

Current Status of MGNREGA Finances in Andhra Pradesh(AP)

LibTech India

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About this report

This report was prepared using data available in the public domain. The period of study for all analysis was from April to 15th November, 2021. This report is an analysis of MGNREGA Budget vs expenditure for the current FY. We hope that the report contributes to improving the implementation of MGNREGA in Andhra Pradesh.

Key MGNREGA Statistics for AP:

S. No.	Metric	
1.	Job Cards ¹ Issued	97.8 Lakhs
2.	Number of Households worked this year	45.4 Lakhs
3.	Number of workers appeared for work this year	74.4 Lakhs
4.	Persondays ¹ Generated in FY ² 21-22(Apr to Mid Nov)	21.7 crores
5.	Average Persondays per Household	47.7
6.	No. of HH's completed 100 days	3.5 Lakhs

Table 1: Key MGNREGA Statistics for the Andhra Pradesh

1 Persondays (PDs): Days of employment. under MGNREGA, every household is entitled to 100 Persondays of work per year

2 FY: Financial Year

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Money Matters:

- 1. What is the budget allocation for Andhra Pradesh under MGNREGA for the current FY (2021-22) when compared to last FY (2020-21)?**

The budget allocation for MGNREGA for the current FY is Rs.6271.7 crores. The revised allocation for FY 2020-21 was Rs 10365.5 crores. There is a 39.5% decrease in the budget allocation this FY compared to last FY.
- 2. How much money of the initial allocation for MGNREGA implementation in AP is left this current year?**

There is no amount left for the remaining FY 2021-22 as the allocated budget has not only been exhausted, but over spent. Out of Rs6271.7 crores allocated, Rs7379.9 crores has already been spent(Refer Table 2). For District-wise detailed expenditure breakup please refer Annexure 3.
- 3. Is the original budget allocation for the current FY for Andhra Pradesh enough?**

No, the original allocation was grossly inadequate. The allocated budget got exhausted within just 7 months of the financial year with 5 months remaining is a testimony to this. Now the state has been left with no money for the remaining four and half months for MGNREGA implementation.
- 4. What is the current status of MGNREGA finances in Andhra Pradesh?**

Out of the original allocation of Rs6271.7 crores, the Centre has released Rs4571.2 crores so far but the state has already spent Rs7379.9 crores. **Therefore, the MGNREGA-AP budget has a negative balance of Rs2808.7 crores.**
- 5. How much more budget do we need for the remaining time period?**

If we estimate similar employment as last year for the remaining 4.5 months, additional allocation of 1782.09 Cr (Annexure1) is required. But if we consider providing 100 days of work as guaranteed by the act, the state would need a whopping Rs.9203.26 Cr (Annexure2). This includes wage, material and admin expenditure.

6. What will be the impact of funds crunch on the MGNREGA implementation in AP?

With no money left in the coffers, workers might not receive any more employment under MGNREGA till March 2022. On top of it the workers would have to wait to receive the 416 Cr pending wages for the works already completed. The situation can be averted if the central government allocates additional funds for the implementation and releases them immediately.

Expenditure Details for FY 2021-22(Apr-Oct)	Numbers in Crores
Wage expenditure(A)	4773.5
Material and skilled labour(B)	2557.9
Admin Expenditure (C)	48.5
Total expenditure this FY(D=A+B+C+)	7379.9
Total Budget allocation(E)	6271.8
Total Budget remaining (F= E-D)	-1108.1
Total Centre Release (G)	4571.2
Net Balance with the state (H=G-D)	-2808.7

Table2: Expenditure Details and Calculation for MGNREGA in Andhra Pradesh for FY 2021-22

About LibTech India

We are a team of engineers, social workers, and social scientists who work towards improving public service delivery in India. We have been working as a team in Andhra Pradesh & Andhra Pradesh for the last 8 years, although individually some of us have been working in the region for more than a decade.

ANNEXURE 1:

Total persondays generated from November 2020 to March 2021: 4.6 Cr

Average cost per personday: 387.41

Total budget required: Total persondays generated from November 2020 to March 2021

*Average cost per personday = 1782.09 Cr

ANNEXURE 2:

Total Households worked : 45.41 Lakhs

Total persondays generated till November 14th: 21.65 Cr

Average cost per personday: 387.41

Total budget required: (Total Households worked*100 - Total persondays generated)*Average cost per personday = 9203.26 Cr

ANNEXURE 3:

SNo.	District	Unskilled Wage (in Cr)	Material (in Cr)	Admin (in Cr)	Total Liability (in Cr)	Total (in Cr)
1	ANANTAPUR	544.87	50.01	4.77	135.6	735.25
2	CHITTOOR	352.95	112.36	4.37	122.36	592.04
3	CUDDAPAH	298.67	71.89	3.69	118.01	492.26
4	EAST GODAVARI	389.76	139.12	4.62	112.56	646.06
5	GUNTUR	282.21	76.94	3.11	222.03	584.29
6	KRISHNA	312.11	70.5	2.5	134.3	519.41
7	KURNOOL	270.04	72.82	3.99	112.47	459.32
8	NELLORE	247.43	66.75	2.83	69.52	386.53
9	PRAKASAM	423.67	88.59	3.61	174.08	689.95
10	SRIKAKULAM	392.05	56.96	4.28	112.56	565.85
11	VISAKHAPATAN AM	431.98	24.42	3.44	104.99	564.83
12	VIZIANAGARAM	486.53	21.89	3.74	89.55	601.71
13	WEST GODAVARI	341.34	95.01	2.43	100.54	539.32
	Total	4773.56	947.21	47.31	1608.51	7376.59

Table3: District-wise Expenditure (as on 16th Nov 2021) Details and Calculation for MGNREGA in Andhra Pradesh for FY 2021-22