

Status Report on the Implementation of MGNREGA in India 2023-24

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About Report

In this report, we have compiled information on the status of MGNREGA implementation at the national level for Financial Year(FY) 2023-24¹, providing a comparative analysis with data for the same time period from the preceding FY 2022-23. The data utilized for this analysis was sourced from <https://nrega.nic.in/> as of 08-04-2024. Our objective is to furnish citizens and stakeholders with valuable insights into the current state of MGNREGA implementation on a national scale, shedding light on the program's progress. Your engagement with this report is crucial for fostering a comprehensive understanding of the dynamics of MGNREGA implementation in the country.

¹ 1st April 2023 to 31st March 2024

1. Key Statistics

Table 1: Key MGNREGA Statistics for 2022-23 and 2023-24

Metric	2022-23	2023-24
Total Number of Districts	742	
Total Number of Mandals(Blocks)	7,204	
Total Number of Panchayats	2,69,121	
Job cards ² Issued (lakhs) as on 8th April 2024	1425	
Total Number of Active Job cards ³ (lakhs) as on 8th April 2024	893	
Total Number of Active Workers ⁴ (lakhs) as on 8th April 2024	1288	
Persondays ⁵ Generated in (crores)	295.62	312.6
Average Wage Rate per Day per Person	216.57	235.64
Wages earned by workers (Rs. in crores) as on 8th April 2024	65,266	74,274

In the following sections, we delve a little deeper into employment provision and wage expenditure aspects of MGNREGA implementation across the country, to get insights and make policy recommendations accordingly.

² An authorised document issued by the Government at Households level. Crucial for MGNREGA participation.

³ A Job card with a record of at least one worker engaging in MGNREGA employment for a minimum of one day within the past three financial years

⁴ A worker who has been engaged in MGNREGA employment for at least one day within the past three financial years.

⁵ Number of work days completed under MGNREGS by the Job card holders

2. Job cards and Workers Status

9.6% reduction in active workers

The number of workers in the FY 2023-24 under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in India declined compared to the preceding year. As of 8th April 2024, the number of Job cards registered witnessed a marginal 1.7% decrease, dropping from 14.50 crores in the FY 2022-23 to 14.25 crores in the current FY. Further, the total number of active Job cards experienced a 2.1% reduction, decreasing from 9.12 crores to 8.93 crores. Furthermore, the overall number of active workers in the program saw an even higher decline of 9.6%, declining from 14.25 crores in the previous FY to 12.88 crores the current FY. These statistics indicate a significant contraction in the MGNREGA workforce, emphasizing the need for a comprehensive analysis to identify the factors contributing to this decline and to formulate strategies for revitalizing the program's participation.

Table 2: Comparative analysis of Job card issuance and active participation (2022-23 vs. 2023-24)

	FY 2022-23	FY 2023-24	Drop (%)
Job cards registered (Crores)	14.50	14.25	1.7
Total Number of Active Job cards (Crores)	9.12	8.93	2.1
Total Number of Active Workers (Crores)	14.25	12.88	9.6

2.1 Worker deletions

Net deletion of 1.4 crore workers in the current financial year

In the FY 2022-23, a significant number of workers faced deletions from Job cards nationwide. As per the Ministry of Rural Development's response in Lok Sabha last year, the total tally of worker deletions amounted to 5.2 crores. Numerous news reports have highlighted the plight of genuine workers who have been wrongfully

deleted from the Job cards, creating a stir in both national and regional media⁶. The unyielding insistence of the Union government on implementing the Aadhaar-based payment system (ABPS) and the failure of state governments to effectively check the erroneous deletion of workers have exacerbated the issue.

In this context, one would expect the government to implement corrective measures to reinstate affected workers in the current FY. However, data indicates that no significant shift has occurred, as deletions continue to be high this year. In the current FY, the program saw an addition of 1.06 crore workers. However, the deletion of 2.52 crore workers in the current FY resulted in a net decrease of 1.46 crore workers overall in FY 2023-24. This suggests that the fate of all genuine workers among the 8.06 crore affected individuals across 24 months in FY 2022-23 and 2023-24 hangs in the balance.

3. Eligibility for ABPS

Around 69% of all workers and 92% of active workers eligible for ABPS

In January 2023, a circular from the Ministry of Rural Development (MoRD) mandated the nationwide implementation of the Aadhaar-Based Payment System (ABPS) in MGNREGA programs. Despite multiple deadline extensions, a significant proportion of workers still do not meet the eligibility criteria for ABPS. On 30th August 2023⁷ MoRD extended the mandatory ABPS deadline for MGNREGA to 31st December 2023. At present, only around 69% of all workers and 92% of active workers are eligible for ABPS.

⁶<https://www.thehindu.com/news/national/job-card-aadhaar-mismatch-a-missing-letter-means-no-work-for-mgnregs-workers-in-odisha/article67005710.ece>

<https://www.thehindu.com/news/national/andhra-pradesh/hrf-and-libtech-team-flags-large-scale-deletion-of-job-cards-and-names-of-mgnregs-workers-in-ap/article67216186.ece>

⁷<https://www.thehindu.com/news/national/mgnregs-deadline-for-mandatory-aadhaar-based-wage-payments-extended-till-december-31/article67252133.ece>

3.1 State level data

Workers eligible for ABPS ranges from around 30% in Maharashtra to 99% in Andhra Pradesh among all workers and 59% in Assam to 100% in Kerala among active workers

Figure 1 shows the percent of workers eligible for ABPS among all workers and active workers across states. Considering active workers, Assam has the lowest percentage of workers eligible for ABPS at 59.2% and Kerala has the highest percent of workers eligible for ABPS with 100% eligibility. All states except for Assam have more than 75% workers eligible for ABPS. However, the proportions are much lower when we consider all workers with only 9 states having more than 75% eligible workers. Further, in some states where a high proportion of active workers are eligible for ABPS, a much lower proportion of all workers are eligible (for example Gujarat, Telangana, Karnataka, etc).

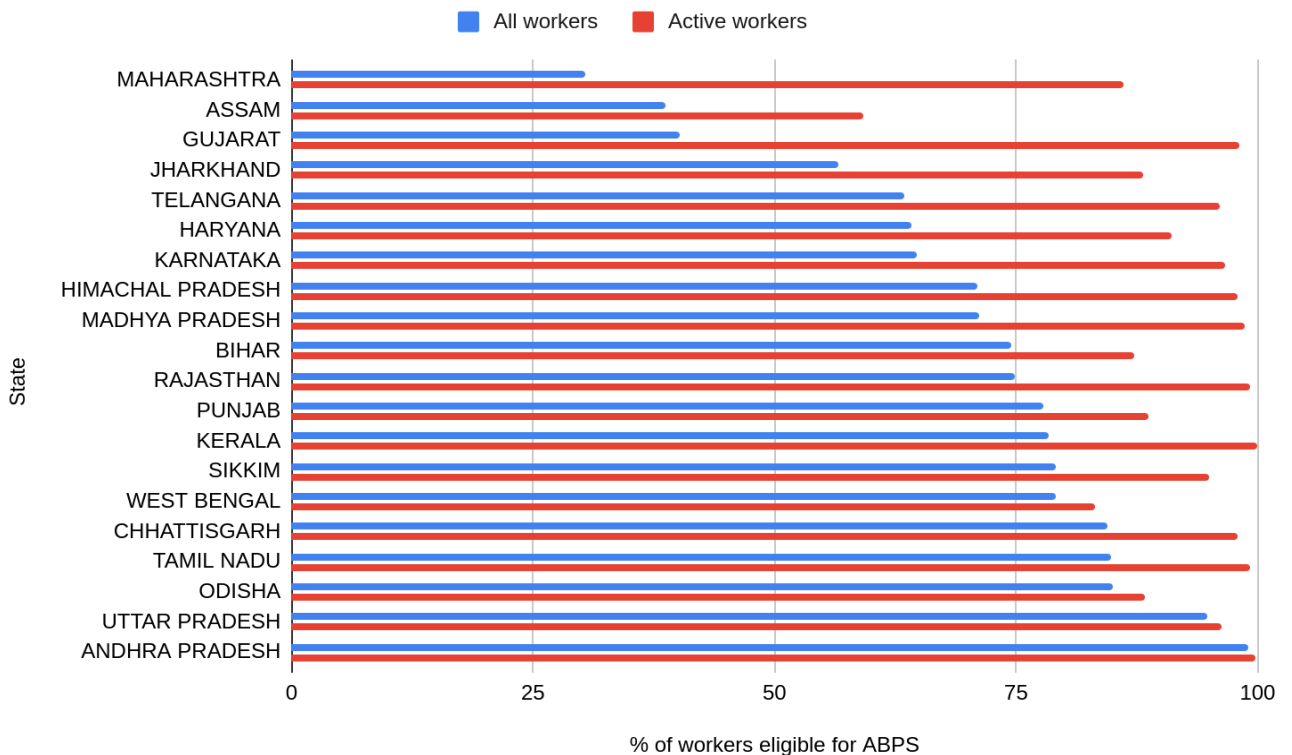


Figure 1: ABPS eligible workers percentage among all workers and active workers across states

4. Employment Provided

Around 6% increase in persondays generated

As per Table 3, compared to previous FY, a modest increase occurred in persondays generated from 295.6 crores to 312.6 crores (5.7% increase) and average persondays generated per household from 47.6 to 52.1 persondays (9.4% increase) in the current FY. On the same lines, a modest increase was observed in the number of households completing 100 days of employment from 0.36 to 0.45 crore and the percentage of households completing 100 days of employment from 5.8% to 7.5% in FY 2023-24 compared to previous FY. Hence, despite a marginal drop (3.2%) of households worked, all other employment indicators have improved in FY 2023-24 due an increased demand of employment in the current FY.

This intriguing trend unfolds despite a reduction in the number of active Job cards and workers, and a significant number of deletions, including the wrongful removal of millions of workers from MGNREGA. It is reasonable to infer that the employment scenario would have improved further if those wrongly deleted workers were reinstated, underscoring the substantial reliance of workers on MGNREGA. This observation emphasizes the persistently high and growing demand for employment opportunities under MGNREGA.

Table 3: Comparison of employment generated for FY 2022-23 and FY 2023-24

	FY 2022-23	FY 2023-24
Households worked (Crores)	6.2	6.0
Persondays generated (Crores)	295.6	312.6
Average days of employment provided per household ⁸	47.6	52.1
No. of households completed 100 days of wage employment (Crores)	0.36	0.45

⁸ (Persondays generated)/(Households worked)

% of households completed 100 days of wage employment ⁹	5.8	7.5
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5. Budget and balances

Net negative balance of Rs. 20,751 crores

While the overall persondays has increased, there is a shortage of funds allocated for MGNREGA. Table 4 shows the total availability of funds along with the expenditure incurred, payments due and net balance as on 8th April, 2024. The funds for MGNREGA have already run into a negative balance of Rs. 20,751 crores. The increase in persondays of work coupled with an increase in wage rate required a higher allocation compared to the previous financial year.

Table 4: Budget Allocation, Expenditure, Payment due and net balance in MGNREGA

	Amount (Rs. Crores)
Allocation (A)	1,03,288
Expenditure (B)	1,05,450
Payment due (C)	18,589
Net Balance (D) ¹⁰	-20,751

⁹ ((No. of households completed 100 days of wage employment)/(Households worked))*100

¹⁰ (A-(B+C))

5.1 Wage and other expenditures

Disproportionate increase in MGNREGA expenditure by Rs. 4,328 crores

Table 5: Comparison of different components of MGNREGA budget for FY 2022-23 and FY 2023-24

Expenditure	FY 2022-23	FY 2023-24
Wage Expenditure - <i>in Rs. crores</i>	65,266	74,274
Total MGNREGA Expenditure - <i>in Rs. crores</i>	1,01,122	1,05,450

Wage expenditure depends on the wage rate and the total persondays generated in a given financial year. As mentioned before, the wage rate has increased from Rs. 216.57 in the previous FY to Rs. 235.64 in the current FY. Also despite a significant level of worker deletions in the last two FYs, average and total persondays have increased. Therefore, the total wage expenditure has increased from Rs. 65,266 crore to Rs. 74,274 crore in FY 2023-24 due to the increase in wage rate and persondays generated as illustrated in Table 5.

The total MGNREGA expenditure covers wage and material, admin and other expenditure. Even though material and other expenses have decreased, the total MGNREGA expenditure has witnessed an increase from Rs. 1,01,122 to Rs. 1,05,450 crore in the current FY.

5.2 State level data

Only two states have a positive balance

Figure 5 shows the net balances at the state level as on 8th April 2024. The detailed state level data is presented in Annexure 1. Only 2 states have a positive balance, while 20 states have a negative balance. The highest positive balances are for Punjab (Rs. 245.34 crores) and Chhattisgarh (Rs. 42.79 crores) The highest negative balances are for Uttar Pradesh (-Rs. 3,884.45 crores) and Bihar (-Rs. 1,977.10 crores)

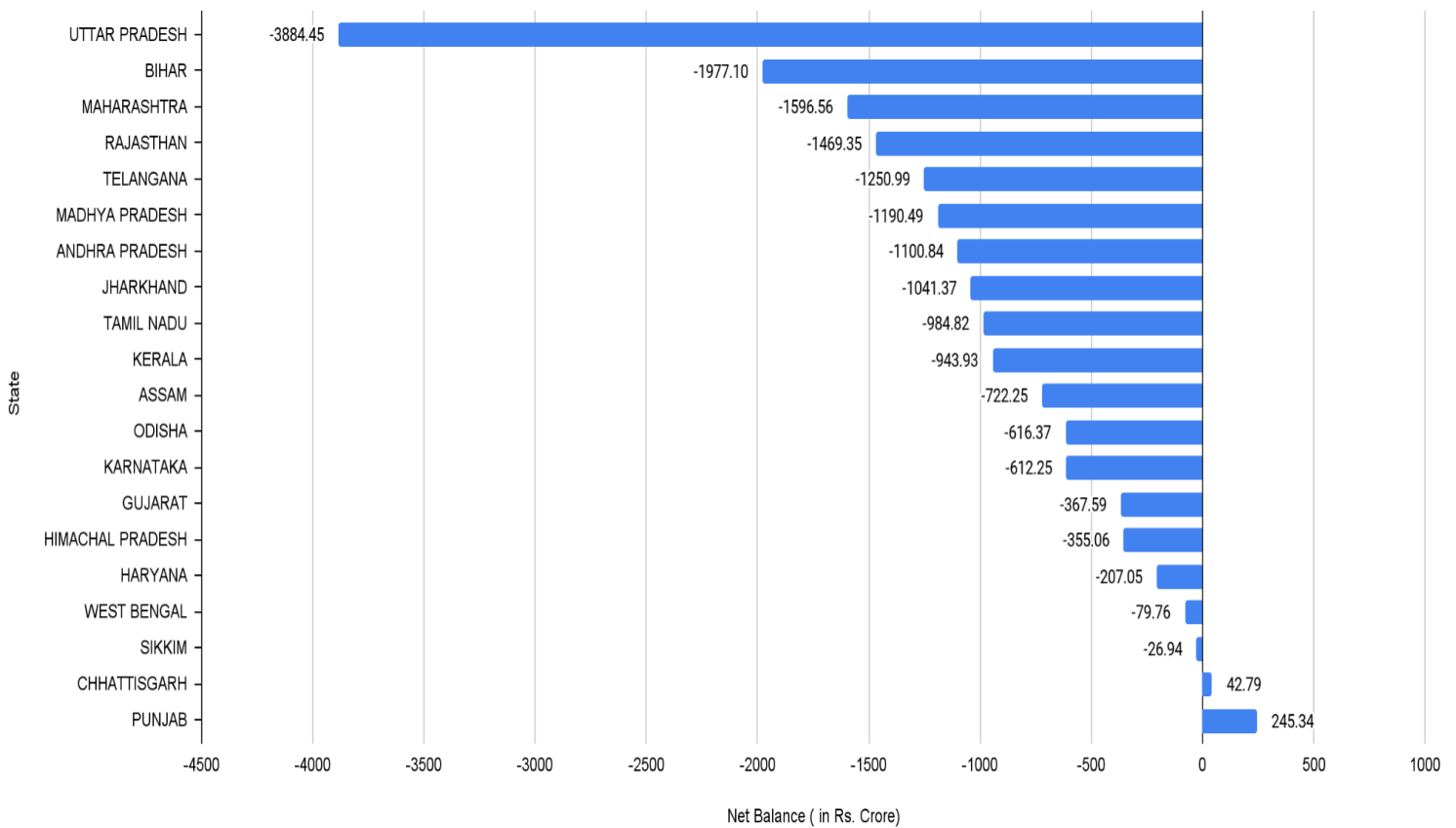


Figure 2: Net balances across the states as on 8th April 2024

6. Conclusion

In conclusion, this comprehensive report presents a nuanced overview of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) implementation in India for FY 2023-24. We analyzed and compared data from the FY 2022-23 to offer valuable insights. The reduction in active workers, coupled with a substantial net deletion of 1.46 crore workers during the current financial year, highlights the challenges faced by the program and underscores the need for a meticulous examination. The mandated Aadhaar-Based Payment System (ABPS) faces hurdles, with a significant proportion of workers remaining ineligible. The aspect of employment provision reveals a notable increase in persondays generated (5.7%) and average persondays generated (9.4%) despite a declining trend in the number of households worked, signaling the sustained demand for

work under MGNREGA. State-level data exposes disparities, with the majority of states experiencing negative balances while only two states maintain positive balances. The national net negative balance of Rs. -20,751 crores emphasizes the urgent requirement for additional funds to meet the escalating demand for employment and prevent delays in wage payments.

In essence, the MGNREGA program plays a pivotal role in providing rural employment, and its effectiveness hinges on addressing challenges such as worker deletions, ABPS eligibility, and ensuring adequate budget allocations. This report's insights are intended to inform policymakers, citizens, and stakeholders, urging collective efforts to revitalize and strengthen the MGNREGA framework for inclusive and sustainable rural development. Your engagement with this report is crucial for fostering a comprehensive understanding of the dynamics of MGNREGA implementation in the country.

Annexure 1

State	Allocation (in Rs. crore)	Expenditure (in Rs. crore)	Payment due (in Rs. crore)	Net Balance (in Rs. crore)
ANDHRA PRADESH	9,132	8,945	1,288	-1,101
ARUNACHAL PRADESH	529	583	202	-255
ASSAM	2,146	2,438	430	-722
BIHAR	7,990	7,901	2,066	-1,977
CHHATTISGARH	4,009	3,853	113	43
GOA	1	3	0	-2
GUJARAT	2,079	2,045	401	-368
HARYANA	520	586	141	-207
HIMACHAL PRADESH	1,141	1,291	205	-355
JAMMU AND KASHMIR	1,065	1,224	366	-525
JHARKHAND	3,039	3,783	297	-1,041
KARNATAKA	6,668	6,615	665	-612
KERALA	3,460	3,971	433	-944
LADAKH	62	71	4	-12
MADHYA PRADESH	6,785	7,149	826	-1,190
MAHARASHTRA	4,010	4,477	1,130	-1,597
MANIPUR	486	664	390	-568
MEGHALAYA	1,015	1,093	588	-665
MIZORAM	607	707	10	-111
NAGALAND	846	773	155	-82
ODISHA	5,698	5,436	878	-616
PUNJAB	1,771	1,321	204	245
RAJASTHAN	10,087	9,411	2,145	-1,469

SIKKIM	118	129	17	-27
TAMIL NADU	13,206	13,397	794	-985
TELANGANA	3,937	4,076	1,113	-1,251
TRIPURA	1,101	1,127	105	-131
UTTAR PRADESH	10,932	11,405	3,411	-3,884
UTTARAKHAND	603	724	137	-258
WEST BENGAL	174	183	71	-80
ANDAMAN AND NICOBAR	7	5	2	0
DN HAVELI AND DD	3	1	0	2
LAKSHADWEEP	0	0	0	0
PUDUCHERRY	60	62	2	-5
Total	1,03,288	1,05,450	18,589	-20,751

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 multiple states of the country for the last 10 years, though individually some of us have been involved for more than a decade.

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