

MGNREGA and Livelihood Security: An Economic Analysis Towards Inclusive Growth

¹Mr. M. Muthumari, ²Dr. S. Meenakumari

¹Full- time PhD Research Scholar,

PG and Research Department of Commerce,

Thiagarajar College-Affiliated to Madurai Kamaraj University,

Madurai-9, Tamil Nadu,

²Assistant Professor & Head (I/C)

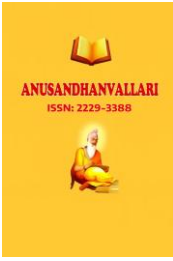
PG and Research Department of Commerce,

Thiagarajar College- Madurai-9, Tamil Nadu,

Abstract

The present study examines the economic impact of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) on livelihood security and inclusive growth, with a specific focus on transgender beneficiaries. Adopting a descriptive and analytical research design, the study draws on both primary and secondary data sources. Primary data were collected from 250 transgender respondents selected through stratified random sampling from rural households participating in MGNREGA. The analysis assessed perceptions across key factors such as administrative efficiency and governance, financial allocation and timely wage disbursement, awareness and participation, and the quality of planning and asset creation. Findings reveal significant variations in mean scores across these factors, indicating differential experiences and levels of satisfaction among transgender participants. The study highlights the importance of strengthening governance mechanisms, enhancing financial processes, and improving awareness and engagement to ensure that MGNREGA effectively supports the livelihood security and socio-economic inclusion of transgender individuals. The results underscore the need for more targeted and inclusive policy interventions to promote equitable growth and social justice. The study concludes that strengthening institutional mechanisms, promoting social audits, and ensuring active community participation are vital for enhancing MGNREGA's role in fostering sustainable livelihoods and achieving inclusive rural development. . This article analyses the economic impact of MGNREGA on rural livelihood security and explores its role in fostering inclusive development. It evaluates the program's achievements, challenges, and future directions for sustainable and equitable rural transformation.

Keywords: MGNREGA, Livelihood Security, Inclusive Growth, Rural Employment, Governance, Social Audit, Wage Disbursement, Economic Development and Beneficiary Perception.



Introduction

The rural economy of India which supports almost two-thirds of the population has had its fair share of unemployment, poverty, and income inequality. Here, the MGNREGA that was introduced in 2005 came out as a policy tool of revolution in empowering rural families by ensuring employment on a wage basis. In addition to offering temporary income assistance, it aims at developing long-term assets, fostering social belonging, and increasing the strength of vulnerable communities. The scheme can therefore be said to fulfill the twofold goals of livelihood security and inclusive growth the key pillars of the sustainable development agenda in India. Livelihood security is linked to the capacity of the individual or household to access and maintain access to means of living that includes income, food and social protection. Inclusive growth, however, will provide the poor communities with a way of enjoying the fruits of the economic growth process and hence participate in the development process fairly. These principles are operationalized by MGNREGA through income generation and empowerment coupled with asset creation, which makes the rural development participatory and sustainable.

Economic Impact of MGNREGA on Livelihood Security

Employment Generation and Income Stability

MGNREGA has significantly reduced rural underemployment by offering a reliable source of income during agricultural lean seasons. The guaranteed 100 days of work per household enhances consumption expenditure, reduces distress migration, and supports local demand. For millions of landless laborers and small farmers, the scheme serves as a crucial income buffer against seasonal shocks.

Empowerment of Women and Marginalized Groups

Women constitute nearly 50% of MGNREGA workers, indicating a strong gender inclusion dimension. The scheme not only provides women with financial independence but also enhances their participation in decision-making processes. Similarly, Scheduled Castes and Scheduled Tribes have benefited from the scheme's inclusive framework, reducing historical socio-economic disparities.

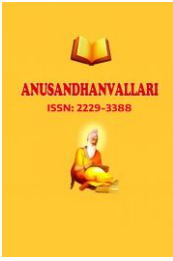
Asset Creation and Rural Infrastructure Development

Beyond wage employment, MGNREGA promotes community asset creation — such as water conservation structures, irrigation facilities, rural roads, and soil improvement works. These assets enhance agricultural productivity and resource sustainability, thus contributing to long-term rural economic resilience.

MGNREGA and Inclusive Growth- challenges

MGNREGA's design aligns closely with the concept of inclusive growth by ensuring that economic gains are equitably distributed. It promotes participation from vulnerable groups, increases purchasing power in rural markets, and stimulates local economic activity. Studies have shown that districts with active implementation of MGNREGA have witnessed improved literacy rates, reduced poverty levels, and higher rural consumption — indicators of inclusive progress.

1. Delayed Wage Payments Undermine Workers' Trust and Financial Stability



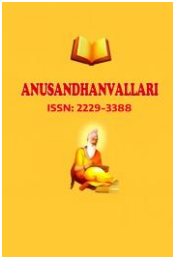
Timely wage disbursement is a fundamental pillar of MGNREGA's success, yet persistent delays continue to undermine its credibility and intended socioeconomic impact. Many rural workers depend on MGNREGA wages as their primary source of income, particularly during non-agricultural seasons. When payments are delayed for weeks or even months, households struggle to meet basic consumption needs such as food, healthcare, and education. This financial uncertainty discourages participation and erodes confidence in the program's reliability. Furthermore, delayed payments negate the act's primary objective of providing immediate livelihood support during distress periods. The bureaucratic hurdles in fund transfer, administrative inefficiencies, and lack of real-time tracking systems exacerbate the problem. The absence of accountability mechanisms and coordination between central and state agencies also contributes to payment lags. Ensuring prompt and transparent wage distribution through digital platforms and direct benefit transfer systems is therefore crucial for restoring workers' trust and enhancing financial stability.

2. Corruption and Leakages in Fund Allocation Reduce Program Efficiency

Corruption and financial leakages remain serious impediments to the effective functioning of MGNREGA. Instances of ghost beneficiaries, inflated work records, and misappropriation of funds at the local administrative level compromise the transparency and efficiency of the scheme. These malpractices not only divert resources away from genuine beneficiaries but also distort the actual performance indicators of the program. The lack of stringent monitoring mechanisms and weak accountability structures enable officials or contractors to manipulate muster rolls and falsify attendance records. Such irregularities reduce the number of work opportunities available to real laborers and weaken public confidence in the governance of MGNREGA. Moreover, the absence of strong grievance redressal systems discourages victims from reporting corruption. To mitigate these issues, greater transparency through digitalized record-keeping, geo-tagging of worksites, and regular social audits must be prioritized. Strengthening institutional oversight and promoting community participation can significantly improve fund utilization and reduce leakages

3. Inadequate Awareness among Beneficiaries Limits Full Utilization

A major limitation in MGNREGA's effectiveness arises from the lack of adequate awareness among rural households regarding their entitlements and the operational procedures of the scheme. Many potential beneficiaries remain uninformed about their legal right to demand work, the process of job card registration, wage rates, or the grievance redressal mechanisms available to them. This information gap results in underutilization of funds and uneven participation across regions. Women, marginalized communities, and illiterate populations are particularly disadvantaged due to limited access to information channels. Moreover, the absence of systematic awareness campaigns and community-based orientation programs restricts the inclusivity that MGNREGA aims to achieve. Informed participation is key to empowering rural citizens and ensuring accountability at the grassroots level. Therefore, local governments, NGOs, and media platforms should collaborate to enhance outreach, organize awareness drives, and simplify administrative processes to ensure that every eligible household can fully benefit from the program.



4. Poor Planning and Monitoring Affect the Quality of Assets Created

Effective planning and robust monitoring are essential for ensuring that MGNREGA not only generates employment but also produces durable, productive community assets. However, weak planning frameworks and inadequate supervision have often resulted in the creation of substandard or non-functional assets. Many projects are selected without scientific assessment of local needs, leading to duplication of efforts or environmentally unsustainable outcomes. The absence of skilled technical personnel and proper project design further compromises quality. Moreover, insufficient monitoring mechanisms allow irregularities in material procurement, attendance recording, and work completion. Periodic inspections and evaluations are either poorly conducted or entirely neglected due to administrative overload or lack of accountability. Consequently, the scheme's long-term developmental impact is diminished. Strengthening decentralized planning, employing trained engineers, adopting digital tracking tools, and ensuring community oversight through social audits can enhance the quality and sustainability of assets created under MGNREGA.

Factors Influencing the Effectiveness of MGNREGA

1. Administrative Efficiency and Governance

The efficiency of MGNREGA implementation largely depends on the capacity, transparency, and accountability of local governance institutions such as the Panchayati Raj bodies. Well-trained administrative personnel, timely fund allocation, and effective coordination between central and state governments are vital for smooth execution. However, bureaucratic delays, lack of monitoring, and corruption often hinder its effectiveness. Strong institutional mechanisms, digital transparency, and community-based monitoring can improve governance outcomes.

2. Financial Allocation and Timely Wage Disbursement

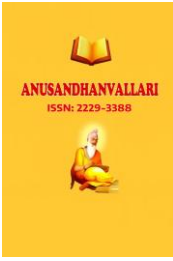
Adequate and timely financial allocation is a crucial determinant of MGNREGA's success. Delayed release of central or state funds disrupts project continuity and leads to delayed wage payments, which affect workers' motivation and trust. A stable flow of funds ensures uninterrupted employment, faster completion of works, and increased participation. Implementation of direct benefit transfers (DBT) and electronic fund management systems (e-FMS) has improved efficiency but still requires robust monitoring to minimize lags.

3. Awareness and Participation of Beneficiaries

Beneficiary awareness plays a critical role in determining the reach and inclusivity of MGNREGA. When rural households understand their rights—such as entitlement to 100 days of employment, equal wages for men and women, and access to grievance mechanisms—they are more likely to demand work and participate effectively. Awareness campaigns, community meetings, and collaboration with NGOs can enhance public understanding, leading to improved participation, particularly among women and marginalized groups.

4. Socio-Economic and Demographic Characteristics

The socio-economic composition of rural communities significantly influences MGNREGA outcomes. Households with lower income, limited land ownership, and higher dependency ratios are more likely to participate in the scheme. Similarly, education level, gender, and social identity (caste, tribe) affect awareness, work participation, and decision-making power. Women's empowerment and inclusion of Scheduled Castes and Scheduled Tribes in work opportunities demonstrate MGNREGA's role in addressing social inequalities.



5. Quality of Planning and Asset Creation

The quality of planning at the grassroots level determines both the sustainability of employment and the durability of community assets created under MGNREGA. Projects that are locally relevant—such as water conservation, soil improvement, or rural infrastructure—enhance long-term productivity and livelihood security. Poor technical planning or lack of skilled supervision, however, can result in redundant or low-quality assets. Strengthening local-level planning through participatory approaches ensures that created assets contribute meaningfully to rural development.

6. Technological Integration and Transparency

The adoption of digital technologies—such as online work monitoring systems, geo-tagging of assets, and biometric attendance—has improved transparency and accountability in recent years. These tools reduce leakages, enable real-time data tracking, and ensure accurate wage distribution. Nonetheless, technological literacy and connectivity gaps in remote regions can limit their effectiveness. Expanding digital infrastructure and training local officials can help bridge this divide and improve program efficiency.

7. Political Will and Community Involvement

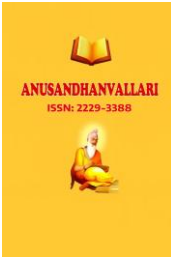
Political commitment at both central and state levels is crucial for ensuring the continuity and scale of MGNREGA operations. Strong political will promotes adequate funding, transparent policy reforms, and active monitoring. Equally important is community involvement through Gram Sabhas and social audits, which foster local ownership, curb corruption, and ensure that the works undertaken truly reflect local needs.

Research Gap

Despite the fact that the role of MGNREGA in rural job creation and poverty reduction has been significantly researched on, a significant gap has been identified regarding the economic effects of this initiative on livelihood security and inclusive growth in different segments of the population. The majority of available research has been centrally concentrated with employment creation and income impacts without giving much attention to differences in perceptions among the beneficiaries in relation to age, gender, education and marital statuses. In addition, only few studies have examined through empirical studies the interdependence between administrative efficiency, financial management and social inclusion under the MGNREGA model. Previously, little research has combined the two dimensions of economy and social to determine how the scheme helps in the sustainable development of the rural India. The research deals with these gaps by using the statistical approach to gauge the differences in perceptions and by finding the main challenges involved in the performance of the program. The results will contribute to the scholarly debate on livelihood security and give evidence-based information about enhancing the policy agenda towards inclusive growth.

Importance of the Study

The article is very relevant in the background of the current endeavors of the Indian nation to reach sustainable and inclusive rural development. To assess the success of government actions in solving unemployment, poverty, and inequality, it is very important to understand its economic and social impact. The study provides practical



recommendations to policymakers and administrators by determining the key issues in the implementation process, which include long-term wage payment, bad monitoring, and low awareness. In addition, the ability to compare differences in perceptions based on gender, age, and education level will facilitate the creation of a more complex view on inclusiveness in rural governance. The investigations as well highlight the significance of transparency, digital governance, and local involvement to enhance the outcomes of the policies. The study is therefore critical in informing the reforms that can help in making MGNREGA more effective and help in contributing to the wider vision of India of having inclusive economic development.

Scope of the Study

This study aims to analyze the role of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in ensuring livelihood security for marginalized communities, with a special focus on the transgender population. The scope of this research includes the following dimensions:

1. Geographical Scope:

- The study will focus on selected rural areas where MGNREGA is actively implemented, with emphasis on regions with documented participation of transgender individuals in employment programs.
- It may include comparative insights from states or districts with higher inclusion of transgender workers to understand regional disparities.

2. Demographic Scope:

- The primary focus is on transgender individuals as a socially and economically marginalized group.
- Secondary analysis may include other vulnerable groups for comparative evaluation, such as women, scheduled castes, or scheduled tribes, to contextualize inclusivity.

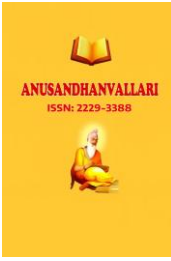
3. Economic Scope:

- Assessment of livelihood security, including income stability, employment opportunities, and financial independence provided by MGNREGA.
- Analysis of economic outcomes such as enhanced purchasing power, savings, and reduction in vulnerability among transgender workers.
- Evaluation of wage adequacy, participation levels, and employment duration under MGNREGA.

4. Social and Policy Scope:

- Investigation of the inclusivity of MGNREGA policies in accommodating transgender individuals.
- Examination of social empowerment, dignity of work, and recognition of rights for transgender workers.
- Analysis of barriers and challenges, such as social stigma, discrimination, and lack of awareness about program benefits.

5. Temporal Scope:



○ The study may consider a recent time frame of the last 5–10 years to evaluate the current effectiveness of MGNREGA in promoting inclusive growth.

6. Analytical Scope:

○ Use of economic and social indicators to measure livelihood security and well-being.

○ Assessment of the contribution of MGNREGA towards inclusive economic growth for marginalized communities.

○ Identification of policy gaps and recommendations to enhance the participation of transgender individuals in rural employment schemes.

In essence, this study will provide insights into how MGNREGA functions as a mechanism of economic inclusion for transgender individuals, contributing to broader goals of livelihood security, poverty alleviation, and equitable rural development.

Statement of the Problem

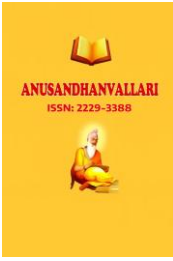
Despite MGNREGA's objective of promoting livelihood security and inclusive growth, the unique experiences and challenges of transgender beneficiaries remain largely under-examined. Limited research has explored how effectively the scheme addresses their socio-economic vulnerabilities. This study therefore investigates the perception and impact of MGNREGA among transgender respondents to identify gaps in implementation and inclusivity. MGNREGA has a well-defined scope and a noble agenda, the program still encounters various operational issues that are limiting its full potential in protecting livelihoods and facilitating an inclusive growth. Issues like late payment of wages, fund misappropriation, ineffective planning and low beneficiary awareness have influenced the program credibility as well as efficiency. Moreover, the differences in perceptions of various demographic groups, in other words, they depend on their gender, age, education, and marital status indicate that the benefits of the scheme would not be equally distributed. Although the program has been successful in terms of offering temporary jobs, it still raises questions on whether it is sizable in the long run, the quality of assets formed and whether it has contributed to the alleviation of poverty in rural areas. The main question, thus, is whether MGNREGA has been successful in its intention to equitable development and what socio-economic factors are affecting the implementation. This article aims to examine these issues in details and suggest ways to increase the inclusiveness and efficacy of the program.

Objectives of the Study

1. To identify the major challenges in the implementation of MGNREGA as perceived by transgender beneficiaries.

2. To examine the differences in perception of MGNREGA's effectiveness according to the age levels of transgender respondents.

3. To analyze the variation in perception of MGNREGA based on the educational qualifications of transgender participants.



4. To assess the overall perception of transgender individuals regarding key factors such as administrative efficiency, financial allocation, beneficiary participation, and quality of asset creation under MGNREGA.

Research Methodology

The present study adopts a descriptive and analytical research design to assess the economic impact of MGNREGA on livelihood security and inclusive growth. Both primary and secondary data were utilized. Primary data were collected through a structured questionnaire administered to 250 transgender respondents selected using stratified random sampling from rural households participating in MGNREGA. The questionnaire covered aspects such as wage payment, awareness, governance, and planning efficiency. Secondary data were sourced from government reports, research articles, and official MGNREGA statistics. The collected data were analyzed using descriptive statistics (mean, standard deviation, and mean rank) and inferential statistics (Chi-square and ANOVA tests) to examine variations in perceptions across demographic groups such as age, gender, marital status, and education. Statistical tools helped identify key challenges and influencing factors. The findings were interpreted to provide meaningful policy recommendations for improving program implementation and achieving sustainable inclusive growth.

Findings and results

India's social protection framework, bridging economic and social inequalities in rural areas. By enhancing livelihood security, empowering marginalized communities, and creating durable assets, it has laid a strong foundation for inclusive growth. However, realizing its full potential requires continuous policy innovation, efficient implementation, and community participation. Strengthening MGNREGA not only safeguards rural livelihoods but also advances India's broader goals of sustainable and equitable development.

Table 1: Major challenges in the implementation of MGNREGA as perceived by transgender beneficiaries

Challenges	Mean	Std. Deviation	Mean Rank
Delayed Wage Payment	4.06	.726	3.26
Poor Planning and Monitoring	3.86	.911	3.03
Inadequate Awareness	3.85	.910	2.94
Corruption and Leakages in Fund Allocation	3.71	.973	2.80
Enhanced Social Audits	3.82	.925	2.88
No. of Respondents	250	Chi-Square	108.111
Difference	4	Asymp. Sig.	0.000

Table 1 presents the respondents' perceptions of major challenges affecting the implementation of MGNREGA. The mean values indicate the relative importance and intensity of each challenge as perceived by the 250 respondents. Among the listed challenges, delayed wage payment recorded the highest mean score (Mean = 4.06, SD = 0.726, Mean Rank = 3.26), signifying that it is considered the most critical issue undermining the effectiveness of MGNREGA. This is followed by poor planning and monitoring (Mean = 3.86) and inadequate awareness (Mean = 3.85), reflecting concerns over administrative inefficiency and lack of information among beneficiaries. Corruption and leakages (Mean = 3.71) and enhanced social audits (Mean = 3.82) were rated relatively lower but remain significant obstacles.

The Chi-square value of 108.111 with Asymp. Sig. = 0.000 indicates a statistically significant difference among the respondents' opinions regarding the identified challenges. This suggests that the respondents perceive the intensity of these challenges differently, emphasizing that addressing delayed payments and strengthening planning, awareness, and accountability mechanisms are essential for improving MGNREGA's overall performance.

Table 2: Perception of MGNREGA's effectiveness according to the age levels of transgender respondents.

Age group	N	Mean	Std. Deviation	F value	P value	Educational qualification	N	Mean	Std. Deviation	F	Sig.
Young	54	1.3333	.47583	4.328	0.011	No Schooling	39	1.0000	.02354	2.687	0.063
Middle	133	2.3759	.53089			Primary education	95	2.0000	.03677		
Old	63	3.0000	.00000			Graduation	116	3.0000	.00000		
Total	250	2.3080	.72612			Total	250	2.3080	.72612		

Table 2 examines whether perceptions of MGNREGA implementation challenges differ significantly across respondents' age groups and educational qualifications. For age, the analysis shows that the mean perception score increases with age — from 1.33 among young respondents, to 2.37 among middle-aged, and 3.00 among older respondents. This trend indicates that older participants perceive the challenges in MGNREGA implementation more critically compared to younger ones. The F-value (4.328) and the P-value (0.011) reveal a statistically significant difference ($p < 0.05$) among age groups, suggesting that age significantly influences respondents' perceptions.

Regarding educational qualification, the mean scores rise consistently with education level — from 1.00 for those with no schooling to 3.00 for graduates. However, the F-value (2.687) with P-value (0.063) indicates that this difference is not statistically significant at the 5% level. Hence, while more educated respondents tend to have a higher awareness and a more critical perception of MGNREGA issues, these differences are not strong enough statistically.

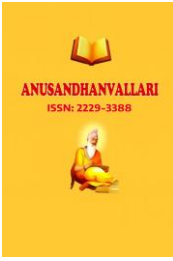
Overall, the results suggest that age plays a significant role in shaping perceptions of MGNREGA's challenges, whereas educational qualification shows a positive but non-significant influence.

Table: 3-Perception according to Tran's gender

Factors	Category		Mean Rank	Test	Result	Category		Mean Rank	Test	Result
Administrative Efficiency and Governance	Male	69	3.94	0.662	3.254	Married	95	3.73	0.573	-2.33
	Female	181	4.1	0.746	0.002	Unmarried	155	4.26	0.737	0.041
	Total	250	4.06	0.726		Total	250	4.06	0.726	
Financial Allocation and Timely Wage Disbursement	Male	69	3.48	0.964	-0.513	Married	95	3.46	0.965	-2.21
	Female	181	4	0.85	0.697	Unmarried	155	4.1	0.788	0.018
	Total	250	3.86	0.911		Total	250	3.86	0.911	
Awareness and Participation of Beneficiaries	Male	69	4.17	0.747	-0.478	Married	95	3.97	0.905	-0.11
	Female	181	3.72	0.937	0.002	Unmarried	155	3.77	0.908	0.687
	Total	250	3.85	0.91		Total	250	3.85	0.91	
Quality of Planning and Asset Creation	Male	69	3.93	0.88	-0.01	Married	95	4.07	0.775	0.102
	Female	181	3.62	0.996	0.78	Unmarried	155	3.48	1.015	0.781
	Total	250	3.71	0.973		Total	250	3.71	0.973	

Gender-Based Differences: The mean values show that female respondents consistently report higher perceptions across most dimensions of MGNREGA implementation compared to males. For instance, in Administrative Efficiency and Governance, females have a higher mean (4.10) than males (3.94), with a test significance of $p = 0.002$, indicating a statistically significant difference. Similarly, for Awareness and Participation of Beneficiaries, the difference is also significant ($p = 0.002$), reflecting that women perceive greater involvement and benefits from the program. However, for Financial Allocation and Timely Wage Disbursement ($p = 0.697$) and Quality of Planning and Asset Creation ($p = 0.780$), the differences are not statistically significant, suggesting similar perceptions across genders. Overall, gender plays a significant role in shaping perceptions of governance and awareness aspects of MGNREGA, highlighting women's growing involvement and experience within the scheme.

Marital Status-Based Differences: Perceptions also vary by marital status. Administrative Efficiency and Governance ($p = 0.041$) and Financial Allocation and Timely Wage Disbursement ($p = 0.018$) show statistically



significant differences, with unmarried respondents (Mean = 4.26 and 4.10, respectively) perceiving these aspects more positively than married respondents (Mean = 3.73 and 3.46). This may be due to younger, unmarried individuals being more informed and digitally connected, enabling them to engage more actively with program processes. In contrast, Awareness and Participation of Beneficiaries ($p = 0.687$) and Quality of Planning and Asset Creation ($p = 0.621$) show no significant differences, indicating broadly similar views among both groups.

Overall Interpretation: The results suggest that gender and marital status influence perceptions of MGNREGA's functioning to varying degrees. Women and unmarried respondents exhibit higher awareness and more favorable perceptions of administrative efficiency and governance. These findings emphasize the importance of gender-sensitive and youth-inclusive policy approaches to enhance the effectiveness

Challenges in Implementation

Despite its achievements, MGNREGA faces persistent challenges:

- Delayed wage payments undermine workers' trust and financial stability.
- Corruption and leakages in fund allocation reduce program efficiency.
- Inadequate awareness among beneficiaries limits full utilization.
- Poor planning and monitoring affect the quality of assets created.

Addressing these issues through digital transparency, decentralized governance, and participatory planning is vital for maximizing the scheme's developmental potential.

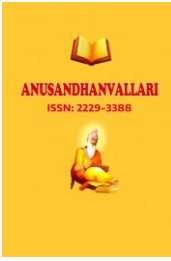
Policy Recommendations

To strengthen MGNREGA's impact on livelihood security and inclusive growth, the following measures are recommended:

1. Timely Wage Disbursement: Adoption of robust digital payment systems and real-time monitoring.
2. Capacity Building: Training of local officials and awareness campaigns for beneficiaries.
3. Convergence with Other Schemes: Integration with agriculture, skill development, and rural infrastructure programs.
4. Sustainability Focus: Prioritize eco-friendly and climate-resilient works for long-term benefits.
5. Enhanced Social Audits: Ensure transparency and accountability in implementation.

Implications for the Study

The implications of the findings of this study are important both theoretical and practical and policy implications. Theoretically, the study is a contribution to the larger discourse about inclusive development and rural livelihood



security because it relates the results of the implementation of MGNREGA with the socio-economic determinants. In practice, the findings indicate how extremely important administrative efficiency, regularity of finances, and awareness of beneficiaries is in enhancing the performance of programs. The distinct disparities that run through the demographic groups highlight the necessity of more specific measures- specifically the ones related to gender equality and involvement of young people. The study offers some good ideas on how the policymakers can formulate reforms that will guarantee payment of wages in time, sound management of funds and proper social checks. The focus of participatory governance supports that community-based monitoring and planning at the grassroots level is important. In addition, the study can aid in the evidence-based decision-making process and bring MGNREGA closer to the Sustainable Development Goals (SDGs), particularly, poverty reduction, employment, and social inclusion goals.

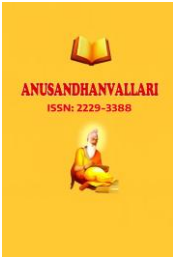
Recommendations and Suggestions

In order to enhance the role of MGNREGA to at least respond to the livelihood security issue and inclusive development, there are a few measures that can be suggested. To start with, the payment of salaries should be timely with strong digital payment systems and real-time monitoring processes that are utilized. Second, local administrative staff and beneficiaries need to be provided with capacity building and training to make them more efficient and aware. Third, institutionalization of social audits and community involvement must be adopted in order to enhance transparency and accountability down to the grassroots. Fourth, MGNREGA convergence with other complementary programs like NRLM and PMKSY could further improve the quality of assets and contribute to rural productivity over the long term. Fifth, there should be gender sensitive means of empowering women participants to have equal access to employment and decision-making positions. Also technology like geo tagging and mobile based feedback systems can be used to reduce leakages and improve transparency. Lastly, on-going research and policy review is also necessary to resolve the changing problems in the rural areas and make MGNREGA a dynamic tool.

Conclusion

The findings of this study reveal that while the scheme has successfully provided wage employment and improved rural income stability, its overall effectiveness is limited by several persistent challenges. Despite these challenges, MGNREGA remains a cornerstone of rural development policy. Its potential extends beyond immediate employment to encompass asset creation, women's empowerment, and community participation, all of which are essential for sustainable economic transformation. To fully realize this potential, governance reforms, capacity building, and digital innovation must be prioritized. Strengthening administrative efficiency, ensuring transparency through social audits, and integrating MGNREGA with other rural initiatives can lead to greater inclusivity and resilience in the rural economy.

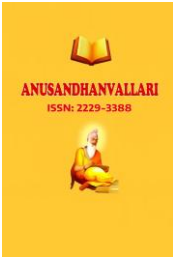
In conclusion, MGNREGA embodies the spirit of participatory development and social justice envisioned for rural India. When effectively implemented, it can serve not only as a safety net but also as a catalyst for sustainable, equitable, and inclusive growth, empowering millions of rural households to achieve long-term livelihood security and dignity. The success of MGNREGA in promoting livelihood security and inclusive growth depends on a



delicate balance between administrative efficiency, financial regularity, social inclusion, and local participation. Strengthening these influencing factors through targeted reforms, capacity-building, and digital innovation can significantly enhance the scheme's developmental outcomes and ensure that its benefits reach the most vulnerable segments of rural India.

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