

# *Asset Creation under MGNREGA: A Study in Three Districts of Madhya Pradesh*

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## **Abstract**

National Rural Employment Guarantee Act (2005), later renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is one of the most significant interventions of the Government in post-Independent India. Aiming at addressing the principal causes of hunger and starvation in rural areas, the Act ensures to the poor that they can expect to earn a living wage, without loss of their dignity, and demand work as their right. In addition to the immediate impact in terms of poverty reduction, the program has the potential to lead the economy in labor intensive growth path through the creation of assets. However, the positive achievements of the intervention have been lost in the noise of critical reports and anti-MGNREGA propaganda. The productive value of MGNREGA work has been criticized as a futile attempt “to play with mud, to create road that goes from nowhere to nowhere, to dig ditches that will be wasted away in the next monsoon”. The objective of the present study is to take a more informed look at the MGNREGA to assess the effectiveness of the assets created in three districts of Madhya Pradesh.

## **1. Introduction**

Worldwide, public works programs have been used in countries of varying income levels, and with multiple objectives including short term income generation, asset creation, protection from negative shocks (natural disasters, droughts, macro- economic etc.) and poverty alleviation<sup>1</sup>. Post independence, India has most often used public works programs to mitigate negative shocks like drought that can otherwise have significant negative consequences<sup>2</sup>. National Rural Employment Guarantee Act, 2005 later renamed as Mahatma Gandhi National

Rural Employment Guarantee Act (MGNREGA) is the first tangible commitment and one of the most significant interventions of the Government in post-Independent India. Aiming at addressing the principal causes of hunger and starvation in the countryside, the Act ensures to the poor that they can expect to earn a living wage, without loss of their dignity, and demand work as their right. The Act recognizes employment as an entitlement and defines the obligation for the government to provide, in each year, 100 days of wage employment at a stipulated wage to all rural households whose members are seeking or willing to do unskilled manual work. The preamble of MGNREG Act states that it is an "Act to provide for the enhancement of livelihood security of the households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work" (GoI, 2005).

## **2. Genesis of MGNREGA**

The genesis of this act is linked to the Employment Guarantee Scheme (EGS), which was first initiated in Maharashtra way back in 1973. It guaranteed employment to the rural poor in Maharashtra through piece-rate wage labor. This scheme was expanded to the whole country as the National Rural Employment Program (NREP) by the Government in 1977. Subsequently the Rural Landless Employment Guarantee Program (RLEGP) came into force in mid-1980s with an objective to provide employment access to landless poor. During the late 1980s, Nehru Rojgar Yojana (which addresses wage employment issues in urban areas) and Employment Assurance Scheme (which provides wage employment in resource poor areas) were merged to form the Jawahar Rojgar Yojana (JRY).

\* The article is prepared by Sushanta K. Mishra based on the project report by a team of faculty members comprised of Pradyumna Dash, Rohit Kapoor, and Sushanta K. Mishra of IIM Indore.

1 del Ninno, Carlo, Subbarao, K., and Milazzo, Annamaria (2009) "How to Make Public Works Work: A Review of the Experiences" World Bank Social Protection Discussion Paper.

2 Gilligan, Daniel O. and Hoddinott, John, (2006) "Is there persistence in the impact of emergency food aid? Evidence on consumption, food security, and assets in rural Ethiopia", FCND Discussion Papers 209, International Food Policy Research Institute (IFPRI).

Essentially JRY was a Food for Work Program till the early 2000s. Employment scheme under MGNREGA - henceforth refer to as MGNREGS differs from previous employment programs as it is endorsed by a law enacted by the Indian Parliament in 2005. The Act (MGNREGA) requires every state government to formulate an employment guarantee scheme, for the purpose of giving effect to the guarantee in areas where it applies. The Act guarantees 100 days of wage employment in a financial year to any rural household whose adult members are willing to do unskilled manual work. In fact, the Act moves away from being a purely supply-side intervention to a demand-driven wage employment intervention at individual/household level in rural areas.

### 3. Implementation of MGNREGA

The Act was implemented through the MGNREG scheme which was consciously attempted to counter weaknesses of earlier programs through several features in its design. It introduced a right-based framework with legislative backing. It also incorporated time bound action to fulfill guarantee of work within 15 days of demand for work and a disincentive for non- performance<sup>3,4</sup>. According to the Comptroller and Auditor General's report (2007), the basic objective of the Act is "to enhance livelihood security in rural areas ... This work guarantee can also serve other objectives: generating productive assets, protecting the environment, empowering rural women, reducing rural-urban migration and fostering social equity, among others."

The Act was implemented in a phased manner. In its first phase, it was launched in 200 districts across the country. In the second phase in year 2007-08, it was expanded to 130 districts of the country. Subsequently, the government decided to cover remaining 274 rural districts. Since 2008-09, MGNREGS has been implemented in all the 604 non-urban districts in the country. The MGNREGS was quite modest in scale at the beginning in 2006-07, but it expanded quite rapidly and, by the year 2009-10 it had become the largest ever

3 Mehrotra, Santosh (2008) "Two years on: Where do we go from here?" *Economic and Political Weekly*, 2 August, 27-35.

4 Ambasta, P., Vijaya Shankar P. S., and Shah, Mihir (2008) "Two years of NREGA: The road ahead", *Economic and Political Weekly*, 23 February, 41-50.

special wage employment programme not just in India but in the world. In the year 2009-2010, nearly 53 million rural households were reportedly provided with 2862 million days of wage employment under MGNREGS<sup>5</sup>. However, the above mentioned figures are at an aggregate level. In fact, there are large variations in performance across the states as well as the districts. In the present study we focus our attention on the state of Madhya Pradesh.

### 4. The Present Study

The work provided under the right to employment helps in earning wages and in creating durable productive assets. Hirway, Saluja, and Yadav<sup>6</sup> argued that the role of any employment guarantee program is much more than guaranteeing work to the poor, because guarantee alone will have limited impact on employment generation in the economy. Hence construction of productive assets is critical. They further argued that the guarantee can be treated as an end in itself only under the assumption that the development process of the developing economies will generate adequate employment opportunities in the medium term to absorb the surplus manpower, including additions to the labor force. Thus, they conclude that in addition to the immediate impact in terms of poverty reduction, a well-designed employment guarantee program can lead the economy towards labor intensive growth path through the creation of assets. The productive value of MGNREGS work has been criticized as a futile attempt "to play with mud, to create road that goes from nowhere to nowhere, to dig ditches that will be wasted away in the next monsoon"<sup>7</sup>. The objective of the present paper is to assess the effectiveness of the assets created in three districts of Madhya Pradesh.

#### 4.1. The Context of Madhya Pradesh

According to Thorat & Mahamallik (2005), in 1999-2000 about 69.0 percent of India's rural poor live in five high-poverty states alone, including Madhya Pradesh. In its present form, Madhya Pradesh came into existence after the separation of the state of Chattisgarh on November

5 Ghose, Ajit K. (2012) "Addressing the employment challenge: India's MGNREGA", *Employment Working Paper No. 105*, Economic and Labour Market Analysis Department, International Labour Organization.

6 Hirway, Indira, Saluja, m. R., Yadav, Bhupesh (2010) "*Employment guarantee programme and pro-poor growth: The study of a village in Gujarat*", Academic Foundation: New Delhi.

7 Ghose, Sagarika (2008) "The idiocy of urban thinking", *Hindustan Times*, 14 February.

1, 2000. Madhya Pradesh is the second largest Indian state in size with an area of 308,000 sq. kms. It has 50 districts, 341 tehsils, 313 blocks, 23040 panchayats, and 55393 villages. The total number of inhabited villages is 52117. According to census 2001 reports, the total population of Madhya Pradesh is about 60,348,000. About 73.54 percentages of its population lives in rural areas and rest of the population lives in urban areas. About 51.1 percent of the population is male members. The percentage of ST is 20.30 percent (Census 2001) and SC is 15.20 (census 2001). According to census 2001, the literacy rate is 64.1 percent (male literacy level is 76.5 percent and female literacy level is 50.6 percent); male: female ratio of the state is 920: 933.

According to census 2001, the workforce in Madhya Pradesh constitutes 42.74 percent of its total population, of which 31.65 percent are main workers and 11.09 percent are marginal workers. Out of the total work force (main and marginal), 42.79 percent workers are cultivators, 28.69 percent are agricultural laborers, 4 percent are workers in household industries, and 24.51 percent workers are engaged in other activities.

According to the State Government Office Diary - 2010, in Madhya Pradesh, the percentage of population below poverty line (BPL) is 38.3, whereas the all India average is only 27.5 in 2004-05. All the above facts imply that Madhya Pradesh has not performed satisfactorily in

terms of socio-economic indicators.

#### 4.2. Methodology

The appraisal has been done in three districts, namely, Dhar, Jhabua and Rajgarh of Madhya Pradesh. Within these three districts, the study covers a sample of 16 blocks, 396 villages/ falias/ majras in 211 Gram Panchayats (GPs). The blocks in the district of Dhar visited for the study include Badnawar, Dhar, Dahi, Nalchha, Nisarpur and Sardarpur. In Jhabua we visited Alirajpur, Jhabua, Jobat, Meghnagar, Petlawad and Ranapur blocks. The blocks in the district of Rajgarh covers Biora, Narsinghgarh, Rajgarh and Zirapur. The present paper is part of the large study done in these three districts. The usable data comprises of 350 responses at sarpanch/ sachiv level, 4714 responses at household level, and 1304 usable responses at worksite level in these three districts.

#### 5. MGNREGA and Asset Creation

The MGNREG scheme is not merely about transferring cash to people in rural India rather it is about creating durable assets that will ultimately lead to a reduced dependence of people on MGNREGA. The assets created under the MGNREG scheme (see details in Table 1) can be broadly classified into two categories: one, Assets created in individuals' land and two, assets created in community land.

**Table 1: Types of Work under MGNREGS**

Type of Work	Nature of Work
Water conservation and harvesting	Digging new tanks/ ponds, small check dams, etc.
Draught proofing and plantation	Afforestation, tree plantation, etc.
Flood control and protection	Drainage in water logged areas, construction and repair of embankment, etc.
Land development	Plantation, land leveling, etc.
Micro irrigation Works	Minor irrigation canals, etc.
Renovation of Traditional Water Bodies	Desilting tanks/ponds, Desilting of old canals, desilting of traditional open wells, etc.
Provision of irrigation facility land owned by	Scheduled caste and schedule tribes, beneficiaries of land reform, etc.
Rural connectivity	Construction of roads, etc.
Any other activity approved by ministry of rural development	Other works, etc.

Source: Compiled from <http://nrega.nic.in>

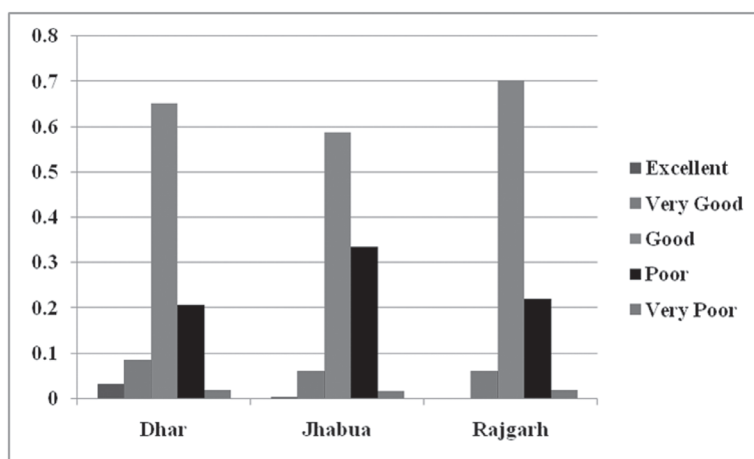
### 5.1. Assets Created in Individual Land

In order to understand the importance of assets created in individual lands we asked the workers "Do you think that the assets in individual lands created under the scheme are required"? About 58 percent of the workers agreed that assets in individual land are required. To know the possibility of creating/ recreating assets in individual lands without MGNREGS, we surveyed the villagers. Out of 1414 usable responses, most of the villagers reported that without MGNREGS it would be difficult to create assets in individual lands. It indicates that MGNREGS has helped in creating the assets which otherwise would have been very difficult for individuals to create. Because there is a need to develop assets in individual land, we found the assets created in the individual land very useful to the rural poor.

### 5.2. Community Assets

Apart from creating assets in individual land there is a merit in creating assets in community land. There is an apprehension that if work is allowed on poor farmers lands, the provision will be misused by powerful rich farmers in the village<sup>8</sup>. Also, there is a need to implement the plans on a watershed basis. To know the quality of community assets created under the scheme, we asked the respondents at the worksite to rate the quality of assets created under MGNREGS on five point scale: excellent, very good, good, poor, and very poor. About 64 percent of the workers at an aggregate level rated the quality of work as good and above (see Figure 1).

**Figure 1: Quality of Community Assets Created under MGNREGS**



Sample size (Dhar-474, Jhabua-383, Rajgarh-282)

To know the possibility of creating/ recreating community assets without MGNREGA, we surveyed the respondents at the worksites. Out of 1161 usable responses, most of the respondents (about 88 percent) reported that without MGNREGS it would be difficult to create community assets. It indicates that MGNREGS has helped in creating the assets which otherwise would have been very difficult to create at the village level.

### 6. Impact on Water Conservation

Agricultural sector in India suffers from low productivity in most parts of the country; it is highly unstable as it is subjected to fluctuations in rainfall (majority of cropped area in India is rain fed, without security of water supply); and majority of poor (working poor and

<sup>8</sup> Shah, Mihir (2009). Taking goals of NREGA-I forward, August 14, 2009 in *The Hindu*.

un/under-employed) are located in this sector<sup>9</sup>. An employment guarantee program can be planned in a way that it reduces water insecurity and promotes agricultural growth. Madhya Pradesh being centrally located, suffers from limited rainfall, and is therefore marked as a draught-prone area. Therefore water conservation comes out as the preferred work.

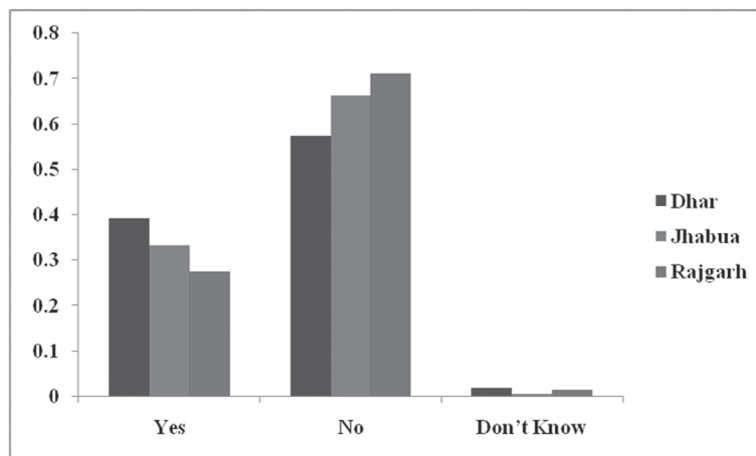
Water conservation is done by undertaking the works such as irrigation schemes, water harvesting structures, and wells. The rationale is that these activities will impact the water conservation and thus will help in the stabilization of agriculture, encourage multiple cropping and enhance its productivity. The scheme will, thus, create an enabling environment for the growth of the agricultural sector which are predominated by the poor including working poor, unemployed and under-employed.

Since most of the activities carried out under the scheme are related to water conservation, it is expected that the scheme would have positive impact on the conservation and development of water resources of the State. About 27-39 percent workers perceived a positive impact of

MGNREGA in improving water conservation. There is significant variation across the districts. In Dhar about 39 percent of the respondents believe that MGNREGS has a positive effect on water conservation, whereas in case of Jhabua and Rajgarh the percentage of respondents believing positive effect on water conservation was 33 percent and 27 percent respectively (See Figure 2).

It is commonly argued that ownership and use of assets created under any employment guarantee program is important from equity considerations<sup>10</sup>. It frequently happens that the benefits of the assets occur only to those with assets (for example farmers with land) and the asset-less do not gain anything except the wages<sup>10</sup>. This tends to increase asset inequalities in the region<sup>10</sup>. In the present study, we captured the preference of workers regarding the creation of community assets vs. assets being created in individual lands. However, only about 52 percent of the respondents reported that community assets should be given preference. This may be due to the fact that, in the studied districts majority of the respondents reported to have land assets (about 85 percent of the respondents reported to have their own land assets of their own).

**Figure 2: Impact of MGNREGS on Water Conservation**



Sample size = 4173 (Dhar-1656, Jhabua-1328, Rajgarh-1189)

9 Bhalla Sheila (2007) "Inclusive growth? Focus on employment", Social Scientist, 35(7-8) July-August, 24-43.

10 Hirway, Indira, Saluja, m. R., Yadav, Bhupesh (2010) "Employment guarantee programme and pro-poor growth: The study of a village in Gujarat", Academic Foundation: New Delhi.



## 7. Impact on Agriculture

The data indicate that about 85 percent of the respondents reported to have their own land. Millions of our small and marginal farmers are forced to work under MGNREGS because the productivity of their own farms is too low to make ends meet. MGNREGS will become really powerful when it helps to rebuild the declined productivity of small farms and allow the farmers to return to full-time farming, thereby reducing the load on MGNREGS to provide employment. The majority of the poor and the marginalized are located in agriculture and allied activities, which suffer from low productivity as well as uncertainty arising from fluctuating production and incomes. Ghose<sup>11</sup> argued that the list of works, permitted to be carried out under MGNREGS, reflects recognition of the need to ensure that MGNREGS contributes to growth of agricultural production through enhancement of land productivity. He further argued that if the works actually carried out have followed the specified norms, food production should increase in the longer run.

A good measure of a program development impact on the sustainability and livelihood opportunities of the rural population in an agriculture dominated region would be to see if the program has increased the agricultural productivity, helped diversify the crop mix in their production basket and changed the cropping patterns. We captured the perception of the beneficiaries in a four point scale ranging from significant to not significant. The responses in this regard are encouraging. There is noticeable perception of improvement in agricultural productivity among the beneficiaries. In the district of Dhar about 78 percent of the respondents agreed that there is moderate to significant increase in agricultural productivity due to MGNREGS. In Jhabua and Rajgarh the figures are 65 percent and 69 percent respectively. The district-wise break up is given in Figure 3.

11 Ghose, Ajit K. (2012) "Addressing the employment challenge: India's MGNREGA", Employment Working Paper No. 105, Economic and Labour Market Analysis Department, International Labour Organization.

Case 1:

*Under the MGNREGS, 27 wells were dug in the Phadiya and Gopalpura villages of Rajgarh block in the district of Rajgarh. Apart from direct wages, these wells increased the agricultural productivity of these 27 households. These wells helped in the irrigation of 41 hectares of land which yielded 394 quintals of wheat, 98 quintals of dal and rupees 5 lakh worth of Dhaniya.*

### 7.1. Impact on Change in Cropping Pattern

The rise in water conservation activities under the MGNREGS is expected to have some impact on the cropping pattern through a shift from low value traditional crops to high value crops. As irrigation facilities increase due to water related works, the possibility of growing short duration high value crops increases. To know whether there has been any change in the cropping pattern of farming in the sample blocks, the responses of the workers were recorded. About 39 percent of the households reported that there is a change in cropping patterns since the implementation of MGNREGS. The district wise break up of cropping patterns is given below. Data from the district of Dhar indicates that about 40 percent of the respondents agreed that there is a change in cropping patterns after the implementation of MGNREGS. The corresponding figures for Jhabua and Rajgarh are 36 and 40 percent respectively. The district wise data are given in Figure 4.

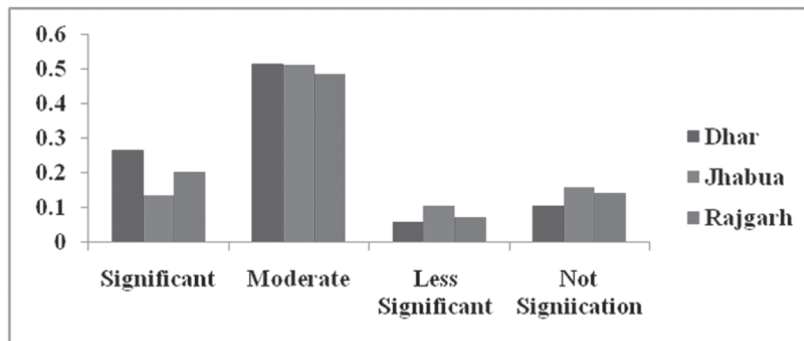
Case 2:

*Jubansingh (son of Kansingh) lives in Kalmani gram panchayat in the Dahi block of Dhar district. He has 2 hectares of land and he used to cultivate only one crop in rainy season every year. Because of the construction of a well (kapildhara) his income has increased and he has cultivated about 6 quintal of cotton, 10 quintal of wheat.*

Case 3:

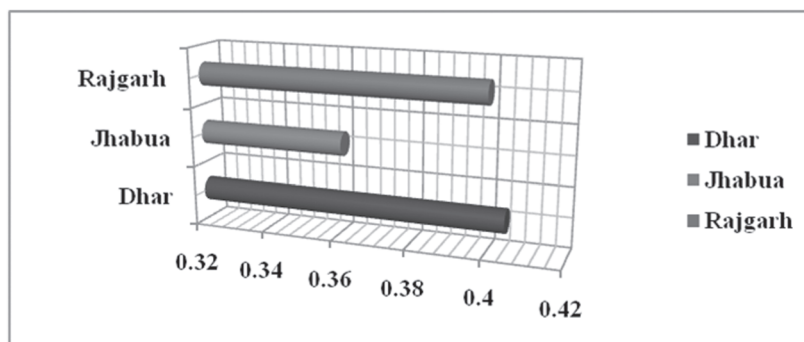
*Dablasingh Sekdiya lives in Kalmani gram panchayat in the Dahi block of Dhar district. He has 5 acres of land and the only source of water for agriculture was rain water. Because of water scarcity he used to have only one crop every year. He used to work in his land in rainy seasons and migrate*

**Figure 3: Impact on Agricultural Productivity**



Sample size = 3708 (Dhar-1394, Jhabua-1230, Rajgarh-1084)

**Figure 4: Impact on Cropping Pattern**



Sample size=4391 (Dhar-1623, Jhabua-1310, Rajgarh-1458)

outside in other seasons. In September, 2007 with an investment of Rs 48822, a well (kapil dhara) was dug in his land. Because of this intervention he got rid of water scarcity and could irrigate all the 5 acres of land. He is now cultivating three types of crops and his migration has stopped. Because of this asset his annual income increased from 10000 to 50000 rupees and now his children are going to their schools regularly.

To assess the impact of assets created in Individual land through MGNREGS on subsequent employment of the household, we took the data from the secondary sources. We took the data of the visited Blocks in the three districts that are available in the MGNREGA website. We got data from all the Blocks except Alirajpur, Jobat and Zirapur. We found out the assets created in individual land from 2008 till 2011. Total of 761 data

points were collated for further analysis. All these 761 data points indicate the households, in which assets are created in their private land. We captured data about the number of family members in each household and the number of days they got employment starting from 2008 till 2011. Once we calculated the number of days the households got employment, we calculated the average numbers of days the households are employed in a Block over these four years. The following calculations are based on the assumption that the number of days the household got the job is equal to the number of days they seek the work. We classified the data on the basis of number of adult members in each households. Then we tried to explore the trend in employment at an aggregate level over the years. We classified the data into 4 categories.

1. Members in the household 2
2. Members in the household 3
3. Members in the household 4
4. Members in the household 5 and above

In all the cases we captured the number of days worked by each household from 2008 till 2011. We also found out the year in which the asset was created in an Individual's land. That helped us to plot the graph and analyze the impact of the asset created in individual land on their subsequent demand for employment.

We took only those households, where there was an asset created in their land through MGNREGS. We calculated the average number of days the households got employment in a Block by following formulae:

$$\text{Average number of days employed in a particular year in a Block} = \frac{\text{Total number of days employed}}{\text{Total number of Blocks from which Data were collected}}$$

Based on the above formula we calculated the number of days employment received in following categories

1. Members in the household 2
2. Members in the household 3
3. Members in the household 4
4. Members in the household 5 and above

As indicated in the trend analysis, in almost all the cases there is a decrease in job demand once assets are created in individual lands. The detail data is provided in annexure 1.

### 8. Rural Infrastructure

Absence of adequate infrastructure is one of the major causes of low level of development in rural areas. Construction of basic infrastructure facilities under an MGNREGS can be a good way to develop rural areas. The development of infrastructure such as roads might increase people's access to the external environment and thus is likely to play a crucial role in reduction of poverty and access to livelihood options.

Fair weather roads connecting those hinterland areas

left out of larger rural network programmes like Pradhan Mantri Grameen Sadak Yojana (PMGSY) has been particularly beneficial for linking scattered tribal hamlets. The basic earth work done under MGNREGA is also being used in many places to provide the base for firmer lasting roads through convergence with PMGSY. Roads internal to the village are also being taken up. This provides a critical link with markets, schools, and health services<sup>12</sup>.

Figure 5 indicate the impact before and after the construction of the bridge. The effective implementation of MGNREGA has the potential to provide maximum benefit to the rural poor.

It is believed that increase in income, coupled with the enhanced connectivity due to roads constructed through various schemes including MGNREGS might improve the access to health service centers. To know the role of MGNREGS in the improvement in access to health service centers, we asked the respondents whether the MGNREGA activity is partially or fully responsible for the improvement in access to health service centers. About 10 percent of the respondents feel that there is a positive contribution of MGNREGS in the improvement in access to health service centers in last two years. The district wise distribution of respondents is given in Figure 6.

#### Case 4:

*Bangpura village in the Zirapur block of Rajgarh district is located in the bank of river Chhapi. It used to be cut off from rest of the block in the rainy season. Villagers used to cross the river by boat for day to day activity; even children used to cross the river to attend the schools.*

*The bridge was created with the help of MGNREGA and as a result about 100 villages are now connected to rest of the villages in rainy season. This helps the villagers in accessing the Hospitals, sending their children to schools and to do their day to day activity.*

#### Case 5:

*Sunarkhedi is located at about 9 km from the Dhar block in Dhar district. People in this village were suffering due to*

<sup>12</sup> UNDP, India (2010). Rights-based Legal Guarantee as Development Policy: The Mahatma Gandhi National Rural Employment Guarantee Act, Discussion Paper: UNDP, India.



Figure 5

**Before the Bridge was constructed**



**After the Bridge was constructed**



*inadequate access to health services, inadequate transportation services due to poor connectivity. The problem was sorted out to a large extent by the construction of a gravel road (under MGNREGS) from Nepavali to Umariyabada. Due to this road, the distances between the villages were reduced and also it reduced the maternal mortality cases.*

*In rainy season, the connectivity across the villages (Panjra panjri, Mitthanpur, Laxmanpur, Dand) of Biora Block in Rajgarh district used to get cut-off from others. It was difficult for the local villagers to take the patients to the nearby hospital at Narsingharh. With an investment of Rupees 23 lakhs under the MGNREGS the roads from Lakhanwas to Badli; from Badli to Manatlai; from Manatlai to Mitthanpur, and from Mitthanpur to Chira were constructed. These assets helped about 3000 villagers and now four wheelers can ply to the villages even in rainy seasons.*

Going by the national level government data, the MGNREGA has started to make an impact both in its short-term and long term objectives. While creating daily wage employment is the short term objective, the long term objective is to create productive assets. There are visible impacts in terms of tangible structures like wells, and roads. These works in fact constitute the majority of the works being undertaken in the study and their impact has been apparent during the survey. However, with no funds being assigned for maintenance of the assets created it was largely felt by our sample

of respondents that the asset would become obsolete in the coming years.

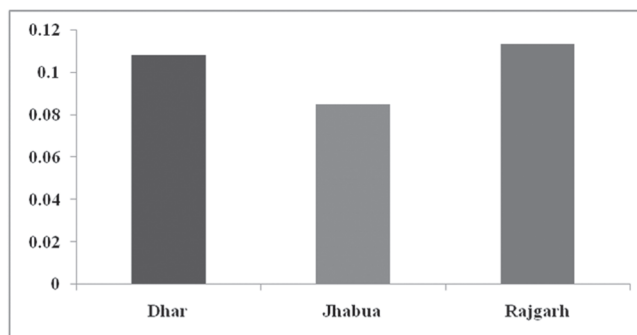
Case 6:

*Saktali Gram Panchayat of Dhar block in the district of Dhar initiated tree plantations under the MGNREGS. However, after the tree plantation project is over, gradually the trees withered away without proper monitoring of the trees.*

**9. Monitoring of Assets**

A majority of GP officials (almost 67 percent of a total of 320 GP officials) reported that sub-engineers monitor the assets during its creation. The assets under creation are also monitored by Gram Panchayat members. In addition, in case of the assets created in individual

**Figure 6: MGNREGA activity that is partially or fully responsible**



Sample size 4714 (Dhar-1811, Jhabua-1363, Rajgarh-1540)

lands, the land owners also monitors the quality of assets created under MGNREGS. Since the asset is owned by the individual they take care of the asset once it is created. In case of assets created in community land, monitoring happens primarily during the time when assets are created. However, once the assets are created, virtually nobody monitors the created assets particularly in community lands. It came across everywhere that once the work is completed, the community does not take the responsibility of its maintenance. Probably once the community owns the work structures, the wear and tear will be much less, the quality of the work will be better and hence the benefits will be more. There is a major need to create awareness among the villagers to own the works undertaken in MGNREGA scheme for the sustainability of the works. There are some innovative practices initiated in Dhar district to create ownership of the assets through convergence.

Case 7:

*Under the MGNREG scheme about 63 Nistar Talabs (comprising about 164.101 hectares of water area) were given*

*on lease for fisheries in Jharan GP of Gandhwani block in the district of Dhar. The fishery department provided the fish seeds, lease amount, and the nets. Through this intervention, an amount of rupees 81,563 was collected as lease amount, 443 persons got employment and get an additional income of rupees 16,000.*

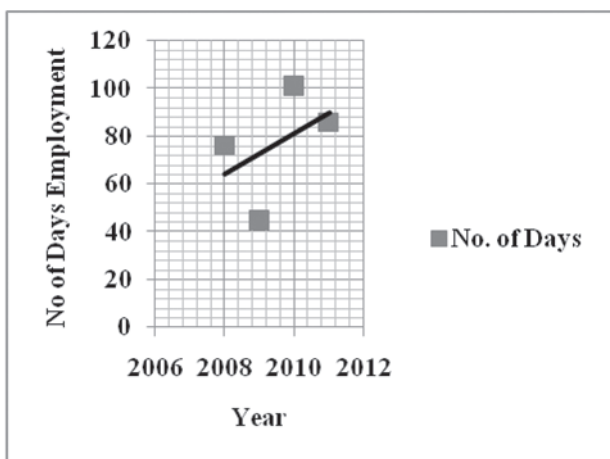
**10. Conclusion**

The study in the three districts indicates that there is a significant impact of assets created through MGNREGA on rural households. However, the productive value of assets created by MGNREGA works could be enhanced further with proper monitoring activities. In case of assets in individual land monitoring is not an issue rather, in case of assets created in community land, monitoring is an important factor. Officials need to explore the ways to enhance ownership of assets created among the villagers and provision for maintenance of assets created. The productive value of MGNREGA works could be enhanced further with moderate doses of convergence.

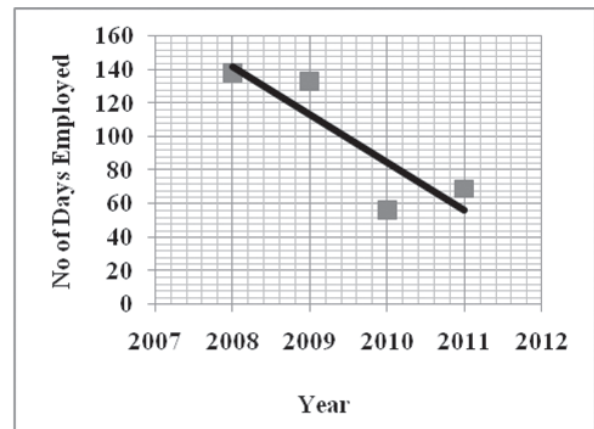
**Annexure 1  
Assets created in 2008**

(Trend analysis of the number of days employed over the years)

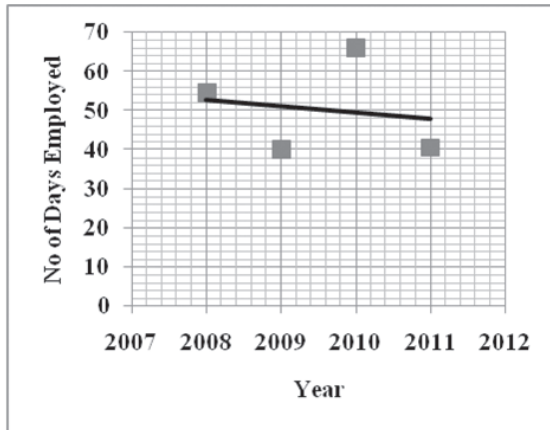
**No of Family Members: 2**



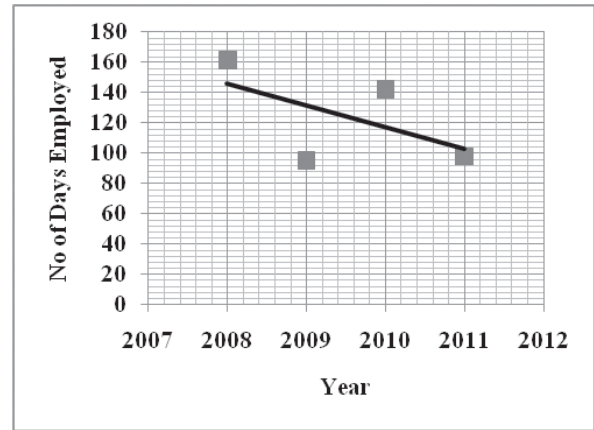
**No of Family Members: 3**



**No of Family Members: 4**



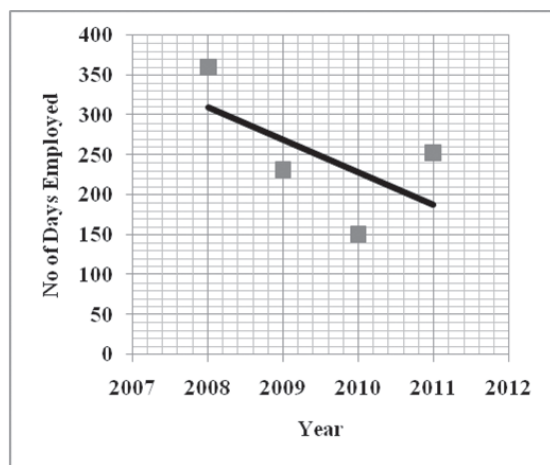
**No of Family Members: 5 and more**



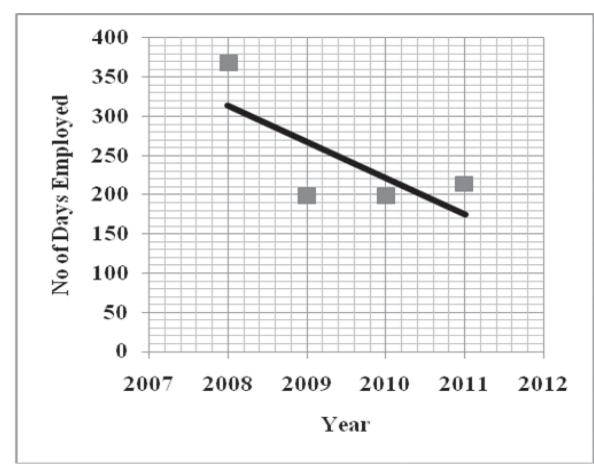
**Assets created in 2009**

(Trend analysis of the number of days employed over the years)

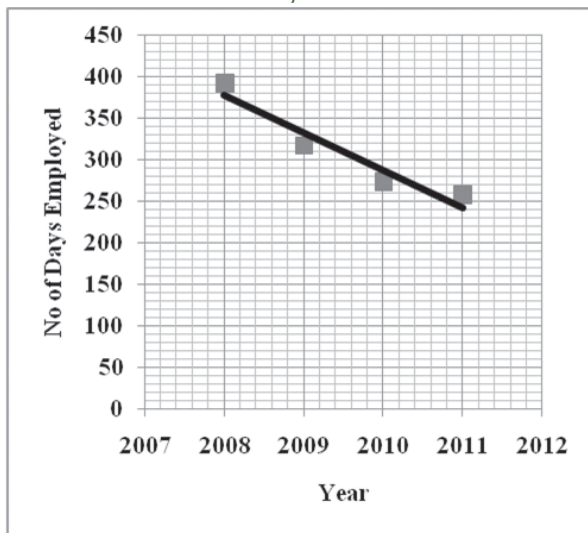
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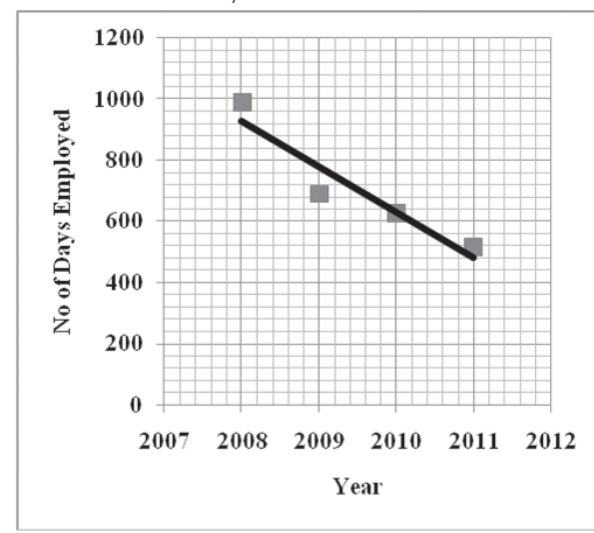
**No of Family Members: 3**



**No of Family Members: 4**



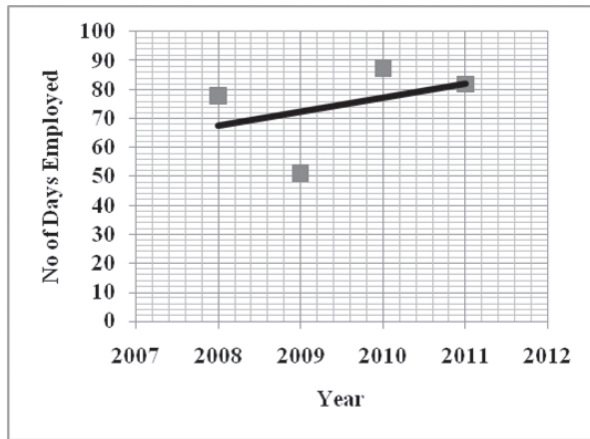
**No of Family Members: 5 and more**



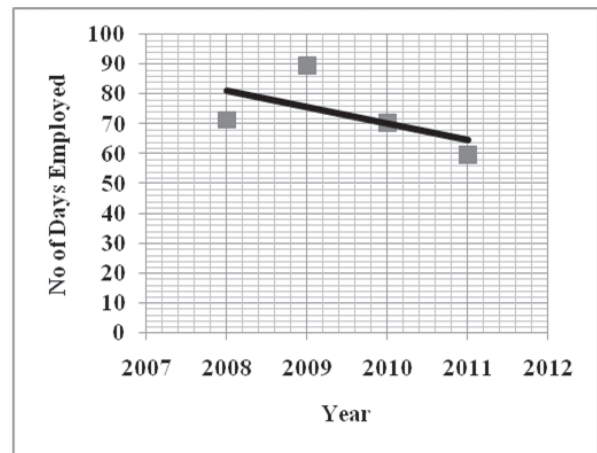
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(Trend analysis of the number of days employed over the years)

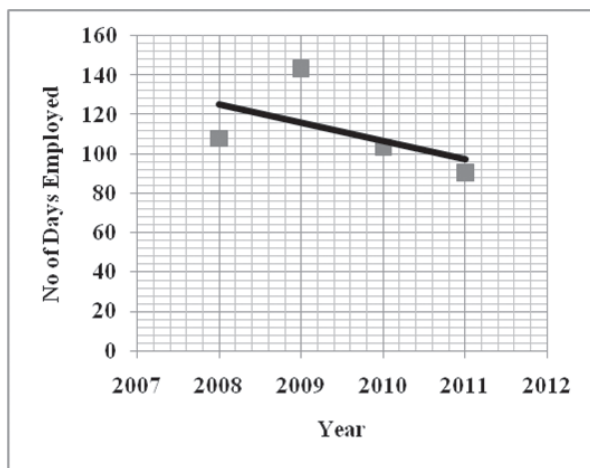
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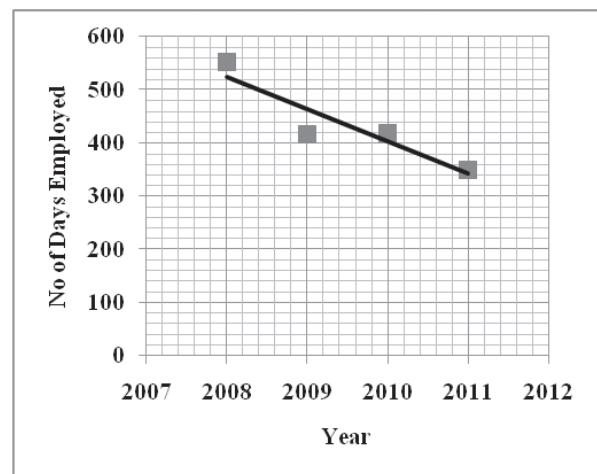
**No of Family Members: 3**



**No of Family Members: 4**



**No of Family Members: 5 and more**



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