



A STUDY ON PRODUCTIVITY AND SUSTAINABILITY OF THE ASSETS CREATED UNDER MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE SCHEME (MGNREGS) IN TRIPURA

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ABSTRACT

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), launched in 2005, has emerged as a landmark initiative aimed at alleviating rural poverty and unemployment through guaranteed wage employment and asset creation. This study investigates the sustainability and productivity of assets created under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in Tripura, India. Conducted in the Ambassa RD Block of Dhalai District, the research focuses on assets created during the 2018-19 financial year. Data was collected from 174 respondents, including individual beneficiaries and villagers, through household surveys, interviews, and field visits. The study reveals that the majority of assets were in good condition and deemed useful by the beneficiaries. However, there were shortcomings in the installation of Community Information Boards and maintenance of community assets. The findings indicate that MGNREGA has positively impacted rural livelihoods by improving sanitation, increasing income, and enhancing infrastructure. The study recommends improved grassroots planning, convergence with other departments, beneficiary education, and robust monitoring and maintenance mechanisms to maximize the program's effectiveness and ensure the sustainability of created assets.

KEY WORD: MGNREGA, Asset Creation, Sustainability, Impact Assessment, Livelihood Security, Community Assets, Individual Assets, Natural Resource Management

I. INTRODUCTION

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) of 2005 is considered an important tool to combat poverty and unemployment by creating labor demand in villages.

This Act addresses the rise in rural poverty, unemployment, illiteracy, hunger, malnutrition, and farmer suicides over the past few decades, which is further exacerbated by droughts and natural disasters that trigger migration due to lack of employment and food production. MGNREGA aims to alleviate poverty by guaranteeing livelihood security to rural households.

Launched in 2006-07 with an initial budget of USD 11,300 million, it has grown into one of the world's largest poverty reduction programs, with the Indian government spending Rs. 1300 crore in the 2022-23 financial year. The Act legally guarantees 100 days of employment per financial year for adult members of rural households who are willing to perform unskilled manual labor in public service at the statutory minimum wage. It's a universal program available to any rural person over 18 years old with a valid job card, recognizing that agricultural work typically only lasts about 250 days a year.

MGNREGA is a demand-driven program, meaning that job provision is triggered by job seekers' demand for work, effectively targeting the poorest and most marginalized populations. The program is funded by the Indian government, with states receiving 100% of the unskilled labor costs and 75% of the material costs (90% for North Eastern and Himalayan states).

MGNREGA promotes inclusive growth in rural India by providing social protection, livelihood security, and empowering the poor through the creation of sustainable assets like improved water safety, soil conservation, and increased land productivity. These assets aim to boost productivity, income, and rural connectivity. The Indian government has identified 266 permissible types of work under MGNREGA, categorized into (a) Public works relating to Natural Resource Management (NRM), (b) Individual Assets, (c) Common Infrastructure for NRLM, and (d) Rural Infrastructure. Government reports indicate a significant increase in community and individual assets across the country since the program's implementation, with MIS data showing the creation of 31,608,472 community assets and 12,081,464 individual assets over the past 5 years.



Table 1: Assets created during the last five years (2018-19 to 2022-23)

Year	INDIA			TRIPURA		
	Individual	Community	Total	Individual	Community	Total
2018-19	6640322	2516856	9157178	22276	40745	63021
2019-20	5422039	2109137	7531176	6792	54503	61295
2020-21	6178635	2344776	8523411	18218	60881	79099
2021-22	6508480	2524258	9032738	16311	68153	69764
2022-23	6858996	2586437	9445433	116088	45610	161698
Total	31608472	12081464	43689936	179685	269892	434877

Source: nrega.nic.in as on 21/02/2024

Implementation of Mahatma Gandhi NREGA in Tripura

Tripura is the second smallest State in the Northeastern region of India with 10,491 km² in area and out of this total area approximately 84% is rural area with 6294.29 sq. km covered by forest. According to the 2011 census, the state's population is 36.74 lakh, with a density of 350 persons per sq. km. The rural demography consists of 73.83% of the total population and during 2011-22, 14.05% of the rural household were the below poverty line. The uniqueness of the state is Panchayati Raj Institutions and Local bodies of Sixth Schedule areas co-exist here. As a result, at the gram root, 591 Gram Panchayats (outside ADC), and 587 Village Committees (within the Autonomous District Council) are functional. Moreover, at the intermediate level, 35 Panchayat Samities (outside ADC) and 40 Block Advisory Committees (within ADC) are functional. At the apex level, 08 Zilla-Parishads and 01 Autonomous District Council called TTAADC (Tripura Tribal Areas Autonomous District Council) are delivering their services to the rural people.

The economy of the state is mostly agrarian as 58% of the total population engages in agricultural and allied activities. The Mahatma Gandhi NREGA was first introduced in the Dhalai District of the state as Dhalai is the only Backward District of the State. After its successful implementation and output, gradually the programme was eventually expanded to all other districts of the State by Govt. of India and Tripura became one of the best states in implementing Mahatma Gandhi NREGA.

Since its inception in Tripura, the state government has taken an active role in the implementation of Mahatma Gandhi NREGA. As a result of the high commitment from the state government, Tripura is one of the best performers of Mahatma Gandhi NREGS in the country by creating employment of the highest average person-days per household per year consequently for the 3 years (2011-12, 2012-13 and 2013-14). As per the economic times, the Unakoti district of Tripura has also been awarded by the Central Government for the best utilization of funds for the year 2013-14 (which has utilised 98% of allotment funds). The accomplishment ratio of timely work in Tripura is 99.16% while the State achieved 99.16% success in the timely payment of wages to workers. The implementation rate of the Mahatma Gandhi NREGA project in 2017-18 was 84%, which had gone up to 98.24% in 2020-21.

II. OBJECTIVES OF THE STUDY

1. To assess the sustainability and productivity of the assets created under Mahatma Gandhi NREGA in Tripura.
2. To study the impact of Mahatma Gandhi NREGA assets at the individual and community levels.

3. To understand the villager's perception on the created assets.

III. RESEARCH METHODOLOGY

(a) Study Area: The study was conducted in Ambassa RD Block of Dhalai District of Tripura. The study area was confined to three (3) Village Committees (VCs) of Ambassa RD Block namely, Jagannathpur VC, Lalchari VC and Bagmara VC.

(b) Sampling Procedure: Three stages were followed for the selection of respondents. In the first stage, the purposive sampling method was adopted for the selection of the study area. In the second stage, to assess the sustainability and impact of the assets created under Mahatma Gandhi NREGA the works implemented five (5) years ago i.e., works implemented during the financial year 2018-19 in the study area were selected for the study. In the third stage, all the beneficiaries (100%) of individual works have been selected as respondents. Apart from them, 100 villagers have been randomly selected from the study area as respondents to understand the community's perception of the created community assets.

(c) Sample Size

The study included both individual beneficiaries (for assessing individual asset sustainability and productivity) and villagers (for understanding perceptions of community assets).

A census method was used for individual beneficiaries due to the small asset size, while 105 villagers were randomly selected from three village committees (35 from each). The total sample size was initially 179 (74 individual beneficiaries and 105 villagers), but after some refusals, the final sample size was 174.

(d) Method of Data Collection: To achieve the study's objectives, both primary and secondary data were utilized. Primary data was gathered from individual beneficiaries and villagers through household surveys using pre-tested questionnaires, semi-structured interviews with officials, and field visits to verify asset existence. Secondary data was obtained from websites (nrega.nic.in and pmayg.nic.in) of the Ministry of Rural Development and other government offices, including those at the state, district, and block levels, as well as from literature such as reports, books, and journals.

IV. FINDINGS AND ANALYSIS

(1) Demographic Profile of the Respondents Interviewed: The study covered 174 respondents across 128 assets from three Village Committees under Ambassa RD Block. Key findings include:

- i. Most respondents (73.6%) were male, with a concentration aged 41-60; the mean age was 39.89 for males and 38.33 for females.



- ii. The study area was tribal-dominated, with 82% of respondents being Schedule Tribes, 10% Other Backward Classes, 7% Schedule Castes, and 1% General category.
- iii. Among male respondents, 36% were agricultural laborers, 20.3% were service providers, 2.3% were unemployed, and 5.5% were pensioners; 26.1% of female respondents were unemployed (housewives), with some in service, business, or agricultural labor.
- iv. Economically, 53% of respondents were below the poverty line, 36% were in the Antodaya category, and 11% were above the poverty line.
- v. Most households (97.7%) had Mahatma Gandhi NREGA job cards, with 90.8% dependent on NREGA for livelihood; families without job cards had stable livelihood sources and were not dependent on the program.

(2) Profile of the Assets Created under Mahatma Gandhi NREGA:

- i. Dhalai, the most backward district in Tripura, received Backward Regions Grant Fund support. Mahatma Gandhi NREGA was introduced there in 2006. From 2018-19 to 2022-23, 63,300 assets were created in Dhalai. In 2018-19, 9,914 assets were created, with 50.76% being individual and 49.24% community assets. The highest number of assets was created in 2022-23 (20,273), with 65% individual and 35% community assets.
- ii. In 2019-20, Natural Resource Management assets were highest (80.8%), and individual assets were lowest (9.92%). Individual assets peaked in 2022-23. Common infrastructure assets were minimal (0.16%) in 2018-19 and 2019-20 and absent in the following three years. Rural infrastructure assets remained relatively consistent across the years, except for 2022-23. Overall asset creation grew by over 104% from 2018-19 to 2022-23.
- iii. In Ambassa RD Block, 1,161 assets were created in 2018-19, with 53.2% being individual and 46.8% community assets. In the study area, 128 assets were created in 2018-19, with 57.8% being individual and 42.2% community assets.

(3) Sustainability of the Assets Created Under Mahatma Gandhi NREGA

This study has assessed the sustainability and productivity of the created assets, the impact of the assets at individual and community levels and villager's perception on the created assets. The findings of the assessment are discussed here –

(i) Existence of the Assets Created

The study found that the majority (97%) of the assets existed in the specified location as sanctioned. However, two assets (1.5%) were found in another location and another two assets (1.5%) were found not to exist during the field visit, which is a gross violation of the Mahatma Gandhi Act in case of the non-existence (3%) of the assets.

(ii) Present Condition of the Assets Created

The study has found that 74% of the community assets and also 74.3% of individual assets were in good condition whereas 21% of the community assets and 25.7% of the individual assets were found partially damaged. Only 5% of the community assets were found fully damaged. However, no individual assets were found fully damaged. It is evident that the condition of the individual assets was found better as compared to community assets.

(iii) Quality of the Assets Created

In order to assess the quality of the assets, t-test has been attempted to analyse the difference between the quality of community and individual assets.

Hypothesis Testing

Null hypothesis, $H_0: \mu_1 - \mu_2 = 0$ (no significant difference in the quality of the community and individual assets)

Alternative hypothesis, $H_a: \mu_1 - \mu_2 \neq 0$ (there is a significant difference in the quality of the community and individual assets)

Where, μ_1 is the mean quality of the community assets μ_2 is the mean quality of the individual assets

t-Test: Two-Sample Assuming Equal Variances		
	Community	Individual
Mean	1.3	1.37837838
Variance	0.33333333	0.29322473
Observations	100	74
Pooled Variance	0.3163105	
Hypothesized Mean Difference	0	
df	172	
t Stat	-0.9088259	
P(T<=t) one-tail	0.18235685	
t Critical one-tail	1.65376095	
P(T<=t) two-tail	0.3647137	
t Critical two-tail	1.97385217	



Result of The Test

From the table, we obtain a t-stat is -0.9088259 but the t-critical value (one-tailed) is 1.65376095 at a 5% level of significance. Here calculated value is less than the critical value. So, we do not reject the null hypothesis and conclude that there is no significant difference in the quality of the community and individual assets.

Alternatively, $P(T \leq t)$ one-tail is 0.182357 which implies that the Null hypothesis is significant. This implies quality of both community and individual assets are same.

(iv) Installation of Community Information Board (CIB) in the work site: According to Schedule-I of Mahatma Gandhi NREGA, 2005, Citizen Information Boards (CIBs) are mandatory. However, the study found that only 1.35% of individual assets had CIBs (one, partially damaged), and 98.65% had none (and the existing one was obscured). For community assets, only 1.85% had a CIB (one, in good condition), and 98.15% had none.

(v) Role of individuals in the maintenance of the created assets: Regarding asset maintenance, 79.7% of beneficiaries maintained assets on their land, while 20.3% did not. Community asset maintenance was low, with 90.7% ignored due to lack of ownership, and only 9.3% maintained/renovated by village volunteers.

(4) Productivity and sustainability of the assets

(i) The usefulness of the assets created: The study assessed villagers' perceptions of the usefulness of created assets. 84.5% of respondents rated the assets as very useful, and 12.6% rated them as somewhat useful. Only 2.9% found the assets not useful.

(ii) Outcome of the assets created: Each work under Mahatma Gandhi NREGA is output as well as outcome-centric. The outcome is the end target of any work. Hence the study also assessed the outcome or impact of the workers undertaken in the study area. The key findings were-

- Improved Sanitation: 69.5% of women and 49% of total respondents reported improved sanitation facilities.
- Increased Family Income: 65.2% of women and 45% of total respondents indicated increased family income due to asset creation.
- Enhanced Market Access: Approximately 50% of respondents noted improved access to markets due to better road connectivity.
- Increased Agricultural Production: 30% of respondents reported increased agricultural production due to Natural Resource Management works.
- Reduced Rural Migration: 30% of respondents observed a decrease in rural migration.

(iii) Impact on Agriculture: While Mahatma Gandhi NREGA's Category A and B works can positively impact agriculture, this study found limited agricultural impact from assets created in the study area during the 2018-19 reference period.

Only 33.3% of respondents felt community assets created under MGNREGS benefited the agricultural sector. In the case of individual assets only 8.1% of respondents believed these assets were beneficial for agricultural development.

(iv) Impact on Productivity of Individual Land: To assess the impact of the works undertaken on individual land of small and marginal farmers and other vulnerable households, the study examined land productivity following asset creation. The responses from individual beneficiaries revealed that 71.6% reported a significant increase in their land's productivity. Additionally, 23% of these beneficiaries observed a moderate increase in land productivity. However, a small fraction, 5.4%, indicated that there was no impact on their individual land's productivity.

V. RECOMMENDATIONS

Based on various findings and observations the following recommendations have been proposed for qualitative improvement in the implementation of Mahatma Gandhi NREGS works:

- i. Need to emphasize Natural Resource Management (NRM), agriculture, and livelihood-based work selection at the state and district levels for sustainable rural development.
- ii. Preparation of annual convergence plans at the district level with involvement of all line departments for better asset creation and income generation is suggested.
- iii. It is necessary to conduct quarterly block-level interactions between individual beneficiaries and implementing agencies to clarify roles, rights, and project outcomes.
- iv. Formation of a Project Implementation Monitoring Committees (PIMC) at the block level comprising elected representatives and departmental officials to monitor post-implementation performance is required.
- v. Ensuring the inclusion of SHG and CBO demands in labour budgets; and strengthening a coordination between Tripura Rural Livelihood Mission and NREGS functionaries to improve performance of Category C works is need of the hour.
- vi. The State Government may issue advisories for maintenance of community assets by Gram Panchayats and Village Committees, with proper Gram Sabha approval and use of local resources.
- vii. Training and capacity building programs for elected representatives and local body functionaries must be conducted regularly to improve implementation efficiency.

VI. CONCLUSION

The literature review indicates that Mahatma Gandhi NREGA has significantly impacted India by generating employment, increasing wages, improving agricultural productivity, and reducing poverty.

It has also contributed to curbing rural-to-urban migration, reducing child labor, and empowering women. Studies suggest that assets created under the program have largely benefited rural households, especially small and marginal farmers, but



there's a need for better monitoring and maintenance of these assets.

The program's aim is to provide 100 days of employment while creating sustainable rural assets. Effective implementation requires ensuring asset quality, sustainability, and maintenance, along with assessing land productivity and incorporating beneficiary feedback. This study evaluates asset sustainability and impact, incorporating villagers' perspectives.

Most respondents were males aged 40-60 from Scheduled Tribes, working mainly as agricultural laborers, with many from the Antodaya Anna Yojana category. Although most had job cards, not all relied on MGNREGA. From 2018-2023, asset creation increased, peaking in 2022-23, with most assets being individual houses and community assets mainly for drought-proofing.

The study assessed asset existence, quality, and condition, and the installation of Citizen Information Boards (CIBs). Most assets existed and were rated similarly in quality, with community assets ranked slightly higher. However, CIB installation was poor, and while individual assets were generally maintained, community assets were not.

Overall, assets were useful, improving sanitation, income, land value, road connectivity, and reducing migration. Some respondents noted improved irrigation and agricultural productivity. Land productivity increased for many beneficiaries. The study recommends enhancing asset quality, inter-departmental coordination, and asset monitoring and maintenance systems.

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