



MGNREGA in Andhra Pradesh 2020-21

LibTech India

Email: libtech.asara@gmail.com Phone: +91 92465 22344

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<https://libtech.in>



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Introduction

The Mahatma Gandhi National Rural Employment Guarantee Act (2005) is a legal entitlement for every rural household in the country. Some of the key worker centric provisions are listed below:

- **100 days of Work:** A legal provision for upto a hundred days work per rural household in a year.
- **Unemployment Allowance:** If an applicant is not provided employment within fifteen days of demanding work, applicant shall be entitled to a daily unemployment allowance.
- **Delay Compensation:** In case the payment of wages is not made within fifteen days from the date of completion of work, the worker is entitled to payment of compensation.

About this Report

This report was prepared using the data available on public domain¹. The analysis has been done by using the data from the Financial Years 2018-19, 2019-20, and 2020-21. We used the data available as on 31st March, 2021. In this report we are going the present the state and district level details of:

1. MGNREGA Expenditure
2. Job cards
3. Employment generated
4. Payment issues

We hope that the insights from this report will add value towards improving the implementation of MGNREGA in the state of Andhra Pradesh, through implementation agencies, members of Civil Society Groups, the Media, and Concerned Citizens.

Key Statistics

The following table (Table 1) displays some important statistics for Andhra Pradesh in comparison to the rest of the country for the Financial Year 2020-21.

S.No.	Metric	Country	Andhra Pradesh	Proportion in Andhra Pradesh
1	Total Number of Districts	714	13	-
2	Total Number of Mandals(Blocks)	7,142	661	-
3	Total Number of Panchayats	2,68,735	13,584	-
4	Total number of villages/habitations		47,167	-
5	Job Cards ² Issued (lakhs)	1,504	67.84	4.54%

¹ <https://www.nrega.nic.in/> and <https://mgnregs.ap.gov.in/>

² Each household registering under MGNREGA is issued a Job Card with details of each family member.

6	Total Number of Active Job Cards ³ (lakhs)	903	47.84	5.30%
7	Total Number of Active Workers (lakhs)	1,392	80.05	5.75%
8	Persondays ⁴ Generated in FY 20-21 (crores)	389	26	2.87%
9	Average Persondays per Household	51.5	54.4	-
10	Average Wage Rate per Day per Person	200.8	228.8	-
11	% SC Persondays	19.8	22.6	-
12	% ST Persondays	17.9	10.8	-
13	% Women Persondays	53.2	57.2	-
14	Rejected/Suspended Wages due to Workers (lakhs)	18118	253.1	-
15	Total Center Released Amount (crores)	1,12,443.9	10365.5	9.21%

Table 1: Key MGNREGA Statistics for the country vs. Andhra Pradesh

1. Expenditure

NREGA Expenditure Crosses ₹ 10,000 Crores in the State for the First Time

Predominantly MGNREGA is a central funded program, only 10% of the expenditure is from the state funding. Expenditure has increased this year compared to the last two years, to more than ₹ 10,020 crores and is in fact the highest in the history of the scheme implementation in the state. With this, AP stands at the third place in the country in terms of overall expenditure. Interestingly though A.P recorded higher expenditure than states like Tamil Nadu, Madhya Pradesh, and Rajasthan, but it has generated lower persondays than these states as A.P was able to better utilise the material component. As per our field observation, the dual muster system⁵ also contributed to increase in the expenditure by ensuring that the workers receive an amount close to the stipulated wage.

While the act mandates that material & skilled wages components should not be more than 40% of the wages and material expenditure put together, in FY 2018-19 A.P had spent higher towards the same. However, the material component was kept under 40% in the last two years. Amount spent in the last three years under MGNREGA in the state along with the split of wages, material and contingent components can be seen in table 2.

S. No	Expenditure	2018-19	2019-20	2020-21
1	Wages (in Rs. crores)	4,909.05	4,084.85	5,957.61
2	Material & Skilled Wages (in Rs. crores)	3,885.67	2,087.41	3,599.72
3	Contingent Expenditure (in Rs. crores)	4,15.78	422.36	4,62.83
4	Total Expenditure (in Rs. crores)	9,210.50	6,594.61	10,020.16

³ Active Job Cards: In the last three financial years the job card holders have demanded work at least once.

⁴ Persondays is the number of days a person works under MGNREGA. Each Household is entitled to 100 Persondays.

⁵ One muster to record the worker attended days and the other to compensate those days against the stipulated wage per day.

Table 2: MGNREGA Expenditure in Andhra Pradesh in the last three years

2. Job Cards

More than 4.4 Lakhs of New Job Cards Were Issued

In Andhra Pradesh for the Financial Year 2020-21, a total of 4.4 lakh (4,46,571) new job cards were issued, and a total of 7.3 lakh (7,29,121) workers were added⁶. This accounts for 3.44% of all Job Cards issued since the inception of the scheme in the state. Processing of job card applications was moved from mandal to village level during the pandemic and the village secretariats helped to accelerate the process of new job card issual. Of these new Job Cards, the highest were issued in Anantapur district (53,844) and Visakhapatnam district (52,062). The least were issued in S.P.S Nellore (15,687). The information on the total number of Job Cards, new Job Cards issued and Active Job Cards are provided in Figure 1.

For the Financial Year 2020-21, the total number of Active Job Cards is 47.8 lakhs (47,82,745). District-wise the percentage of Active Job Cards was highest in Vizianagaram (88%) followed by Visakhapatnam and Srikakulam district (83%). Interestingly all the 3 districts belong to the North coastal area of AP, clustered together geographically. This means that a higher proportion of households in these districts have worked in MGNREGA. The lowest percentage was in Guntur district (less than 60%). Proportion is quite low also in Nellore, East Godavari and West Godavari (62% to 63%).

Job Cards in Andhra Pradesh

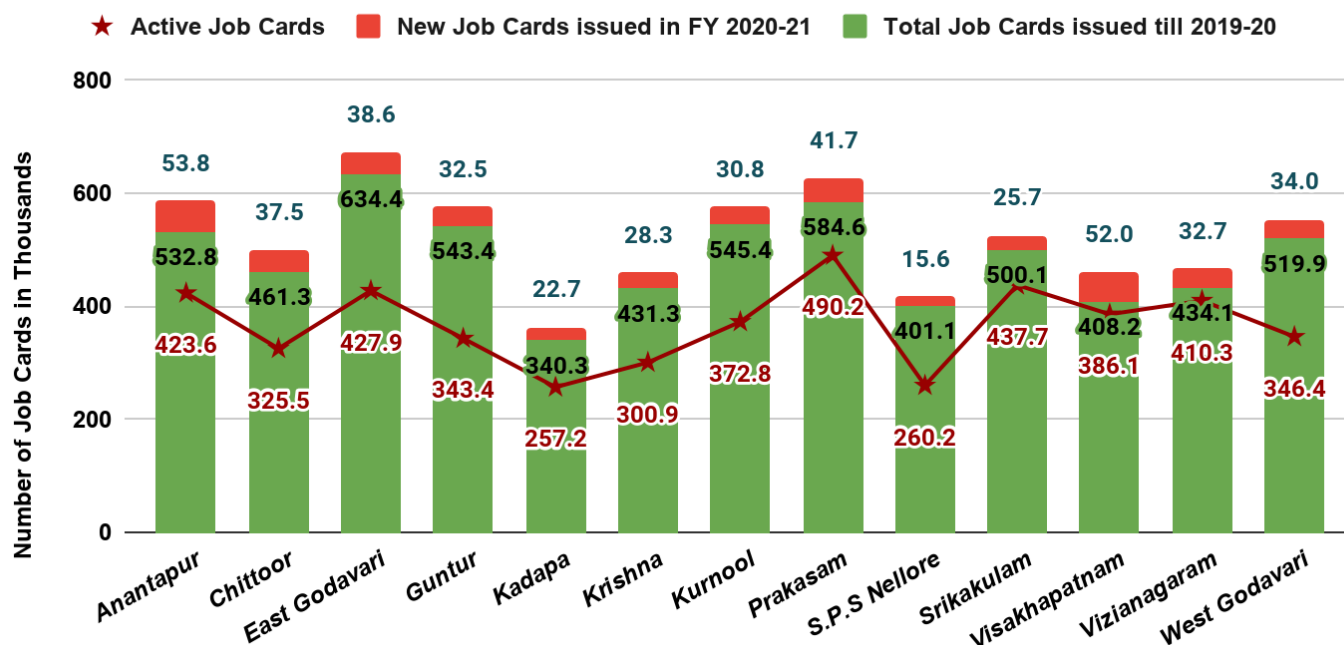


Figure 1: District-Wise Number of Job Cards and Active Job Cards

⁶ Note that some workers may have been added in the existing job cards and some workers from existing job cards may have been transferred to new job cards.

3. Employment Provided

26.04 Crores of Persondays Were Generated, Highest in the Last Three Years

In comparison to the last 2 Financial Years, there has been a significant increase in the wage employment provided under MGNREGA. The total number of persondays has increased to more than **26.04 crores** in 2020-21, which is almost a 30% increase from **20.08 crores** in 2019-20. This makes it the year with the highest number of Persondays in comparison to 2018-19 and 2019-20. Persondays generated in the last three years can be seen in Figure 2.

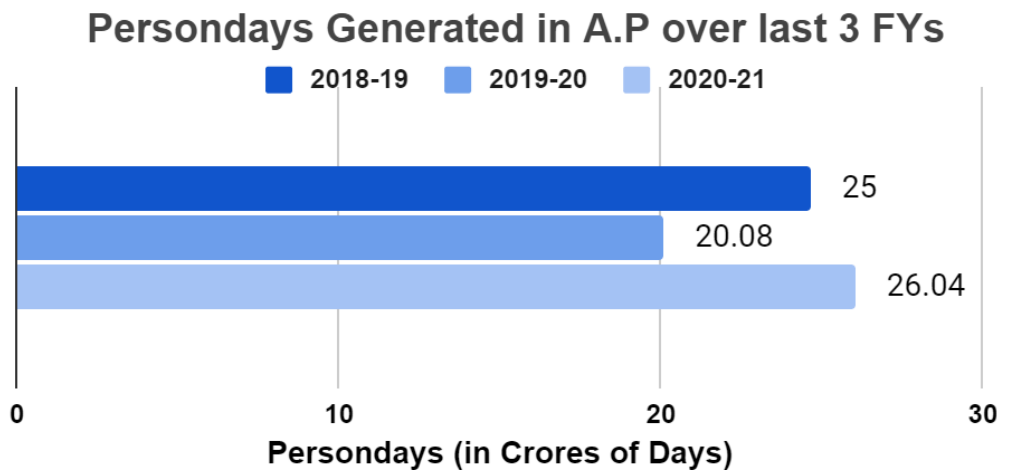


Figure 2: Total Number of Persondays over the last 3 Financial Years

3.1. Monthly Trend

75% of the Total Persondays Were Generated in the First Four Months of FY 2020-21

Historically more persondays are being generated during the summer i.e. the first three months in the financial year as agriculture and allied livelihood opportunities are minimal. Despite the lockdown due to the pandemic, this year also, more than 75% of all the persondays generated in the whole year FY 2020-21, are from the first four months. This signifies the importance of the NREGA works for the rural

population of the state and country at large in the time of the pandemic. Monthly trends in the persondays generated across the state of Andhra Pradesh can be seen in figure 3.

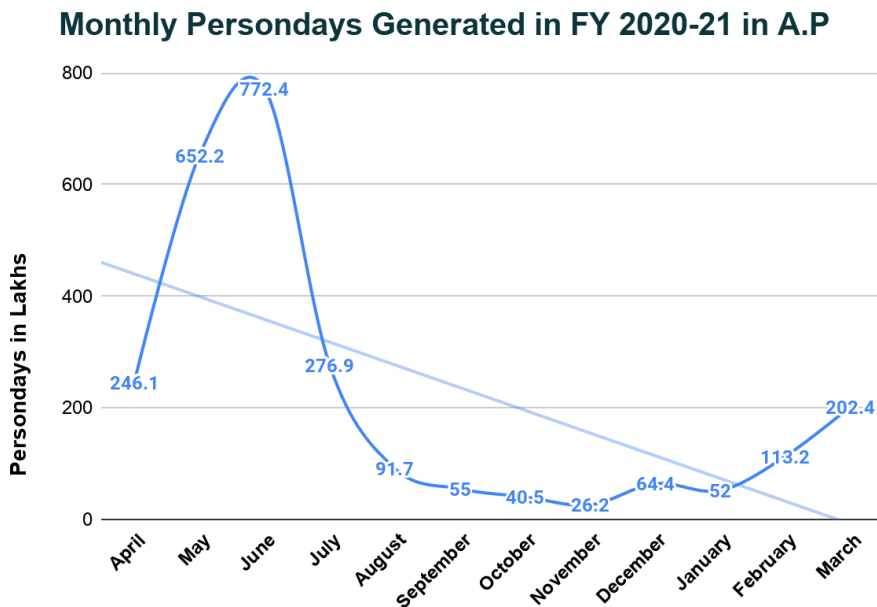


Figure 3: Persondays generated in each month of the year 2020-21

3.2. District Wise Trend

All Districts Generated Higher Persondays Than the Last Year

Number of persondays generated in all the districts for the year 2020-21 is higher than that of the year 2019-20. While the majority of the districts show an increase compared to the last two years, 4 districts have fewer persondays generated in 2020-21 compared to 2018-19. S.P.S Nellore has the highest drop among these 4 districts with a 30% drop in the employment generated from 2018-19 to 2020-21.

Vizianagaram generated the highest persondays among the district in the last two years, and has consistently been topping the list of best performing districts in the country and won awards at national level in the past. Anantapur requires special mention as the district administration took unprecedented interest in NREGA implementation and the District Collector himself made multiple work site visits, it reflects with a 49.5% growth in the persondays generated from 187.7 crores in FY 2019-20 to 280.8 cores FY 2020-21 and also in the number of new job cards issued as mentioned in section 2. Figure 4 shows the district-wise trends in the number of Persondays generated in the years 2018-19, 2019-20 and 2020-21.

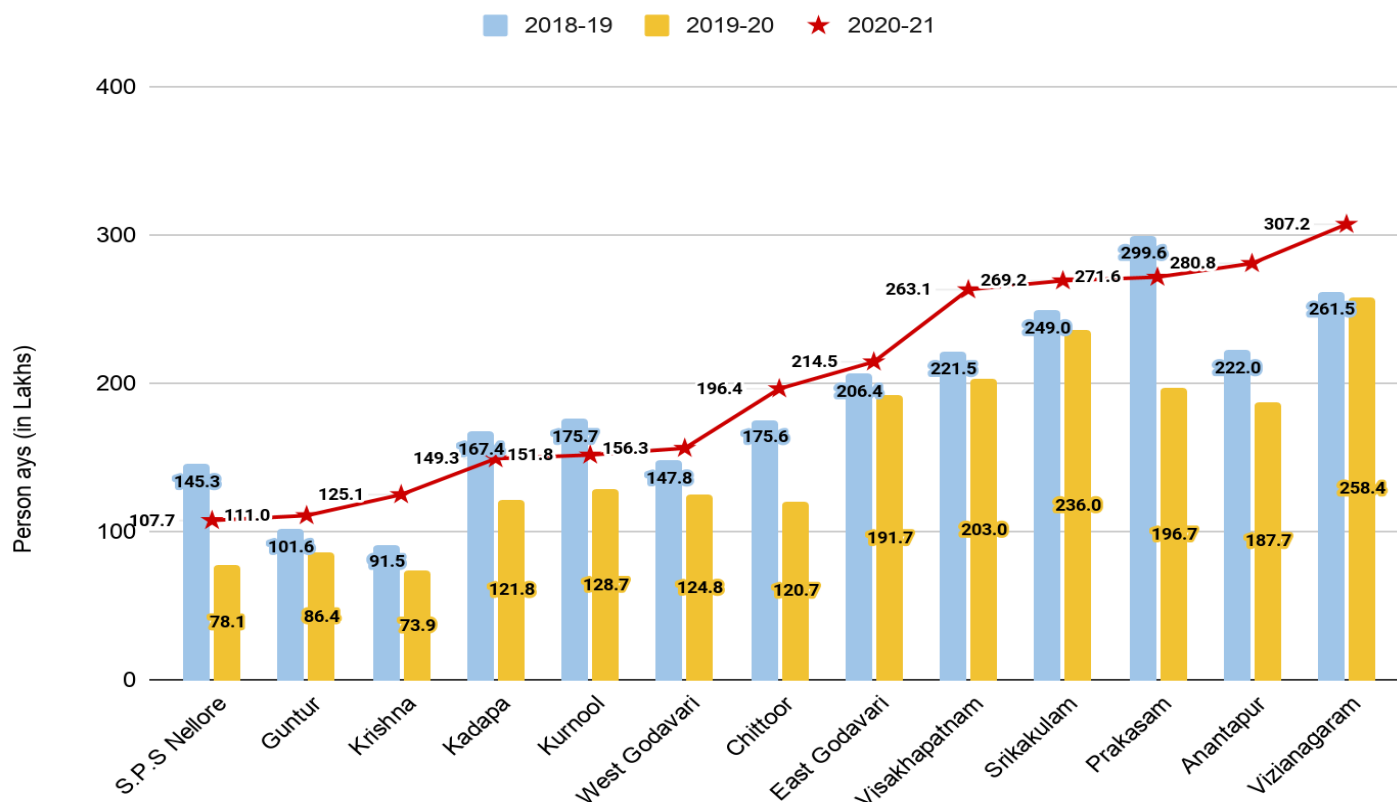


Figure 4: District-Wise Persondays for the last 3FYs

3.3. Leaders and Laggards

Vizianagaram Leads the districts with the Lowest Percentage of Worst Performing GPs, While Guntur Has the Highest.

On average each household received a little more than 54 days of work this year, which is way less than the 100 days of work that can be availed under the scheme. However this has increased compared to the average persondays of the last two years, which is around 42 days in FY 2019-20 and 52 days in FY 2018-19 respectively.

The districts with the lower proportion of worst performing⁷ GPs are classified as leaders and the districts with the higher proportion of worst performing GPs are classified as Laggards for this analysis, and the average category has an equal proportion of worst and best performing GPs. Vizianagaram emerged as a leader with only 4.2% of GPs. Interestingly 3 out of 4 districts from the Rayalaseema region, which is economically backward emerged as leaders in this classification. There are 7 districts in the leading category and 5 districts in the laggard category.

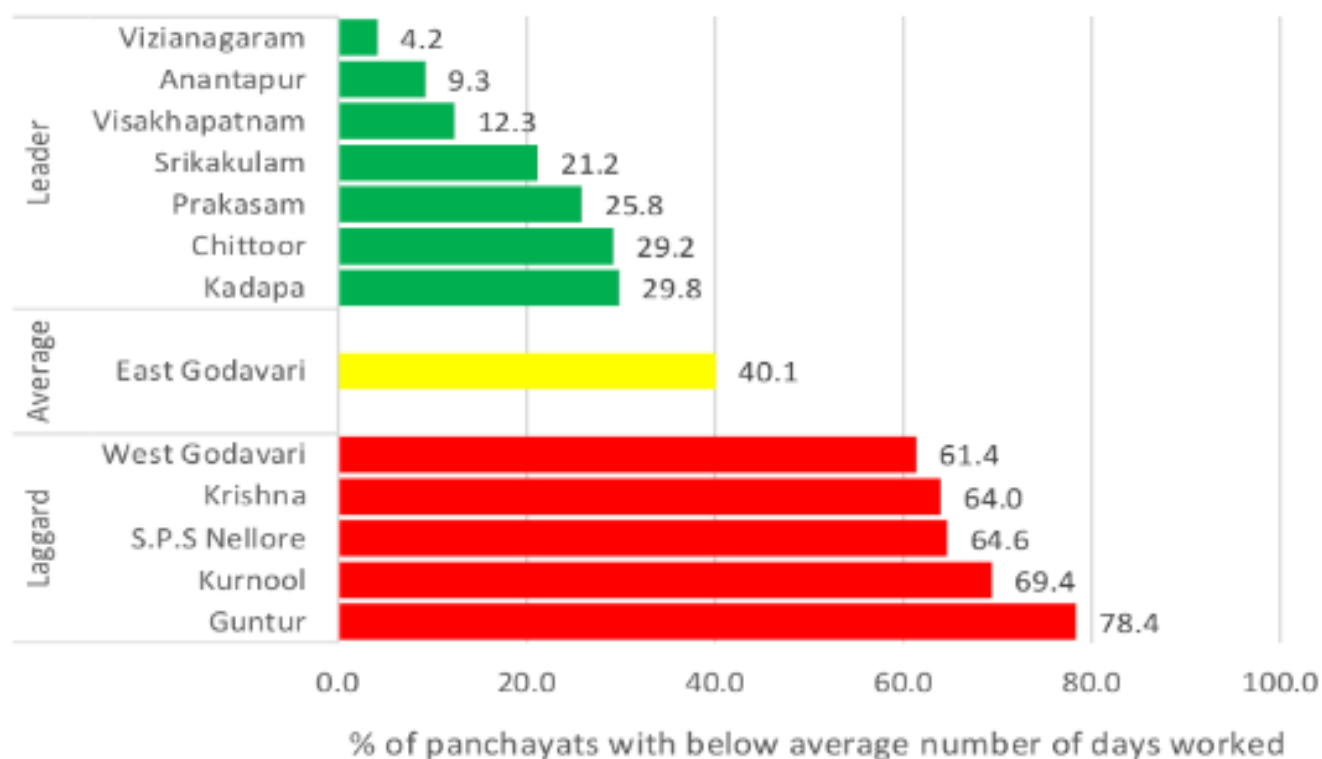


Figure 5: Categorisation of districts based on the percentage of G.Ps below average persondays of the state

⁷ average persondays less than state's average i.e. around 54 days

3.4. Different Categories of Workers

Even though there is a marginal difference between the number of women and men workers registered in the country, traditionally women have generated more persondays than men. However, this year at national level there is a slight decline in the proportion of women persondays, though there is an increase in total persondays. Andhra Pradesh also has seen a similar decrease. A look at the participation of vulnerable communities like those from scheduled castes and scheduled tribes shows that the pattern is not uniform.

3.4.1. Women Workers

Women Share of Total Persondays in the State Decreased to 57% in FY 2020-21 from 60% in FY 2019-20, Despite an Increase of 3% in Women Workers Employed

Women employed under NREGA in the state increased by 3% from 35.93 lakhs in 2019-20 to 42.77 lakhs in FY 2020-21. Similarly, persondays generated by them increased from 12.06 crores to 14.89 crores of persondays but the share of women persondays has reduced marginally. Previous two years the share of women in the total persondays was around 60% but this year it has come down to almost 57%. Figure 6 shows the decline in the number of women persondays over the last three years.

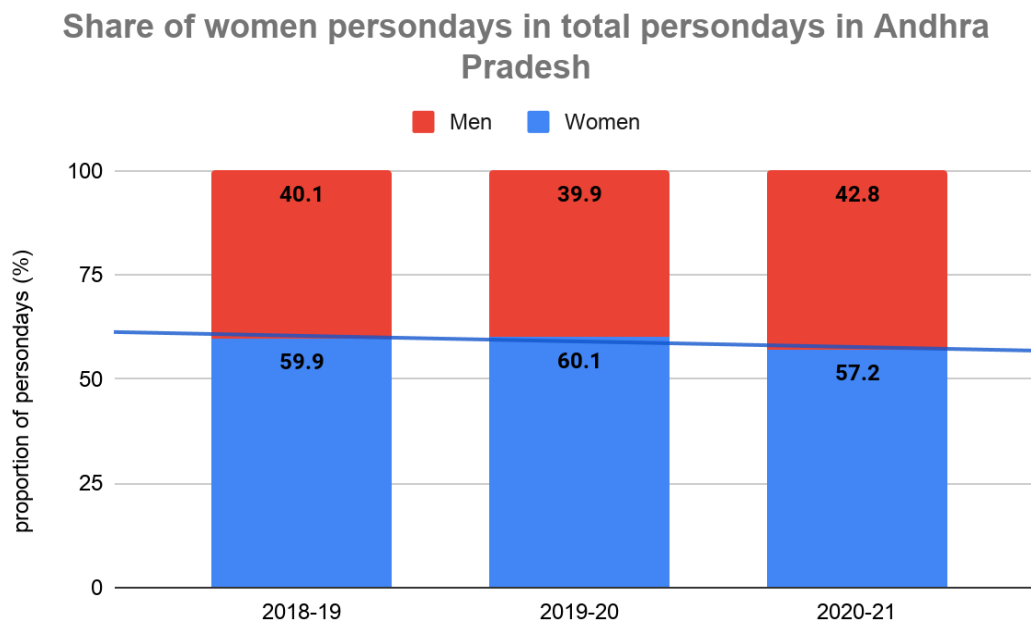


Figure 6: Decline in share of women persondays over the last 3 FYs

3.4.2. Workers from Scheduled Castes(SC) & Scheduled Tribes(ST)

Last year, 15.23 lakhs of SC workers were employed under NREGA and that number has increased to 19.5 lakhs this year (FY 2020-21). Similarly, persondays generated by them also increased slightly to 22.6% of all the persondays, which was 21.1% in the last year.

The number of scheduled tribes employed under NREGA increased slightly from 6.8 lakhs FY 2019-20 to 7.7 lakhs in FY 2020-21. Even after an increase in the number of STs employed, the share of STs in total persondays decreased marginally from 11.4% of the total persondays in FY 2019-20 to 10.8% in FY 2020-21. Figure 7 shows the percentage of SC and ST workers in the last three years.

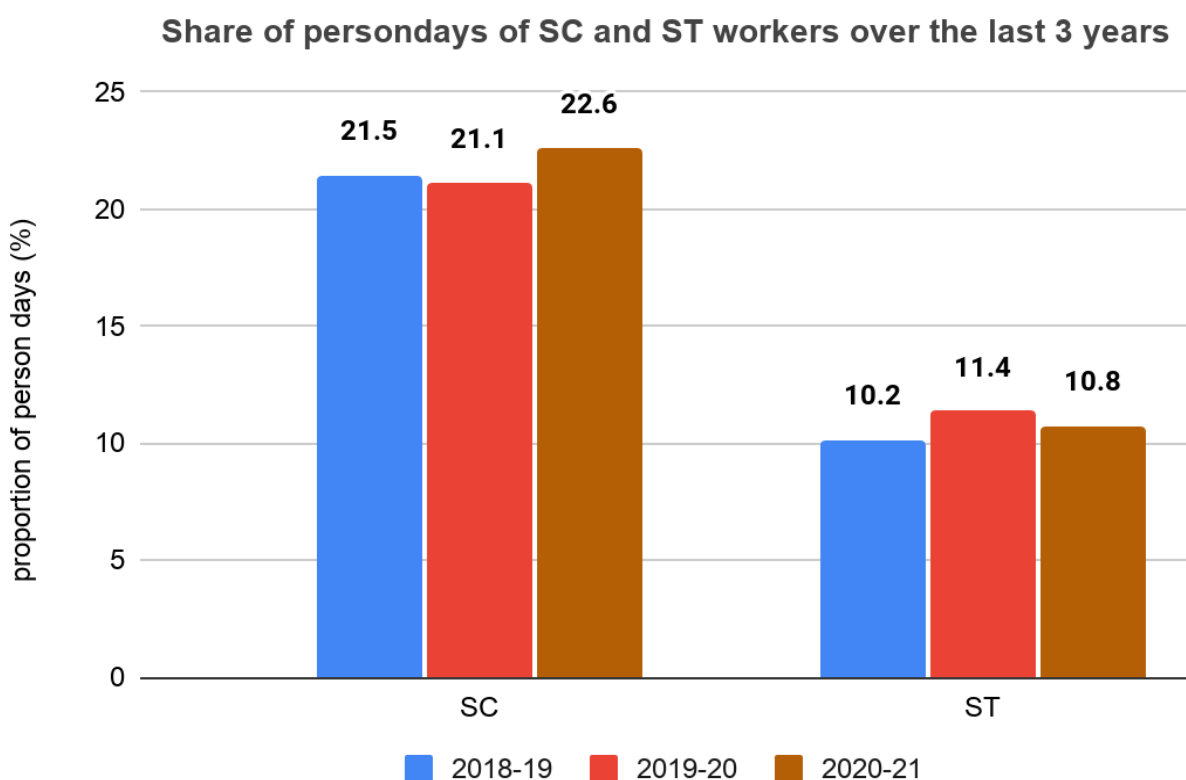


Figure 7: Change in share of Persondays of SC and ST workers over Last 3 FYs.

4. Payments

According to the Act, workers employed under MGNREGA should get paid within the 15 days of their work. But the central government hardly releases any funds on time, it results in delayed payments for the workers in the state. Despite this, the central government did not release a single rupee towards delay compensation, which was guaranteed by MGNREGA. Even after the funds release, 12-15% of the funds goes into the expenses of the previous year generally. And even after the payments are processed, many of the payments get stuck at the bank level, owing to the problems related to Aadhaar linking to the Job Card and/or bank account related issues.

4.1. Rejected Payments

₹ 2.53 Crores is Due to Reach Workers and 25% of this Amount belongs to Visakhapatnam Workers alone

Rejected payments are those that are initiated from the Centre, but are rejected due to technical errors, like a bounced check. Suspended payments occur when there are no Aadhaar or bank account details mapped to the worker's Job Card.

As on 16 April 2021, there are about Rs. 1.99 crores held up for about 36,932 transactions. Another Rs. 54.04 Lakh is stuck as suspended payments. 25% of all this amount (rejected+suspended) is due to the workers from Visakhapatnam alone and the district of Kadapa has the least amount held up due to these technical issues. Rejected & Suspended amounts across the districts can be seen in figure 8.

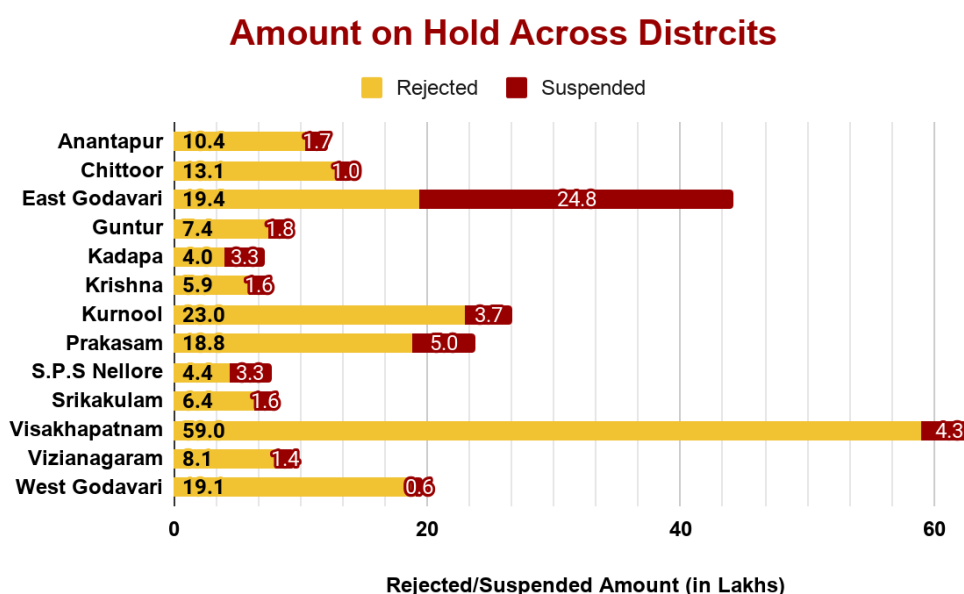


Figure 8: District-Wise Rejected and Suspended Payments in the State for 2020-21

5. Conclusion

With an increase in wage employment, material expenditure and new job cards issued Andhra Pradesh's NREGA story for 2020-21 looks bright. A.P was able to better utilise MGNREGA funds to provide employment to workers and corresponding material wages. With the pandemic and reverse migration caused by the lockdown, MGNREGA helped thousands of workers to earn a livelihood and the state was also able to create assets like Anganwadis, Village Secretariats, Rythu Bharosa Kendras etc., using the material component.

The Dual Muster system and the Village Secretariats made significant contributions to the NREGA success story of the state. While the dual muster system helped the workers to receive a higher average wage and village secretariats made the job card issual process much easier and faster than in the past.

While the state celebrates more than ₹10,000 crores of expenditure in NREGA, our field observations revealed that there is scope to improve in the implementation. For instance, there are villages that have not generated any wage employment in the year 2020-21, especially in tribal areas. And job cards were made inactive deliberately by mandal/village officials to lower the labour budget, without the worker's knowledge. We hope that the administration looks closely into the discrepancies in implementation and fulfill the promises made by the parliament to the rural citizens of the country. Only then we can say the objective of this rights based legislation is fulfilled.

About LibTech

We are a team of engineers, social workers and social scientists who are interested in improving public service delivery in India. We have been working as a team in Telangana & Andhra Pradesh for the last 9 years, though individually some of us have been involved for more than a decade.

Team Behind This Report:

Anuradha De | Chakradhar Buddha | Kowsalya Alla | Naveen Gajjalagari
Parul Saboo| Snehal Sinha | Venkata Krishan Kagga



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