

Trend and present scenario of MGNREGA

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ABSTRACT

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is one of the most radical scheme of the Govt. with its legal framework and rights-based approach implemented on 2006 and is in operation in 626 districts of the country. It is most ambitious anti poverty scheme launched by the government which provides a universal, self-targeting guarantee of 100 days of employment to every rural household throughout the country. The primary objective the MGNREGA is to provide 100 days wages employment to rural households and its secondary objection is to create and nurture productive and infrastructural assets and strengthening natural resources management. One of the most distinguishing feature of MGNREGA is it guarantee equal wages to both men & women rural workers. In the present paper attempt has been made to know the trend, present scenario and extent to which 100 days employment has been provided to rural workers.

KEY WORDS : MGNREGA, Households, Transformation, Rural India.

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Mahatma Gandhi Rural Employment Guarantee Act (MGNREGA) is the first ever law internationally visualized in human history that guarantee wages employment and momentous initiative towards pro-poor growth and for the first time ever it legislates 'right to employment'. The Act was enacted by legislation on 25th August 2005 got the assent of the President on September 5th and notified on the 7th Sep. 2005.

It was launched on 2nd February 2006 from Anantapur in Andhra Pradesh and initially implemented in 200 rural poorest Districts, extended to an additional 113 rural districts on 1st April, 2007, 17 more districts were notified on May 15, 2007 and remaining districts were covered under the scheme from 1st April, 2008. NREGA was renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) on October 2, 2009 the birthday of the Father of the Nation.

The various urban based growth model of the Govt. introduced earlier were creating the division in the urban and

rural economy and society and the benefits of the economic growth were far away from the rural and needy population. MGNREGA was an attempt of the Govt. for providing the universal coverage towards a basic social floor. It is national level demand-driven scheme based on the principle of self-selection implemented through out the country largely financed by the central Govt. It is launched by the Govt. for creating new jobs for the unskilled workers living in the rural areas. The important feature of this programme is that it gave 33% jobs assurance to women and equal wages and thus economically empowering women. It is entirely different from those other welfare programmes which were started by the Govt. earlier such as National Rural Employment Programme, Jawahar Rozgar Yojna, Employment Assurance Scheme etc.

It is implemented through the local panchayat the local Govt. at the grass root level. The work of consolidation appraisal, monitoring and supervision is done at the Block and District Level.

Objective of the study :

- To know the origin, concept, objective, features and present scenario of MGNREGA.
- To know the trends of the performance and funding

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pattern of MGNREGA.

- To find the percentage of households provided 100 days of employment.

METHODOLOGY

The data in the present study are secondary which were collected from the various sources such as Govt. reports of MGNREGA, Journal, research papers, website of MGNREGA.

Main objective of MGNREGA :

MNREGA the poverty alleviation programme of the Govt. is a tool of economic and social change in rural areas under which equal wages are paid to all workers without any discrimination of caste or gender. It has following main objectives.

- To enhancing the livelihood security of the people in rural areas by guaranteeing 100 days of wages employment in a financial year.
- Empowering of rural women, SC and ST.
- Poverty alleviation and promoting social security.
- To create durable assets and strengthening the livelihood base of the rural poor people, stopping soil erosion, increasing land productivity and solving water shortage problem.
- Strengthening natural resource management.
- Restoration and maintenance of ecological infrastructure
- To reduce rural-urban migration.
- Strengthening grass root process of democracy, transparency and accountability in governance.
- To have multiplier effects in the overall development of the rural economy.

Main feature of MGNREGA :

- The adult member of every rural household who are interested to do unskilled work may apply for registration in writing or orally to the local gram panchayat.
- The free of cost job card bearing the photograph of the members will be issued to the household after completing necessary formalities and verification by the gram panchayat with in 15 days from the date of application.
- A written application may be submitted by the job card holder for employment to the gram panchayat.
- The minimum days of employment have to be fifteen and will be given with in 15 days of application for work by an household or employment seeker and if it is not given with in the specified period then it is the liability of the state Govt. to pay daily unemployment allowance as per the rules of the Act.
- At least one third of persons to whom work is allotted

have to be women.

- Wages are to be paid according to minimum wages Act 1948, which will not be less then Rs. 60/- day. Equal wages to both men and women according to piece rate or daily rate and its disbursement has been done on weekly basis and not beyond a fortnight in any case.
- The different categories of permissible works are as water conservation, drought proofing, flood protection, land development, minor irrigation, horticulture and land development in the land of SC, ST, BPL, IAY, rural connectivity and land reforms.
- Planning and implementation is done by Panchayati Raj Institutions and social audit was to be done by the Gram Sabha at least once in every six months.
- At least 50% of works will be allotted to gram panchayats for execution. A 60:40 wages and material ratio has to be maintained. No contractors and machinery is allowed.
- The entire cost of wages of unskilled manual workers, 75% of the cost of material, wages of skilled and semi skilled workers will be beared by the centre Government.
- All the records and accounts of the scheme are to be made available to any person desirous of obtaining a copy of such records on demand and after paying a specified fee.

ANALYSIS AND DISCUSSION

The results obtained from the present investigation are summarized below :

Trend and sresent scenario of MGNREGA :

The trend and present scenario of the MGNREGA from 2006-07 to 2012-13 is presented in the Table 1. It is clear from the table that the performance of MGNREGA has a raising trend in all aspects from beginning to 2010-11 but after that it shows a downward trend. The number of household to whom the job cards has been issued increased from 3.78 crore in 2006-07 to 12.59 crore in 2012-13 and it is the only segment of MGNREGA which has shown increasing trend continuously. The total job cards issued were increased more than 3 times but there is also increase in the number of districts. In the first year of the MGNREGA it has provided employment to 2.10 crore households which has gone to 5.49 crore in 2010-11 but after that it shows a declining trend and reached at 4.48 crore in 2012-13. There has been a significant increase in the person days generated in MGNREGA from 2006-07 to 2009-10 *i.e.* 90.5 crore to 283.59 crore but decline to 163.3 crore in 2012-13. In term of providing employment to members of SC, ST and women, there is also a significant increase in the first four years. The share of SC families in the work provided under the scheme increased from 22.95 crore person day to 86.45

crore person days from 2006-07 to 2009-10 and decline to 36.05 crore in 2012-13. The trend in case of ST families also ranges from 32.98 crore to 58.74 crore in first four years and thereafter it also have downward trend till 2012-13. The ratio of decrease in the person days in case of SC, ST and woman works is high as compare to others. The actual budget outlay on the scheme was 11300 crore in 2006-07 and hit a high of Rs. 40,100 crore in 2010-11 and started declining thereafter to 40,000 crore in 2011-12 and Rs. 33,000 crore in 2012-13.

The share of total available funds also shows a decline

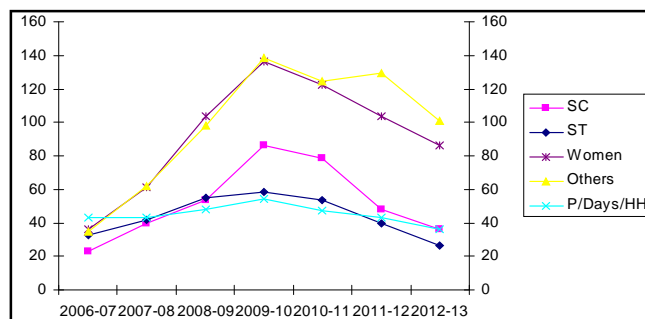


Fig. 1 : Total person days (in crore) and person days per household

Table 1 : Performance of the Mahatma Gandhi NREGA (National Overview)

Indicator	(FY 06-07) 200 Districts	(FY 07-08) 330 Districts	(FY 08-09) 615 Districts	(FY 09-10) 619 Districts	(FY 10-11) 626 Districts	(FY 11-12) 626 Districts (Provisional)	(FY 2012-13) 632 Districts (Reported till 12-02-2013)
Total job card issued	3.78 Crore	6.48 Crore	10.01 Crore	11.25 Crore	11.98 Crore	12.39 Crore	12.59 Crore
Employment provided to households:	2.10 Crore	3.39 Crore	4.51 Crore	5.26 Crore	5.49 Crore	5.04 Crore	4.48 Crore
Person days (in Crore):							
Total	90.5	143.59	216.32	283.59	257.15	216.34	163.38
SCs	22.95 (25%)	39.36 (27%)	63.36 (29%)	86.45 (30%)	78.76 (31%)	47.70 (22%)	36.05 (22%)
STs	32.98 (36%)	42.07 (29%)	55.02 (25%)	58.74 (21%)	53.62 (21%)	39.59 (18%)	26.59 (16%)
Women	36.40 (40%)	61.15 (43%)	103.57 (48%)	136.40 (48%)	122.74 (48%)	103.81 (48%)	86.42 (53%)
Others	34.56 (38%)	62.16 (43%)	97.905 (45%)	138.40 (49%)	124.69 (48%)	129.06 (60%)	100.74 (62%)
Person days per HH	43 days	42 days	48 days	54 days	47 day	43 days	36 days
Budget outlay (In Rs. Crore)	11300	12000	30000	39100	40100	40000	33000
Central release (In Rs. Crore)	8640.85	12610.39	29939.60	33506.61	35768.95	29189.77	26533.06
Total available fund (including OB) in Rs. Crore	12073.55	19305.81	37397.06	49579.19	54172.14	48832.49	42464.26
Expenditure in Rs. crore (percentage against available funds)	8823.35(73%)	15856.89(82%)	27250.10(73%)	37905.23(76%)	39377.27(73%)	38034.70(78%)	29422.22(69%)
Expenditure on wages (In Rs. crore)	5842.37(66%)	10738.47(68%)	18200.03(67%)	25579.32(70%)	25686.53(68%)	24860.91(69%)	21127.10(75%)
Total works taken up (In lakhs)	8.35	17.88	27.75	46.17	50.99	82.51	64.54
Works completed	3.87	8.22	12.14	22.59	25.90	18.26	11.83
Works break up							
Water conservation	4.51 (54%)	8.73 (49%)	12.79 (46%)	23.43 (51%)	24.26 (48%)	44.09 (53%)	37.71 (58%)
Provision of irrigation facility to land owned by SC/ST/BPL and IAY beneficiaries	0.81 (10%)	2.63 (15%)	5.67 (20%)	7.73 (17%)	9.15 (18%)	9.51 (12%)	7.50 (12%)
Rural connectivity	1.80 (21%)	3.08 (17%)	5.03 (18%)	7.64 (17%)	9.31 (18%)	17.87 (22%)	11.50 (18%)
Land development	0.89 (11%)	2.88 (16%)	3.98 (15%)	6.38 (14%)	7.04 (14%)	7.69 (9%)	5.30 (8%)
Any other connectivity	0.34 (4%)	0.56 (3%)	0.28 (1%)	0.98 (2%)	1.06 (2%)	3.06 (4%)	1.79 (3%)
Rajiv Gandhi Seva Kendra	-	-	-	-	0.17 (0.33%)	0.28 (0.34%)	0.27 (0.43%)
Coastal areas	-	-	-	-	-	-	0.0009(0.0001%)
Rural drinking water	-	-	-	-	-	-	0.00743(0.01%)
Fisheries	-	-	-	-	-	-	0.01362(0.02%)
Rural sanitation	-	-	-	-	-	-	0.43 (0.66%)

Source : MGNREGA briefing book January, 2013 Page 4.

from 54172.14 crore in 2010-11 to 42464.26 Crore in 2012-13. The total works taken up in 2006-07 were 8.35 Lakhs increase to 82.51 Lakhs in 2011-12 registered a growth of near about ten times. The works for water conservation occupied the first rank followed by rural connectivity and land development. The percentages of works completed also represents a sharp decline from 25.90% in 2010-11 to 11.83% in 2012-13. The data of 2012-13 upto 12.2.13 disclose the brief summary of the scheme as during the 2012-13, 4.48 crore households were provided employment and 163.380 crore person days of employment were generated to the different segment of rural households. The share of marginalized group like SC/ST 38%, women 53%. In order to fulfill the objective of strengthening the natural resources and making rural households self dependant 64.54 lakhs works were undertaken of which 58% for water conservation, 18% for rural connectivity, 12% irrigation and 8% for land development.

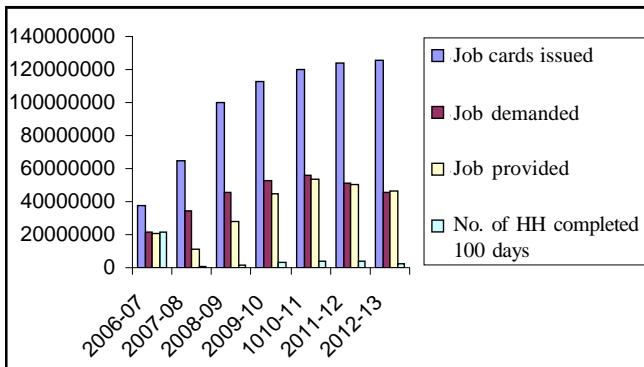


Fig. 2 : Total job card issued, Job demanded, job provided and No. of households completed 100 days

100 days employment :

The flagship rural development programme of the Govt. which guarantee 100 days employment to all the registered rural household reveals a disappointing trend. It is clear from the Table 3 that only 10.20% of the commulative households get 100 days employment in 2006-07. During 2006-07 three states i.e. Arunachal Pradesh, Manipur and Nagaland where the number of households who completed 100 days of employment was nil. Rajasthan is at the top of the ladder where 54.39%, followed by HP 26.47% Tripura 26.34% of households were provided 100 days employment. These are 18 states where the percentage

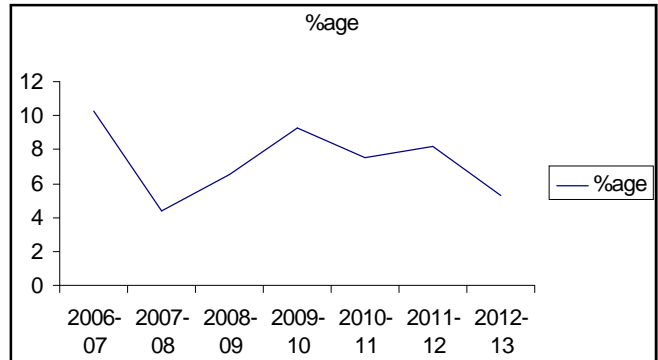


Fig. 3 : Percentage of H/H Provided 100 days of Employment

of households who were provided.

100 days employment were below the average of 10.29% in 2006-07. A total of 11274708 rural households demanded employment in 2007-08 of which 10829496 (96.05%) were provided employment across the country but only 4.40% of them could get 100 days of employment assured under the scheme. The percentage of the households completing 100 days employment was very less and none of state was in a position to touch the double figure. Madhya Pradesh has the highest percentage i.e. only 6.36%. 98.88% of the total rural households who were provided employment under the scheme but the percentage of rural households who completed 100 days of employment during the 2008-09 was also very disappointing i.e. 6.54%. During the 2009-10 Tripura (37.16%) has shown a remarkable increase in providing 100 days of employment followed by Mizoram (22.93%) and Andhra Pradesh (22.66%) and there are only 8 states where the percentage of 100 days employment is above the average of 9.25%. The overall performance of all the states has went down sharply during 2010-11 as compare to the previous year i.e. 7.52 from 9.25%. The seven sisters states has shown a good record during 2011-12 and first five position were occupied by them. Mizoram is at the top followed by Tripura and Manipur. The performance of the majority of the states is below average. The year of 2012-13 in the history of MGNREGA will be treated as anti rural households because it has shown the declining trend in all aspects. There is decrease in employment provided to households (SC/ST/Women), person days per households, budget outlay, centre release, total available funds,

Title	2006-07	2007-08	2008-09	2009-10	1010-11	2011-12	2012-13
Job cards issued	37850390	64761146	100145950	112548976	119824434	123876349	125929423
Job demanded	21321481	34287442	45516341	52920154	55756057	50911313	45288181
Job provided	21016099	10829496	27996338	45079733	53534039	50563922	46433459
No of HH completed 100 days	21422718	476185	1832900	3348458	4025549	4158954	2452982

Source: MGNREGA Reports 2006-07 to 2012-13

expenditure, works completed etc. The percentage of households who were provided 100 days employment is just 5.28% which is near half of the first year performance. There is mounting evidence from the data of MGNREGA that the scheme is failing to achieve its main objection of providing 100 days of wages employment to the rural households. None of the state is in a position to achieve the specified target.

Conclusion :

MGNREGA has played a very remarkable role in

enhancing the livelihood security for large number of rural beneficiaries. It has increased the average wages earned, improve the income and saving, reduce migration, increase the number of useful assets, improve the farming output, increase the confidence and status of rural women, reduce the cases of bonded labour breaking walls between caste and classes, etc. The impact of MGNREGA goes beyond in several cases it has actually become a major instrument of social and economic transformation. There are various problems and irregularities that plague in the proper implementation of this fundamental scheme such as irregularities in muster roll, poor

Table 3 : Percentage of household completed 100 days of employment, No. of NH provided employment

States	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Andhra Pradesh	2.68	–	8.48	22.66	13.20	18.98	11.11
Arunachal Pradesh	0.00	–	0.00	0.40	0.00	0.00	0.11
Assam	2.34	0.21	1.04	1.42	3.18	1.17	0.27
Bihar	3.57	0.11	0.88	5.31	8.21	9.61	5.11
Chattisgarh	10.36	4.36	5.26	5.71	6.94	–	4.32
Gujarat	0.53	2.27	2.33	5.89	7.32	5.08	5.35
Haryana	11.08	2.72	4.91	5.96	3.58	4.95	4.32
H.P.	26.47	1.01	5.47	10.14	6.19	9.45	3.99
J&K	1.45	2.93	5.01	4.17	3.84	8.59	4.17
Jharkhand	3.66	4.42	7.15	8.59	7.75	3.69	3.15
Karnataka	12.8	2.25	5.20	12.62	5.93	2.73	2.81
Kerala	0.54	1.27	1.76	4.57	6.11	8.81	8.04
M.P.	1.86	6.36	5.37	6.24	9.24	7.70	2.81
Maharashtra	1.51	5.00	12.68	8.69	8.70	13.11	11.71
Manipur	0.00	0.00	2.94	6.57	1.03	31.50	0.02
Megalaya	0.59	0.00	3.51	1.31	7.27	10.49	7.28
Mizoram	11.66	0.27	11.15	22.93	16.18	42.98	0.00
Nagaland	0.00	0.00	11.18	3.12	38.92	21.94	0.009
Orissa	11.05	3.59	4.38	5.59	10.19	3.64	2.63
Punjab	16.83	0.00	0.81	1.61	2.04	3.56	1.05
Rajasthan	54.39	5.51	15.50	13.73	6.45	7.42	5.47
Sikkim	5.41	2.80	0.70	7.82	15.76	15.99	5.45
Tamil Nadu	0.27	0.00	2.83	7.72	7.44	9.50	8.58
Tripura	26.34	0.03	5.08	37.16	14.58	35.19	10.36
U.P.	6.02	1.35	2.42	6.43	5.78	4.22	0.72
Uttarakhand	2.77	0.00	0.69	1.73	5.41	4.76	1.99
W.B.	0.61	0.21	0.26	1.23	2.57	2.17	2.12
Andaman & Nicobar	–	–	0.02	3.23	0.45	11.42	6.00
Dadra Nagar	–	–	3.44	0.64	0.00	0.00	0.00
Daman	–	–	0.00	0.00	–	–	0.00
Goa	–	–	0.00	2.25	4.52	1.28	0.00
Laksdeep	–	–	0.00	0.38	0.14	3.43	1.75
Pandichery	–	–	0.00	0.95	0.42	0.47	0.00
Chandigarh	–	–	0.00	–	0.00	0.00	0.00
Total	10.29	4.40	6.54	9.25	7.52	8.22	5.28

Source: Compiled from MGNREGA, Annual reports 2006-07 to 2012-13

administration, lack of resources management, lack of effective utilization of human and non-human resources, lack of awareness about the basic entitlements such as minimum wages, minimum working days, unemployment allowance, registration, delay in the payments of wages etc. Despite all these problems it offers a historic opportunity for rural employment revolution, eradication of rural poverty and transformation of rural India. It must be made to work because it has a vital role to lay in future because of its human and rights based approach. It should not be considered as a electoral benefits scheme but an instrument to generate skill and instrument of alleviating the problem of chronic unemployment and poverty. In order to make this scheme of the Govt. successful corrective measures must be taken to make it more rural development oriented.

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