the rural part of Bengaluru District, the current pay in Karnataka slightly increased for about 2.27% from ₹ 309 in 2022-23 to ₹ 316 in 2023-24.

The Gram panchayat offices in every rural part of the country appoints one MGNREGA officer who will be responsible to create awareness about the act, identify the unskilled employees in the country and to give them job opportunities. The current study was conducted by interviewing around 100 members of rural Bengaluru where we got mixed responses. The same will be analyzed in this paper. Henceforth, the paper is focusing more on studying the effectiveness of the Act.

2. REVIEW OF LITERATURE

1. **Mukesh Chahal and Pradeep Kumar (2020):** This paper is an attempt to overview the impact of MGNREGA on employment generation in rural Haryana. It also examined the financial progress of MGNREGA and employment generated by this scheme. The study revealed that MGNREGA plays a significant role in employment generation in rural Haryana.
2. **Balasubramaniam P, Sriram N, Mohanraj V, Shanjeevika Vand Kanimozhi R (2022):** In this study Salem district were purposively selected. In this district Panamarathupatty block has been selected with a sample size of 200 beneficiaries, the Probability sampling method was used for the selection of villages. One of the most effective methods of PRA i.e., preferential ranking technique was used in this study for identifying the strength, weakness, opportunity and challenges faced by the beneficiaries in the MGNREGA works.
3. **Sanjiv Kumar and S. Madheswaran (2022):** This article examines the performance of MGNREGA in select drought-affected taluks of Karnataka during the drought years and crisis situations. Furthermore, drawing from the past comparative performances in the drought- and the non-drought-affected talukas, this study attempts to identify MGNREGA's strengths, weaknesses and opportunity in view of the unprecedented COVID-19-driven reverse migration.

4. **Dr. Suneyana Sharma (2023):** The MGNREGA, a self-targeting initiative, aims to increase outreach to the underprivileged and disadvantaged sections of society by supporting their efforts to achieve economic and financial inclusion. The present paper is devoted to assessing the success of the MGNREGA in Rajasthan and Haryana, two Indian states.

3. NEED FOR THE STUDY

Unemployment is one of the major hindrance for country's growth. Eradicating it completely is impossible. Therefore government has come up with this remarkable scheme of providing employment opportunities to its people. But to what extent people are receiving it is the question. Hence, the current study is focusing on analysing the effectiveness of implementing MGNREGA through DBT based payment system.

4. SCOPE OF THE STUDY

The study is focusing on analysing the effectiveness of implementing MGNREGA through DBT based payment system and also about the societal awareness, factors influencing strongly on the development of the schemes and also about the loopholes in the system.

5. OBJECTIVES OF THE STUDY

1. To analyze the effectiveness of implementing MGNREGA
2. To study the societal awareness about the Act
3. To study about the factors which are influencing the Act
4. To examine the impact of DBT on the Act

6. LIMITATIONS OF THE STUDY

1. The study was conducted in the rural part of Bengaluru District only.
2. Personal interview technique was adopted and the data collected is only to the extent of 100 respondents.
3. Few of the information were not accurate as a part of respondents were not aware of the Act.

7. RESEARCH METHODOLOGY

The study is based on primary data as well as secondary data.

Primary data: information collected by conducting personal interviews of the MGNREGA beneficiaries.

Secondary data: information is collected through internet, Library the data given by panchayat offices.

8. ANALYSIS AND INTERPRETATION

MGNREGA is one of the remarkable scheme that our Government has implemented. It has whole lots of benefits to

the society in upbringing the standard of living of the people, creating social quality, reducing unemployment in the society, creating infrastructures as assets for the country and contributing a little towards financial strengthening of the people. Yes, the scheme has been implemented with good intention but whether the so called beneficiaries are receiving the benefits? Is always a question mark.

In this regard, few of the villages in Bengaluru city were chosen and the interview was conducted. Amongst the selected villages some had good opinion on the act, but in few places the experience was pathetic.



In few places, village didn't even look like a village it was more of a developed city. They had

implemented so many developmental activities through MGNREGA where they have created good infrastructure also.



As we say a positive part also have a negative shade, people of other few villages were truly unaware of the scheme. Every household had a MGNREGA Job card but none of them knew what to do with that. All the

way they know is they get a bit of money by having this card. Yes, they were all a part of this leakage system where they will be promised to give money, their personal details will be collected, Job cards will be issued and the money will be shared among the officers and the beneficiaries. This is the real hindrance to the nation's growth. The money which has to go to the needy is not reaching the ones and those are not aware of what is happening around them.

9. SUGGESTIONS AND CONCLUSION

Government has to take necessary action against the leakage that is happening in the system. We all know that under MGNREGA crores of amount are dispersed every year but where is it all going? Should make people aware about the benefits that they are supposed to get. Not only about this scheme, people should be aware about every possible scheme out of which they can be benefitted. Happy for those who are really making the right use of the scheme.

DBT is playing a very significant role in reducing the leakage that is happening in the system. In spite of having many limitations and hindrances in the system, MGNREGA is one of the most remarkable and most successful schemes among the

others. Indian Government is taking all the efforts to make it a prosperous country. Let everyone know what they are supposed to do, create awareness and contribute to the development of the country.

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