

# A study on impact of national rural employment guarantee program in Thiruvannamalai district, Tamil Nadu, India during the period from 1997-2007

\*A.P. Palanichamy

*Assistant Professor of Economics, Government Arts College, Thiruvannamalai – 606 603, Tamilnadu, India*

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## Abstract

Rural development is defined as structural change in the socio-economic situation to achieve improved living standard of low income population residing in rural areas and making the process of their development self-sustaining. It includes economics development with close integration among various sectors, and economic growth specifically directed at the rural poor. In India, the number of unemployed people has grown by more than four times in 10 years from 10.8 million in 1991 to 44.5 million in 2001, which was only 5.3 million in the beginning of the economic planning. The average annual employment has increased from pre programme periods to the post programme periods. In Azhaganandal the average employment was 728 mandays in the pre-programme periods. The average annual employment has increased from 634 man days in the pre-programme periods to 1390 mandays in the post programme periods in Kannapandal. As regards Nallanpillai pettral. The average annual employment was 860 mandays in the pre-programme periods and it has increased to 1638 mandays in the post programme period.

**Keywords:** Rural development, socio-economic, self-sustaining

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## INTRODUCTION

Unemployment is a series problem in the rural areas of our country. Unemployment levels denote if the economy failed to offer employment opportunities to the growing population. The unemployment is seriously viewed and to solve this problem many development programmes have been attempted in our country. Employment creation and poverty reduction are the core components of rural development. Rural development is defined as structural change in the socio-economic situation to achieve improved living standard of low income population residing in rural areas and making the process of their development self sustaining. It includes economics development with close integration among various sector and economic growth specifically directed at the rural poor. In fact it requires area based development is one of the main and important tasks of development planning in India [1].

In India, the number of unemployed people has grown by more than four times in 10 years from 10.8 million in 1991 to 44.5 million in 2001 which was only 5.3 million in the beginning of the economic planning. Therefore, there is a need for launching specific employment generation programmes in some areas where aggregate growth is having little impact. In the rural sector, and new initiatives at the development of clusters of small and medium enterprises are expected to create additional 4.2 million employment opportunities in the tenth plan.

The unemployment level in India is growing over the year. The number of persons found registered with the employment exchange

was 36.7 million in 1994, which rose to 40.8 million 1999 and 42.0 million in 2001 year wise registered with the employment exchange in guest of seeking employment to earn their livelihoods. But the trend of placement through employment exchange is dealing by a significant proportion. The placement has come down to 2.53 lakhs in 2001. Since the early 1970 the government of India introduced aservice of antipowerty cum employment generation schemes.

## National Rural Employment Guarantee scheme

The national rural employment act of 2005 (NREGs) conference level right to employment on the rural citizens, is a landmark in the history of independent India. It seeks to provide for enhancement of livelihood security of the household in rural areas of the country (except J & K) by providing at least one hondred day of gurantee employment in every financial year of every household o lose a duet members volunteer to do the unskilled work theschemes made under the act initially starting from 200 most backward districts of the country will be all country within a period of five year [1,2].

## Methodology of the study area

The date base for this research study consists of both primary and secondary data. Tiruvannamalai district is purposively selected for the present research work. In the district three villages were purposively chosen for this study viz., Azhagandal kannappandal and nallanpillai pettral. The sample villages were chosen because the NREGS programmes have been implemented for a long time. Then 100 sample beneficiaries were chosen randomly consisting of 34 in azhangandal 33 in kannappandal and 33 in nalanpillai pettral. The sample beneficiaries were contacted with applicably prepared and protested questionnaire.

In the present study, the necessary, secondary data were collected form the block development office. The relevant particulars were collected from the collectorate of Thiruvannamali District, Tiruvannamalai. The researcher has collected study materials and literature from different libraries like university of madras library. The

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\*Corresponding Author

A.P. Palanichamy  
Assistant Professor of Economics, Government Arts College,  
Thiruvannamalai – 606 603, Tamilnadu, India

Tel: +91-9952576651  
Email: [logaswer-67@yahoo.com](mailto:logaswer-67@yahoo.com)

madras institute of development studies. The Connemara public library and census office of the government of India. This research was carried out in the selected villages from 2006 to June 2007. [7].

### Full employment

Full employment is an ideal one deciding the studies of the people and the society. The different connotations on it are given based on its significance. Lerner viewed that full employment is the condition where those who want to work at the prevailing wage rates of pay can find work without much difficulty [3].

### Profile of sample village, Azhaganandal Village

Azhaganandal village is located near to Tiruvannamalai taluk about 8 k.m from this village. It is well connected by roads to taluks and villages. The local area of the village is 383.395 hectare of which are wetland is 279.0471 hectare and area grazing land is 40.92 hectare and 63.425 hectare of land is dry land. Total households of the village are 1207 (males account for 624 and females are 583) [8].

NREGP is implemented in this village. Under this scheme the villagers are very much benefited because they are getting regular works. The village people are beneficiaries of this scheme they get water through like digging canals, wells etc., and they are getting wages at Rs. 80 / head / day. So for Rs. 565000 has been spend in this village under this programme. The total no of manual worker are 7062 [4].

### Profile of Sample village Kannappandal village

Kannappandal village located near to Thiruvannamalai taluk. IT is well connected by roads to the taluks and villages. The total area of the village is 84.6 hectare, consisting wet land 84.0 hectare and area grazing land is 16.0 hectare and 4.6 hectare of land is dry land. The total households of the village are 1042 (males account to 425 and females are 617) [8].

NREGP is implemented in this village. Under this scheme the villagers are very much benefited because they are getting regular

works. The beneficiaries of this scheme get water through digging canals, wells, etc and they are getting wages at Rs. 80 head / day. 50 far Rs. 257594 has spent in this village under this programme. The total number of manual worked is 3290 [5].

### Profile of sample village Nallan Pillai pettral village

Nallan pillai pettral village is located near to Thiruvannamalai taluk. It is well connected by roads. The total area of the village is 330.01 hectare i.e. wetland is 242.725 hectare and area grazing land is 42.095 hectare 330.01 hectare of land is dry land. The total households of the village are 1447. (males are 695 and females are 752) [8].

### Analysis of the NREGP

As per the character of the NREGP this programme should provide legal guarantee for one hundred days of employment in every financial year to adult members of any household willing to do unskilled manual work at the statutory minimum wage. Further the rural development programmes influences the income, employment and consumption pattern of the beneficiaries. In this chapter, in attempt is made to carry out.

1. Socio-economic characteristics of the sample of NREGP respondents
2. Analysis of rural development and employment in the study area, and
3. Test of Hypothesis

### Socio economic characteristics of the sample NREGP Respondents

The social characteristics taken up for analysis are the age of the respondent, caste, sex, and educational status, size of family, type of house of the NREGs respondent are given below

Table – 1 Age wise distribution of the sample of respondents in the study area

S. No	Age Group	Azhaganandal		Kannapandal		Nallanpillai pettral	
		No of Respondents	Percentage	No of Respondents	Percentage	No of Respondents	Percentage
1	Less than 20	4	11.76	5	15.15	8	24.24
2	21 – 40	13	38.23	11	33.33	16	48.48
3	41 – 59	11	32.35	14	42.42	7	21.21
4	60 and above	6	17.64	3	9.0	2	6.00
	Total	34	100	33	100	33	100

Source: Computed from Survey data

$$1. \frac{4}{34} \times 360 = 42^\circ \quad \frac{5}{33} \times 360 = 54^\circ \quad \frac{8}{33} \times 360 = 88^\circ$$

2.

13

34

x 360°

= 138°

11

33

x 360°

= 120°

16

33

x 360°

= 174°

3.

11

34

x 360°

= 116°

14

33

x 360°

= 153°

7

33

x 360°

= 76°

4.

6

34

x 360°

= 64°

3

33

x 360°

= 33°

2

33

x 360°

= 22°

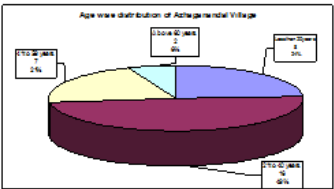
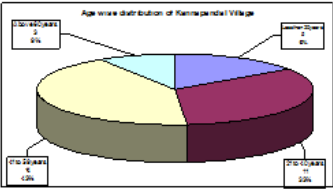
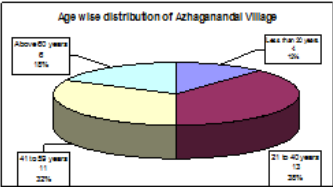


Table 1 shows the age wise distribution of the respondent. In Nallan Pillai Pettral, 48.47 percent of the sample respondents were in the age group of 21 to 40 years followed by 24.24 in less than 20 years, 21.21 percent in 41 to 59 years and the rest of six percent in more than 60 years. In azhaganandal, 38.23 percent were in 21 to 40 years 32.35 percent in 41 to 59 years 17.63 percent in more than

60 years and 11.76 percent in less than 20 years. In kannappandal 42.42 percent of them were in 41.59 years followed by 33.33 percent in 21 to 40 years 15.15 percent in less than 20 years and nine percent in more than in 60 years. Group 1 goes the age details of the sample population in the sample villages.

Table – 2 Caste wise distribution of the sample of respondents in the study area

S. No	Caste Group	Azhaganandal		Kannapandal		Nallanpillai pettral	
		No of Respondents	Percentage	No of Respondents	Percentage	No of Respondents	Percentage
1	OC	-	-	-	-	-	-
2	MBC	14	41.18	18	54.54	20	60.60
3	BC	7	20.59	3	9.1	-	-
4	SC	13	38.23	12	36.36	13	39.40
5	ST	-	-	-	-	-	-
	Total	34	100	33	100	33	100

Source: Computed from Survey data

1.

14

34

x 360°

= 148°

18

33

x 360°

= 196°

20

33

x 360°

= 218°

$$2. \quad \frac{7}{34} \times 360 = 74^\circ \quad \frac{3}{33} \times 360 = 33^\circ \quad \frac{13}{33} \times 360 = 142^\circ$$

$$3. \quad \frac{31}{34} \times 360 = 138^\circ \quad \frac{12}{33} \times 360 = 131^\circ$$

Table – 2 makes interesting reading regarding caste wise distribution of the respondent, while there are no schedule tribes and other caste people are found in this programme. The overall

percentage of MBC sample respondents 60.60 percent is more than SC respondents 39.40 percent and BC respondents 20.59 percent respectively.

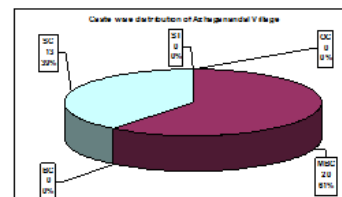
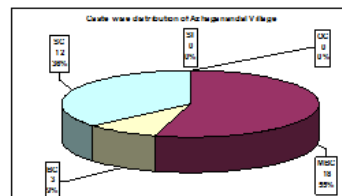
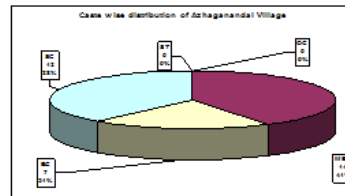


Table – 3 Sex wise distribution of the sample of respondents in the study area

S. No	Sex	Azhaganandal		Kannappandal		Nallanpillai pettral	
		No of Respondents	Percentage	No of Respondents	Percentage	No of Respondents	Percentage
1	Male	29	85.29	26	78.78	7	21.22
2	Female	5	14.71	7	21.22	26	78.78
	Total	34	100	33	100	33	100

Source: Computed from Survey data

Table – 3 portrays among the three sample villages the percentage of male is more in Azhaganandal village 85.29 percent and 78.78 percent of Kannappandal and 21.22 percent of Nellan Pillai Pettral Village respectively. Female are more in Nellan Pillai

Pettral Village 78.78 percent and less than in Kannappandal 21.22 percent and Azhaganandal 14.71 percent respectively. The overall percentage of male population is more than female in the sample village.

Table – 4 Educational Status of the sample of respondents in the study area

S. No	Education	Azhaganandal		Kannapandal		Nallanpillai pettral	
		No of Respondents	Percentage	No of Respondents	Percentage	No of Respondents	Percentage
1	Illiterate	8	23.5	7	21.21	14	42.42
2	Primary	15	44.1	14	42.42	10	30.30
3	Elementary	7	22.21	8	24.24	6	14.18
4	High and Secondary	3	8.82	3	09.09	3	9.09
5	College	1	2.94	1	2.94	0	0
	Total	34	100	33	100	33	100

Source: Computed from Survey data

Table-4 results that the educational status of sample respondent. In the sample villages, the literate are Nallan Pillai Pettral 42.42 percent while it is less in other village of Azhaganandal 23.5 percent and Kannapandal 21.21 percent respectively. Among the educated people it is more in primary school followed by higher secondary and college level. The percentage of Kannapandal

village people has had education upto elementary school level is 24.24 percent where the same in the caste of Azhaganandal village people is 21.21 percent and Nallan pillai pettral village people is 14.18 percent respectively. Graph presents the educational status of the sample respondents in the sample villages.

Table – 5 Type of house the sample villages

S. No	Type of House	Azhaganandal		Kannapandal		Nallanpillai pettral	
		No of Respondents	Percentage	No of Respondents	Percentage	No of Respondents	Percentage
1	Thatched	13	38.2	14	42.4	20	60.6
2	Tiled	16	47.0	18	54.5	10	30.3
3	Terraced	5	14.7	1	3.0	3	9.0
	Total	34	100	33	100	33	100

Source: Computed from Survey data

Tabel 5 shows that maximum number of thatched houses 60.6 percent is found in Nallan pillai pettral village. In other two villages, the maximum number of tiled houses is observed. This shows the poor economic development in Nallan pillai pettral compared to other two villages. In all the three villages, the percentage of terraced house is very low. From this are understand that are the villages are communicably backward.

### Economic Characteristics

Economic characteristics refer to livestock, land distribution agricultural operation, earner or dependent, private loan and institutional loan, employment status in the pre and post loan periods, income and expenditure

Table – 6 Type of house the sample villages

Type of House	Azhaganandal Population	Kannapandal Population	Nallanpillai pettral Population	Total	Pre Programme value (Rs)	Post programme value (Rs)
Bollocks	35.00	25.00	40.00	100	80000	100000
Cows	30.00	20.00	50.00	100	708000	7552000
Goats	35.56	20.00	44.44	100	106800	115700
Buffalos	-	-	-	-	-	-
Pig	-	50.00	50.00	100	20000	25500

Source: Computed from Survey data

Table 6 portrays that in the sample villages recorded that the livestock population and value also increase because the implementation of NREGS and other rural development programmes.

The percent study shows that in the sample villages the value of livestock has gradually increased during the post programme periods.

Table – 7 Land distributions of the sample respondents in the study area (Percentage in 100)

Village Name	Wet Land	Dry Land	Total %
Azhaganandal	27.9	44.1	72.0
Kannapandal	34.8	20.5	55.3
Nallan pillai pettral	37.2	35.2	72.4
Total	100	100	200

Source: Computed from Survey data

Table -7 Shows that the dry land area was more in Azhaganandal (44.1 acres) than wet land (27.9 acres). In kannapandal, the wet land (34.8 acres) is more than dry lands (20.5

acres). In Nallan Pillai Pettral, The wet Land 37.2 percent) is more than dry land (35.2 acres).

Table – 8 Methods of Agricultural operation in the study area

Type of House	Azhaganandal		Kannapandal		Nallanpillai pettral	
	No of Respondents	Percentage	No of Respondents	Percentage	No of Respondents	Percentage
Oil engine	3	25	8	57.14	12	63.15
Electrical Pump set	9	75	6	42.86	7	36.85
Total	12	100	14	100	19	100

Source: Computed from Survey data

Table – 8 show that the method of agricultreul operation (irrigation) of the respondent in the study area 63.15 percent of the Nellan Pillai Pettral farmers use oil engine and in Azhagannandal

farmer is 25 percent in the other hand Azhaganandal farmers is 75 percent using electric pump set and lesser in Nellan pillai pettral farmers is 36.85 percent respectively.

Table – 9 Earner and dependant details of the respondents in the study area (percentage in 100)

Type of House	Azhaganandal		Kannapandal		Nallanpillai pettral	
	Male	Female	Male	Female	Male	Female
Earners	19.2	20	19.2	16.8	22.4	14.4
Dependents	14.5	12.4	15.3	14.5	19.7	23.3

Source: Computed from Survey data

Table-9 reveals that the dependents are more among female than male population in the sample villages. The earners are more in

nallanpillai pettral 22.4percent followed by azhaganandal and kannapandal 19.2 percent each.)

Table-10 Employment Status in the sample respondents before the implementation of the NREGP Programme

Type of House	Azhaganandal		Kannapandal		Nallanpillai pettral		Percentage
	Male	Female	Male	Female	Male	Female	
Agricultural	14	7	18	6	13	8	66
Non-agricultural	6	2	4	2	2	3	19
Self Employed	2	3	2	1	3	4	15
Total no of samples	34		33		33		100

Source: Computed from Survey data

Table 10 show that the employment details of the sample respondents during the pre NREGP period is more in agricultural

field than non-agricultural and self –employment in all the sample villages for both male and female populations.

Table-11 Employment Status in the sample respondents before the implementation of the NREGP Programme

Type of House	Azhaganandal		Kannapandal		Nallanpillai pettral		Percentage
	Male	Female	Male	Female	Male	Female	
Agricultural	14	7	18	6	13	8	66
Non-agricultural	6	2	4	2	2	3	19
Self Employed	2	3	2	1	3	4	15
Total no of samples	34		33		33		100

Source: Computed from Survey data

Table 11 show that the employment details of the sample respondents during the pre NREGP period is more in agricultural

field than non-agricultural and self-employment in all the sample villages for both male and female population.

Table-12 Employment Status in the sample respondents aftr the implementation of the NREGP Programme

Type of House	Azhaganandal		Kannapandal		Nallanpillai pettral		Percentage
	Male	Female	Male	Female	Male	Female	
Agricultural	2	2	3	4	2	4	15
Non-agricultural	9	15	6	17	8	17	7
Self Employed	3	3	2	1	1	1	11
Total no of samples	34		33		33		100

Source: Computed from Survey data

In the post NREGP periods, as given in table 12 the shift in non – agricultural employment is observed in all the sample village. The

shift is more for the female than the male population.

Table-13: Average annual employment in NREGP (in mandays)

S.	No	Name of the village	Average annual employment in NREGP in man days			
			Pre	Prgrorarr	Post	Programn Total
1		Azhaganandal	0		1162	1162
					(100.00)	(100.00)
2		Kannappandal	0		756	756 (100.00)
3		Nallanpillai pettral	0		778	778 (100.00)
		Total	0		2696	2696
					(100.00)	(100.00)

Source: Computed from Survey data

The average annual employment of the sample respondents are presented in table 13. Thei shows that the annual employment has increased due to the NREGP programe in the sample villages. In Azhaganandal, the average annual employment was 1162 mandays.

It was 756 in Kannappandal and 778 in Nallanpillaipettral. The data portrays that the beneficiaries have gained more employment duet o the NREGP programme in the sample villages.

Table 14 Average annual employment in mandays

S.	No	Name of the village	Average annual employment in NREGP in man days			
			Pre	Prgora	Post	Programr Total
1		Azhaganandal	728	(27.80)	1890	2618
					(72.19)	(100.00)
2		Kannappandal	634	(31.32)	1390	2024
					(68.67)	(100.00)
3		Nallanpillai pettral	860	(34.42)	1638	2498
					(65.57)	(100.00)
		Total	2222	(31.12)	4918	7140
					(59.07)	(100.00)

Source: Computed from Survey data

As given in table 14 the average annual e3mployment has increased from pre programme periods to the post programme periods. In Azhanandal the average employment was 728 man days in the pre-programme periods and it has increased to 1890 man days in the post programme periods. The average periods to 1390

man days in the post programme periods in Kannappandal. As regards Nallan pillap pettral the average annual employment was 860 man days in the preprogramme periods and it has increased to 1638 man days in the post programme periods.

Table-15 Average annual employment in NREGP (in mandays)

S.	No	Name of the village	Average annual employment in NREGP in man days			
			Pre	Prgoran	Post	Programr Total
1		Azhaganandal	58240	(27.80 )	151200	209440
					(72.19 )	(100.00 )
2		Kannappandal	50720	(31.32 )	111200	161920
					(68.87 )	(100.00 )
3		Nallanpillai pettral	68800	(34.42 )	131040	199840
					(65.57 )	(100.00 )
		Total	177760	(31.12 )	393440	571200
					(68.87 )	(100.00 )

Source: Computed from Survey data

Table 15 portrays that the average annual income of the beneficiaries have increased from Rs 58240 in the pre programme periods to rs 151200 in the post programme periods in Azhangandal village. The average annual income has increased from Rs 20720 in

the pre pgroramme periods to rs 111200 in the post programme periods in Kannappandal. In Nallan pillai pettral the average annual income was Rs 68 800 in the pre programme periods and is has increased to rs 131040 in the post programme period.

Table-16 Average annual expenditure on real by the respondents in the sample village

S.	No	Name of the village	Average annual employment in NREGP in man days			
			Pre	Prgoran	Post	Programr Total
1		Azhaganandal	26240	(25.71)	75800	102040
					(74.28)	(100.00)
2		Kannappandal	23820	(29.79)	56134	79954 (100.00)
3		Nallanpillai pettral	30860	(34.20)	5930	90220 (100.00)
		Total	20920	(29.72)	191294	272214
					(70.27)	(100.00)

Source: Computed from Survey data

The consumption pattern of the sample respondents have been analysed based on the expenditure on food during the study period. The data given in table 16 shows that the expenditure on food was more in the post programme periods as compared to the pre

programme periods. In the Azhaganandal the the average annual expenditure on fact has increased from Rs 26240 in the pre programme period to Rs 75800 in the post programme periods In Kannappandal also similar increase is observed form Rs 23820 in

the pre programme periods Rs 59360 in the post programme period.

### Test of Hypotheses

**NREGP has significantly increase the employment level of the beneficiaries in the study area**

To test this hypothesis data pertaining to the employment position of the sample respondents are considered. T test method is followed as per the procedure followed below.

### Test procedure

To test the hypothesis 't' test of the following form is followed

$$T = \frac{(\bar{x} - \mu)}{s} \sqrt{n}$$

Where  $\bar{x}$  is the mean of the sample

$\mu$  - is the actual or hypothetical mean of the population

$n$  - is the sample size

$s$  - is the standard deviation of the sample

$H_0$  - there is no significant increase in the employment level of the beneficiaries in the study area due to NREGP

### The major findings of the study are

1. 72 percent of respondents are beneficiaries of the rural development programme (NREGP)
2. 52 percent respondents are belonging to most backward class (MBC)
3. In the study are 75 percent of the respondents are male and remain 25 percent of the respondents female
4. 100 percent of the respondents are belonging to Hindu religions
5. All the respondent denote are welling in rural area with nuclear family

6. 85 percent of the respondent are coming below rs 100 and 10 percent of the respondent earning rs 25000 and this people are coming under below poverty line.

### CONCLUSION AND SUGGESTIONS

The money lender traders and merchants are the major creditor in the villages. This is a negative credit structure in the sample village to remedy this situation the money lenders should be evicted from the villages. For their the institutional loan arrangement should be strengthen in the village

The non agricultural and self employment is precarious the NREGP should provide more employment the mandatory employment of 100 days should be increased in the agenda of the scheme

The study found to significant increase in the income level of the respondents. To make the programme successful the NREGP should provide more work vis - a - vis income to the beneficiaries.

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