# MGNREGA Implementation in India: Insights and Trends, April-Sept 2024

 LibTech India (Unformatted Copy)



Email: contactus@libtech.in | +91 92465 22344







# **About this report**

This report presents a comprehensive analysis of the implementation status of MGNREGA at the national level for the period April-September 2024, compared to the same period in the previous financial year, 2023-24. The data for this analysis has been sourced from the official MGNREGA website (<a href="https://nrega.nic.in/">https://nrega.nic.in/</a>) as of October 10, 2024. Our aim is to provide citizens and stakeholders with valuable insights into the program's current state, highlighting key trends and progress. We believe that your engagement with this report will help foster a deeper understanding of the dynamics of MGNREGA implementation across the country.

# **Key Highlights of the Report**

<b>8% drop in active workers:</b> Fewer people are participating in MGNREGA compared to last year.
<b>Net deletion of 39 lakh workers:</b> While 84.8 lakh workers were deleted, only 45.4 lakh workers were added in MGNREGA. Thus net deletion of workers stood at 39.3 lakh, raising concerns about wrongful deletions.
<b>6.7 crore workers ineligible for ABPS:</b> 27.4% of all workers, or 6.7 crore people, cannot receive wages through the Aadhaar-Based Payment System (ABPS) as they are ineligible for ABPS.
<b>16.6% decline in person-days generated:</b> Employment opportunities under MGNREGA have dropped significantly compared to the previous year, from 184 crore to 154 crore person-days.
<b>State variations in workdays:</b> Tamil Nadu and Odisha had the steepest declines in person-days, while Maharashtra and Himachal Pradesh saw increases.
MGNREGA not resumed in West Bengal: The program has been stopped since 2021 due to corruption allegations, leaving workers without jobs.
Systemic issues with ABPS: Many workers face difficulties with ABPS implementation, further reducing their ability to participate in MGNREGA.

# 1. Key Statistics

**Table 1:** Key MGNREGA Statistics for 2023-24 and 2024-25

Metrics	2023-24	2024-25	
Total Number of Districts	740		
Total Number of Mandals(Blocks)	7,181		
Total Number of Panchayats	2,68,925		
Jobcards <sup>1</sup> Issued (crores) as on 10th October 2024	14.6	14.3	
Total Number of Active Jobcards <sup>2</sup> (crores) as on 10th October 2024	9.7	9.2	
Total Number of Active Workers <sup>3</sup> (crores) as on 10th October 2024	14.3	13.2	
Persondays Generated <sup>4</sup> in (crores) (April to September)	191.72	159.26	

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

<sup>&</sup>lt;sup>1</sup> An authorised document issued by the Govt at Households level. Crucial for MGNREGA participation.

<sup>&</sup>lt;sup>2</sup> A Jobcard with a record of at least once worker engaging in MGNREGA employment for a minimum of one day within the past three financial years.

<sup>&</sup>lt;sup>3</sup> A worker who has been engaged in MGNREGA employment for at least one day within the past three financial years.

 $<sup>^{\</sup>rm 4}\,$  Number of working days completed under MGNREGA by Jobcard holders.

## 2. Workers Participation

- 8% reduction in active workers

Table 2: Comparative analysis of Job card issuance and active participation (2023-24 vs 2024-25)

	As on 6th October 2023	As on 10th October 2024	Drop (%)
Jobcards Issued (Crores)	14.6	14.3	2.5
Total Number of Active Jobcards (Crores)	9.7	9.2	5.7
Total Number of Active Workers (Crores)	14.3	13.2	8.2

Table 2 reflects a clear contraction in MGNREGA participation over the past six months compared to the same period last year, indicating a gradual disengagement from the program. While the drop in Jobcards issued is relatively small at around 2.5%, a more significant decline is observed in case of active Jobcards and active workers with 5.7% and 8% drop, signaling that fewer individuals are engaging with MGNREGA despite holding Jobcards.

#### 2.1 Worker deletions

- Net deletion of 39 lakh workers in this financial year

Table 3: Status of worker deletions during April to September 2024

Sno	Description	Number(In Lakhs)
1	No of Registered workers	2460.46
2	No. of workers deleted in current year (A)	84.84
3	No. of workers added in the current year (B)	45.48
4	Net Deleted workers (A-B)	39.37

As per LibTech India's previous year's <u>report</u>, more than 8 crore workers were removed from the MGNREGA registry during FY 2022-23 and 2023-24. An ongoing study by LibTech India in Andhra Pradesh found that approximately 15% of these deletions were wrongful. Several <u>news</u> reports have also highlighted the plight of genuine workers who were wrongfully removed from Jobcards, attracting significant media attention at both national and regional levels.

The Union government's strong push for implementing the Aadhaar-based payment system, coupled with the failure of state governments to adequately address erroneous deletions, has exacerbated the issue.

Given this context, one might expect the government to take corrective measures to reinstate affected workers in the current fiscal year. However, data in Table 3 suggests that the trend of deletions continues. Instead of an increase in worker additions, deletions have outpaced new additions.

#### More interestingly,

This ongoing trend raises concerns about the fate of the genuine workers among over 8 crore workers who were removed in the past two and a half years, from April 2022 to September 2024. (For detailed state-level net deletions data of workers for April-September 2024, please refer to **Annexure 1** 

# 3. Eligibility for ABPS

- 6.7 Cr workers across the country are not eligible for ABPS

Category	Total No. of Workers (in crores)	Ineligible for ABPS (in crores)	% Ineligible for ABPS	
All Workers	24.60	6.73	27.4	
Active Workers	12.78	0.54	4.2	

Table 4: ABPS ineligibility of all workers and active workers in the country

In January 2023, the Ministry of Rural Development (MoRD) mandated the nationwide implementation of the Aadhaar-Based Payment System (ABPS) for MGNREGA. To be eligible for ABPS, workers must meet several conditions: their Aadhaar must be linked to their job card, the name on the Aadhaar must match the name on the job card, and their bank account must be Aadhaar-seeded and mapped with the National Payments Corporation of India (NPCI).

Due to public outcry and pressure from civil society organizations, the deadline for ABPS implementation was extended <u>multiple times</u>. However, since January 1, 2024, ABPS has been made mandatory. Regardless of extended deadlines in the past, 27.4% of all MGNREGA workers and 4.2% of active workers are currently ineligible for ABPS as illustrated in Table 4.

During our interviews, the MoRD officials mentioned that they have instructed the state officials to not deny the work on account of ABPS ineligibility. However, we have come across 200 cases in 10 states where workers(those ineligible for ABPS) are being denied work by frontline officials fearing non-payment of wages.

#### 3.1 State level data

 66.3% of all workers in Maharashtra and 22% of active workers in Assam are ineligible for ABPS

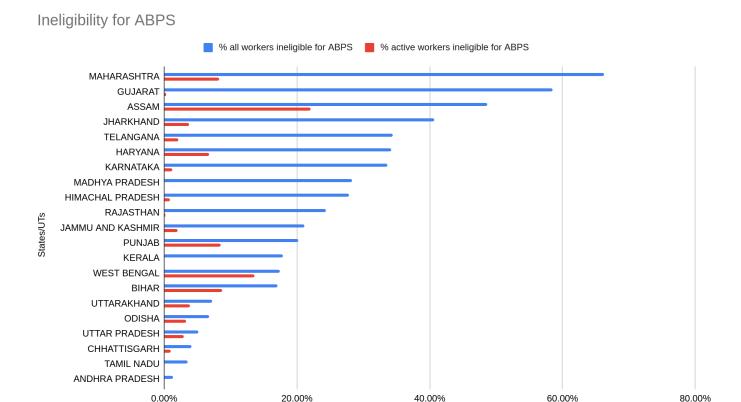


Figure 1: Percent of workers ineligible for ABPS among all workers and active workers across states

Figure 1 is an illustration of state wise 'all workers' and 'active workers' ineligibility for ABPS in the country. When considered active workers, Assam has the highest percentage of workers ineligible for ABPS while Kerala has the lowest percentage of ineligible workers as the state is close to universal ABPS eligibility. In case of all workers, Maharashtra has the highest ineligible percentage of workers while Andhra Pradesh has the lowest percentage of ineligible workers.

Further, only Assam and West Bengal have more than 10% of active workers ineligible for ABPS and no states have more than 25% ineligibility of "active workers". However, the proportions are much higher when we consider "all workers" with 9 states having more than 25% workers ineligible for ABPS.

# 4. Employment Provided

- 16.6% drop in persondays generated

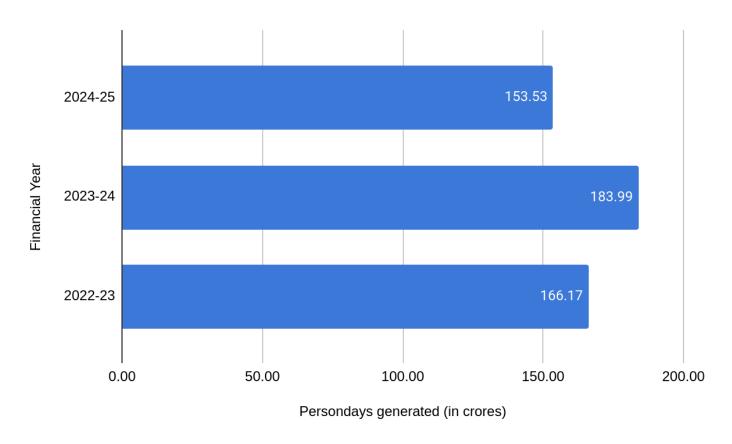


Figure 2: Trend in persondays generated between April and September for 2022-23, 2023-24 and 2024-25

Figure 2 illustrates the trend in employment generation from April to September across three financial years. After an increase in persondays generated from 166 crores in the financial year 2022-23 to 184 crores—a 10% rise—a significant decline is observed in the current financial year, with persondays dropping to 153 crores (a 16.6% decrease).

It is reasonable to infer that the number of persondays generated would have been even higher if the wrongly deleted workers had been reinstated, highlighting the substantial reliance of workers on NREGA. This observation emphasizes the consistently high and growing demand for employment opportunities under the scheme.

#### 4.1 State level data

Persondays of work decreased in 14 states and increased in 6 states

In comparison to April-September 2023-24, 14 states had a decline in the number of persondays of work created, while 6 states saw an increase in Apr-Sep 2024-25. Figure 4 illustrates trends by state.

Persondays Generated in 2023-24 (lakhs) and Persondays Generated in 2024-25 (lakhs)

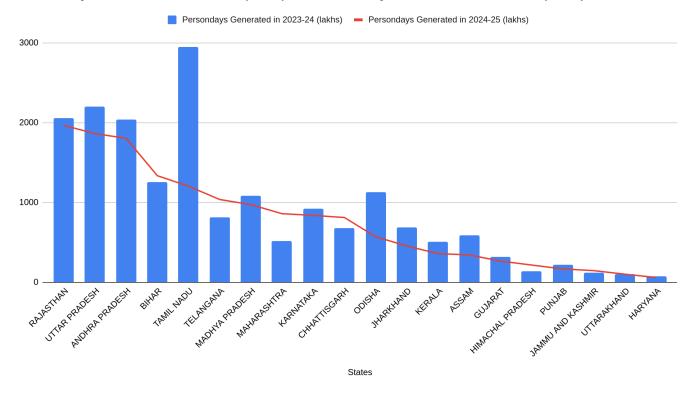


Figure 3: State-wise persondays for April-September for 2023-24 and 2024-25

As shown in figure 3, the biggest drops were observed in Tamil Nadu (59.1%) and Odisha (49.7%) while Maharashtra (66%) and Himachal Pradesh (53.4%) experienced the highest rise in persondays. The above figure doesn't include West Bengal.

#### Stoppage of MGNREGA Works in West Bengal:

MGNREGA in West Bengal has been halted since December 2021, when the Union Ministry of Rural Development stopped the funds, citing large-scale corruption in the state and invoking Section 27 of MGNREGA. As a result, no funds have been allocated for providing employment or clearing pending wages for workers. However, the state government claims to have settled the outstanding wages before the 2024 Lok Sabha elections. Currently, the case is pending in the Calcutta High Court, and no MGNREGA works are taking place in West Bengal at this time. In response to the stoppage of MGNREGA works, worker unions are protesting, demanding the resumption of the program.

### 5. Conclusion

The MGNREGA implementation from April to September 2024 reveals several critical trends. While there are marginal worker additions, this has been overshadowed by the significant number of worker deletions, resulting in a net loss of 39 lakh workers during the period. This raises concerns about the efficacy of the system, especially in light of the wrongful deletions reported, which further hinder access to employment under the scheme.

Moreover, the data shows a steep decline in person-days generated compared to the previous financial year, reflecting a 16.6% decrease. This drop suggests not only a shrinking participation base but also a potential shortfall in the delivery of employment opportunities to those who need them most. The

persistent implementation challenges, particularly with Aadhaar-based payments and worker eligibility for ABPS, continue to exacerbate these issues. Notably, approximately 27.4% of all MGNREGA workers remain ineligible for ABPS, highlighting the need for better alignment between workers' documentation and the program requirements. Also despite MoRD's assurance of work, several workers are denied employment due to ABPS ineligibility, highlighting the need for more effective collaboration between the union and state governments.

In West Bengal, the suspension of MGNREGA works since December 2021 has compounded these challenges, leaving many workers without wages or employment opportunities. The ongoing legal case in the Calcutta High Court further complicates the situation, emphasizing the urgent need for intervention to restore the program's functionality in the state.

Going forward, it is crucial for both central and state governments to address these gaps with targeted corrective measures. Reinstating wrongfully deleted workers and improving the ABPS system will be essential to ensuring that MGNREGA remains a reliable safety net for rural workers. The high demand for employment, coupled with these systemic challenges, underscores the need for immediate policy action to restore confidence in the program and enhance its reach and effectiveness.

# 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 including Andhra Pradesh for the last 10 years, though individually some of us have been involved for more than a decade.

**Team Behind This Report:** 

Chakradhar Buddha | Shamala Kittane | Rahul Mukkera

# Annexure 1

State	No. of Registered	No. of workers deleted in current year	No. of workers included in current year	Net deletions (workers)	% net deletions (workers)
ANDHRA PRADESH	12,025,911.00	286,769.00	348285	-61516	-0.51
ASSAM	11,024,245.00	1,015,095.00	227894	787201	7.14
BIHAR	15,842,091.00	1,240,178.00	513630	726548	4.59
CHHATTISGARH	7,656,906.00	1428854	307892	1120962	14.64
GUJARAT	8,841,411.00	120373	134633	-14260	-0.16
HARYANA	2,338,999.00	9975	30465	-20490	-0.88
HIMACHAL PRADESH	2,791,245.00	20757	50905	-30148	-1.08
JAMMU AND KASHMIR	2,225,757.00	81621	33741	47880	2.15
JHARKHAND	9,994,366.00	295150	252731	42419	0.42
KARNATAKA	17,881,926.00	148404	254573	-106169	-0.59
KERALA	5,654,310.00	193947	67629	126318	2.23
MADHYA PRADESH	16,917,932.00	167129	295755	-128626	-0.76
MAHARASHTRA	29,181,428.00	74039	584791	-510752	-1.75
ODISHA	9,506,788.00	1009979	133542	876437	9.22
PUNJAB	2,771,724.00	27200	52303	-25103	-0.91
RAJASTHAN	22,442,005.00	209276	306283	-97007	-0.43
TAMIL NADU	10,793,091.00	1718945	124275	1594670	14.77
TELANGANA	10,485,850.00	247855	197223	50632	0.48
UTTAR PRADESH	20,414,985.00	75664	600145	-524481	-2.57
UTTARAKHAND	1,616,082.00	86837	23307	63530	3.93
WEST BENGAL	25,639,130.00	26431	7839	18592	0.07
Total	246,046,182.00	8,484,478.00	4547841	3936637	1.60