

## **PROGRESS ANALYSIS OF MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT (MGNREGA) OF KARNATAKA**

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### **ABSTRACT**

The rural population of India is primarily depended on agriculture for their livelihood. Due to improper rain, rural people cannot get employment in all the days of the year and sometimes they cannot get even reward for their hard labour by the agriculture, by this they face the problem poverty and unemployment and these two issues decrease the standard of living of the rural people and also impact on future of the children. In order to protect the rural people from the poverty and unemployment and improve the standard of living of the rural people the Government of India has passed Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2005, it is a Law and a Social Security Measure to improve the security of livelihood of the rural people. Already it has implemented in all the states and Union Territories of India among them Karnataka is also one of the States. Here, this study throws light on the progress of MGNREGA in Karnataka by exhibiting a brief picture about highlights of MGNREGA, approved budget, number of households completed 100 days, works taken-up, works on going, works completed, availability of funds, expenditures, etc.

**Key Words:** Approved Budget, Works taken-up, Ongoing, Completed, Funds, Expenditures.

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### **INTRODUCTION**

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a labour law and social security measure which is passed to protect the livelihood and to increase the income of rural people who are suffering in the gambling of rain for doing agriculture activities. The main aim of Mahatma Gandhi National Rural Employment Guarantee Act (hereafter MGNREGA) is to provide minimum 100 days of employment to improve the standard of living and livelihood of rural folk and to create long term assets like roads, canals, ponds and wells, etc. Along with social security and creating durable assets MGNREGA also has some other important objectives such as, Protecting environment, empowerment of women, reduce rural migration and encouraging social equity among others.

In the world MGNREGA is largest social security scheme, since it is guaranteeing 100 days of work to unskilled manual labours that are lived in rural areas. The MGNREGA has provided enormous number employment opportunities to rural people and also both Central and State Governments have sanctioned funds and Grama Panchayats are also working in this regard. This paper exposes a brief scenario of progress of MGNREGA in Karnataka.

### **LITERATURE REVIEW**

**Mahesh.S. (2017)** has compared the performance of MGNREGA scheme between Chikkamagaluru and Tumakuru Districts. This study has analysed the various factors such as, job cards and men days, demand, number of works started, completed, ongoing, etc. This study has offered some suggestions like, increasing awareness and work days, strengthen the demand registration process, preference to SC/ST households, encourage women workers, etc. This study concluded that, to increase the consumption expenditure and reduce the debts MGNREGA is necessary but sometimes it creates scarcity of labour for agriculture activities.

**Kabita Borah and Rimjhim Bordoloi (2014)** have focused on impact of MGNREGA scheme on women workers. This research found that, MGNREGA scheme is helpful to women workers to increase income and consumption expenditure and to reduce debts and poverty. This study also identified some flaws of MNREGA scheme such as, lack of trained staff, childcare facilities, payment delay, less awareness, etc. Finally this research suggested

to have the positive vision by workers, to strengthen the panchayat raj system, conduct of auditing, etc. At last it concluded that, MGNREGA has positively impacted on women workers and it is not complete satisfactory.

**Mohd. Ashraf Ali and Mushtaq Ahmed (2012)** have disclosed the issues and challenges of MGNREGA scheme. This study has identified some issues viz., issues concerned to job cards, applications, workers selection, works execution, etc., and challenges like, less awareness, poor facility at worksite, no asset creation, difficulty in getting job card, etc. This study suggested to decentralise the Grama Panchayats, assigning work to village sub-committees, appointment of resource persons at village level, involving NGOs, etc. Finally concluded that, in spite of many obstacles MGNREGA is succeeded, but still weaknesses of the programmes should be identified and solved and gram panchayats should be strengthened.

**Disha Sharma and Dr. Abdul Karim, et,all. (2017)** have focused on how MGNREGA scheme is providing employment opportunities and reducing poverty. This study has identified the objective of MGNREGA by the Government, issues and challenges like demand for work and non-payment of unemployment allowance, flaws in the scheme and lack of labours for agricultural activities. Finally concluded that, MGNREGA is playing a vital role in improving rural economy.

**Roshni Pandey (2017)** has exhibited the role of MGNREGA scheme in rural development. This study said that, rural development can be done through MGNREGA by conservation and harvesting water, improving irrigation facilities, development of land, etc. This study concluded that, the states and panchayats have to supervise the implementation of the scheme and the concerned ministry has to take steps to release funds and its utilisation.

## **OBJECTIVES OF THE STUDY**

1. To understand briefly about MGNREGA
2. To analyse the progress of MGNREGA Scheme in Karnataka

## **RESEARCH GAP**

Considerable amount of research works have been done by the various researchers throughout the country. But only few amounts of works are done by the researchers on progress of MGNREGA scheme in Karnataka and they have analysed the progress of

previous years. This study has considered recent years' data to analyse the progress of MGNREGA in Karnataka.

## RESEARCH METHODOLOGY

The list of works taken up, ongoing, completed works, Budget of MGNREGA and Financial Progress of MGNREGA, funds sanctioned and utilised by the Grama Panchayats, etc., have been considered for analysis. The data from 2016-17 to 2020-2021 has been used to analyse the progress of MGNREGA.

- **Tools for Data Collection:** Secondary Data published in MGNREGA Website has been used for this study.
- **Tools for Data Analysis:** Tabular forms and simple percentages have been used for analysis and ANOVA has been used to test Hypothesis.

## HYPOTHESIS

Ho: There is a significant difference between Works taken-up, Works ongoing and Works completed.

H1: There is no significant difference between Works taken-up, Works ongoing and Works completed.

## PROGRESS ANALYSIS OF MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT (MGNREGA)

**Table: 1-Highlights of MNREGA in Karnataka as on 15.08.2020**

<b>Total No. of Districts, Blocks and Grama Panchayats</b>	
Total No. of Districts	30
Total No. of Blocks	226
Total No. of Grama Panchayats	6,027
<b>Job Card Issued to Workers</b>	
Total No. of Job Cards issued (in Lakhs)	67.22
Total No. of Workers (in Lakhs)	157.75
Total No. of Active Job Cards (in Lakhs)	36.78
Total No. of Active Workers (in Lakhs)	72.42
<b>Percentage of SC/ST Active Workers</b>	

(i) SC Worker against Active Workers (%)	17.13
(ii) ST Worker against Active Workers (%)	9.52

**Source:** <https://mnregaweb2.nic.in>.

The above table-1 reveals the highlights of MGNREGA Scheme in Karnataka such as, total number of districts, blocks and panchayats, total number of job cards issued to workers, total number of active job cards and total number of active workers and percentage of SC active workers and percentage of ST active workers out of total active workers.

**Table: 2-Progress of MNREGA in Karnataka**

Progress	2016-17	2017-18	2018-19	2019-20	2020-21
<b>Approved Labour Budget (in Lakhs)</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>	<b>1200</b>	<b>1300</b>
<b>Person Days Generated so far (in Lakhs)</b>	<b>913.68</b>	<b>856.99</b>	<b>1044.92</b>	<b>1122.83</b>	<b>721.52</b>
<b>% of Total Labour Budget</b>	<b>91.37</b>	<b>85.70</b>	<b>104.49</b>	<b>93.57</b>	<b>55.5</b>
<b>% as per Proportionate Labour Budget</b>	<b>93.15</b>				
SC Person Days % as of total Person Days	16.42	16.58	15.46	15.7	17.31
ST Person Days % as of total Person Days	9.29	9.31	9.6	10.07	10.7
Women Person Days s out of Total (%)	47.21	47.13	48.59	49.1	49.43
Average days of employment provided per Household	50.27	45.05	49.56	50.08	33.88
Average Wage rate per day per person (Rs.)	223.38	235.73	246.81	245.53	269.82
<b>Total No of Households completed 100 Days of Wage Employment</b>	<b>1,96,326</b>	<b>29,985</b>	<b>2,11,411</b>	<b>1,88,603</b>	<b>7,817</b>
Total Households Worked (in Lakhs)	18.18	19.02	21.08	22.42	21.3
Total Individuals Worked (in Lakhs)	44.15	38.91	39.35	41.28	39.28
Differently-abled persons worked	9419	8244	9462	9871	9857

**Source:** <https://mnregaweb2.nic.in>.

The above table-2 exhibits the progress of MGNREGA in Karnataka state. It shows that, the approved budget was Rs. 1000 lakhs in all the three years from 2016-17 to 2018-19 respectively. In the year 2019-20, it has increased to 1200 lakhs (20 per cent) and the amount increased by 200 lakhs and in the year 2020-21, it has increased by Rs. 100 lakhs from Rs. 1200 lakhs to Rs. 1300 lakhs ((8.33 per cent).

In the same way, the Person Days Generated so far, in the year 2016-17, the person days were 913.68 lakhs, they decreased to 856.99 lakhs in the year 2017-18 i.e. 56.69 lakhs days (6.20 per cent). In the year 2018-19, the person days increased to 1044.92 lakhs from 856.99 lakhs i.e. 187.93 days (21.93 per cent). In 2019-20, the person days were increased by 77.91 lakhs i.e. from 1044.92 lakhs to 1122.83 lakhs (7.46 per cent). In the year 2020-21, the person days have decreased to 721.52 lakhs from 1122.83 lakhs i.e. 401.31 lakhs (35.74 per cent).

Likewise, the percentage of total labour budget was in the year 2016-17, it was 91.37 per cent and it is decreased by 5.67 per cent i.e. from 91.37 per cent to 85.70 per cent in the year 2017-18. In the year 2018-19, the labour budget increased to 104.49 per cent from 85.70 per cent i.e. 18.79 per cent. In the year 2019-20, it is decreased by 10.92 per cent i.e. from 104.49 per cent to 93.57 per cent and in the year 2020-21, the labour budget has decreased by 38.07 per cent i.e. from 93.57 per cent to 55.50 per cent. The average labour budget from 2016-17 to 2020-21 was 93.15 per cent.

Regarding, the total number of households completed 100 days of wage payment, in the year 2016-17, totally 1,96,326 households were completed 100 days and in the 2017-18 they decreased to only 29,985 households i.e. 1,66,341 (84.73 per cent) households decreased in that year. In the year 2018-19 the households were increased by 1,81,426 households from 29,985 households to 2,11,411 households (605.05 per cent). In the year 2019-20, the households were decreased to 1,88,603 households from 2,11,411 households i.e. 22,808 households (10.79 per cent) and in the year 2020-21, they have reduced to only 7,817 from 1,88,603 households i.e. 1,80,786 households (95.85 per cent).

**Table: 3-Number of Works Taken-up, Ongoing and Completed under MNREGA in Karnataka**

Works	2016-17	2017-18	2018-19	2019-20	2020-21
Number of Grama Panchayats with NIL expenditure	9	8	4	18	38
Total No. of Works Taken-up (New + Spill Over) (in Lakhs)	8.77	8.83	8.63	8.71	9.1
Number of Ongoing Works (in Lakhs)	4.86	4.92	4.73	5.49	8.00
Number of Completed Works	3,91,089	3,91,292	3,90,696	3,21,435	1,10,016
% of NRM Expenditure (Public + Individual)	63.13	60.16	56.4	63.92	85.4

% of Category B Works	71.53	75.15	73.63	68.53	63.07
% of Expenditure on Agriculture & Agriculture Allied Works	77.07	72.49	56.22	60.3	83.18

**Source:** <https://mnregaweb2.nic.in>.

The above table-3 exposes number of works which are conducted under MGNERGA Scheme from 2016-17 to 2020-21. Out of them, in the year 2016-17 there are 9 grama panchayats, 8 panchayats in 2017-19, 4 panchayats in 2018-19, 18 panchayats in 2019-20 and 38 panchayats in 2020-21 shown nil expenditure. In the year 2018-19 there were too less number of panchayats with nil expenditure and 2018-19 and 2020-21 there was a sudden increase in number of panchayats with nil expenditure.

Likewise, the number of works taken-up including new works and spill over works, in the year 2016-17, 8.77 lakhs works were taken-up and they increased to 8.83 lakhs i.e. 0.06 lakhs works decreased (0.68 per cent) in 2017-18. In the year 2018-19, there was a decrease in works taken-up from 8.83 lakhs to 8.63 lakhs i.e. 0.20 works decreased (2.26 per cent). In 2019-20, the works were increased by 0.08 lakhs (0.93 per cent) from 8.63 lakhs to 8.71 and in the year 2020-21, works have increased to 9.10 from 8.71 i.e.0.39 lakhs works increased (4.48 per cent). Gradually the taken-up works have increased except in the year 2018-19.

With related to ongoing works, there were 4.86 lakhs works 2016-17 and in 2017-18 they increased to 4.92 lakhs i.e. 0.06 lakhs works increased (1.23 per cent). In 2018-19 ongoing works decreased by 0.19 lakhs i.e. from 4.92 lakhs to 4.73 lakhs (4.02 per cent). In 2019-20 they increased to 5.49 lakhs from 4.73 lakhs i.e. 0.76 works increased (16.07 per cent) and in the year 2020-21 the works are increased by 2.51 lakhs from 5.49 lakhs to 8 lakhs (45.72 per cent). Except 2018-19 the rate of growth in ongoing works was gradual and from 2020-21 the growth rate was very lofty.

With pertained to number completed works, in the year 2016-17 there were 3,91,089 works completed and they increased to 3,91,292 works in 2017-18 i.e. 203 works increased (0.05 per cent). In 2018-19, the works decreased by 596 works i.e. from 3,91,292 works to 3,90,696 works (0.15 per cent). There was a decrease in ongoing works in the year 2019-20 from 3,90,696 works to 3,21,435 works i.e. 69,261 works decreased (17.73 per cent) and in 2020-21 again the works have decreased to 1,10,016 works from 3,21,435 works i.e. 2,11,419 works decreased (192.17 per cent). Till 2018-19 there were moderate ups and downs and

there was a unanticipated decrease in the completed works in 2019-20 and again there was a huge decrease in 2020-21.

**Table: 4-Financial Progress of MNREGA in Karnataka**

<b>Financial Progress</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>
Total Center Release (in Lakhs)	2,25,864.88	2,95,632.44	3,04,024.77	5,54,620.29	3,00,220.52
<b>Total Availability (in Lakhs)</b>	<b>2,67,841.21</b>	<b>3,22,998.73</b>	<b>3,44,414.58</b>	<b>6,04,471.01</b>	<b>3,00,220.52</b>
Wages (Rs. in Lakhs)	2,15,845.12	2,01,763.23	2,32,619.77	2,97,619.75	1,90,535.48
<b>Wages (%)</b>	<b>65.08</b>	<b>67.21</b>	<b>64.24</b>	<b>62.66</b>	<b>78.47</b>
Material and skilled Wages (Rs. in Lakhs)	1,06,296.58	91,785.46	1,19,376.66	1,67,654.66	48,377.7
<b>Material (%)</b>	<b>32.05</b>	<b>30.57</b>	<b>33.91</b>	<b>35.30</b>	<b>19.92</b>
Total Administrative Expenditure (Rs. in Lakhs.)	9,497.34	6,666.12	10,087.22	9,708.51	3,907.94
<b>Administrative Expenditure (%)</b>	<b>2.86</b>	<b>2.22</b>	<b>2.79</b>	<b>2.04</b>	<b>1.61</b>
<b>Total Expenditure (Rs. in Lakhs)</b>	<b>3,31,639.04</b>	<b>3,00,214.81</b>	<b>3,62,083.65</b>	<b>4,74,982.92</b>	<b>2,42,821.12</b>
<b>Percentage Utilization</b>	<b>123.82</b>	<b>92.95</b>	<b>105.13</b>	<b>78.58</b>	<b>80.88</b>
Average Cost Per Day Per Person (in Rs.)	338.07	332.7	327.16	368.04	305.04
% of Total Expenditure through EFMS	99.64	99.9	93.31	100	100
% Payments generated within 15 days	48.11	76.95	75.2	95.88	99.27

**Source:** <https://mnregaweb2.nic.in>.

The above table-4 flashes the financial progress MNREGA scheme in Karnataka from 2016-17 to 2020-21.

With pertained to total availability of funds with the Grama Panchayats in Karnataka there were Rs. 2,67,841.21 lakhs in the year 2016-17 and they increased to Rs. 3,22,998.73 lakhs i.e. increased by 55,157.52 lakhs ((20.59 per cent) in 201-18. In 2018-19 the funds increased



by Rs. 21,415.85 lakhs (6.63 per cent) from Rs. 3,22,998.73 lakhs to Rs. 3,44,414.58 lakhs. There was a sudden increase in availability of funds in the year 2018-19 from Rs. 3,44,414.58 lakhs to Rs. 6,04,471.01 lakhs i.e. Rs. 2,60,056.43 lakhs (75.51 per cent) at the same time there is a sudden down fall in availability of funds in the year 2020-21 by Rs. 3,04,250.49 lakhs (50.33 per cent) from Rs. 6,04,471.01 lakhs to Rs. 3,00,220.52 lakhs. Except in first three years, there was a wide fluctuation in availability of funds with Grama Panchayats under MNREGA scheme.

Likewise, percentage of wages paid out of total funds available in the year 2016-17 was 65.08 per cent and it was increased to 67.21 per cent in the year 2017-18 and increased by 2.13 per cent. In the year 2018-19 payment of wages decreased by 2.97 per cent from 67.21 per cent to 64.24 per cent. Similarly, in 2019-20 the wages paid again decreased to 62.66 per cent from 64.24 per cent i.e. 1.58 per cent decreased and in the year 2020-21 a shocking increase in the payment of wages and it has increased by 15.81 per cent from 62.66 per cent to 78.47 per cent.

Similarly, the percentage of payment made to materials out of availability of funds, in the year 2016-17 it was 32.05 per cent and it decreased by 1.48 per cent from 32.05 per cent to 30.57 per cent 2017-18. In the year 2018-19, it was increased to 33.91 per cent from 30.57 per cent and increased by 3.34 per cent. Again in 2019-20 it was increased by 1.39 per cent from 33.91 per cent to 35.30 per cent and in the year 2020-21 there is a an unforeseen decrease in the percentage of materials payment, it has decreased to 19.92 per cent from 35.30 per cent.

Regarding percentage of amount paid to Administrative Expenditure out of funds available, in 2016-17, it was 2.86 per cent and it was decreased to 2.22 per cent from 2.86 per cent i.e. 0.64 per cent decreased in 2017-18. In 2018-19, it was increased by 0.57 per cent from 2.22 per cent to 2.79 per cent. But in the year 2019-20, there was a decrease in the percentage of amount paid to administrative expenditure i.e. 0.75 per cent from 2.79 per cent to 2.04 per cent and there is a decrease in 2020-21 from 2.04 per cent to 1.61 per cent.

In the same way, with reference to total expenditure made by the Grama Panchayats, in the year 2016-17 the Grama Panchayats spent Rs. 3,31,639.04 lakhs and it was decreased to Rs. 3,00,214.81 lakhs in the year 2017-18 i.e. decreased by Rs. 31,424.23 lakhs (9.47 per cent). There was a sudden increase in the expenditure in 2018-19 by Rs. 61,868.84 lakhs (20.61 per cent) from Rs. 3,00,214.81 lakhs to Rs. 3,62,083.65 lakhs. In the year 2019-20 there was a

drastic increase in the expenditure i.e. Rs. 4,74,982.92 lakhs from Rs. 3,62,083.65 lakhs and increased by Rs. 112899 lakhs (31.18 per cent) and again in the year there is a sudden downfall in the expenditure in the year 2020-21 by Rs. 2,32,161.12 lakhs (48.89 per cent) from Rs. 4,74,982.92 lakhs to Rs. 2,42,821.12 lakhs.

Likewise, related to utilisation of available funds by the Grama Panchayats, in 2016-17 they utilised 123.82 per cent and in the year it was decreased to 92.95 per cent in 2017-18 and decreased by 30.87 percent. In 2018-19 the utilisation of funds increased by 12.18 per cent from 92.95 per cent to 105.13 per cent. But in the year there was a sudden decrease in the utilisation of funds from 105.13 per cent to 78.58 per cent and decreased by 26.55 per cent and in 2020-21 only little percentage of increase in the utilisation i.e. 2.3 per cent from 78.58 per cent to 80.88 per cent.

**Note: Since the financial year has not been completed, the figures shown in the year 2020-21 are partial not complete figures.**

**Table-5: ANOVA Analysis**

	<i>Source of Variation</i>	<i>SS</i>	<i>Df.</i>	<i>MS</i>	<i>F</i>	<i>P-value</i>	<i>F crit.</i>	
<b>Ongoing Works</b>	Between Groups	25.7281 6	1	25.72816	26.8439 3	7.421	5.31765 5	
	Within Groups	7.66748	8	0.958435				
	Total	33.3956 4	9					
<b>Works Completed</b>	Between Groups	78.4	1	78.4	103.659 8			5.31765 5
	Within Groups	6.05056	8	0.75632				
	Total	84.4505 6	9					

The above table-5 discloses that, there is a significant relationship between Works taken-up, Ongoing Works and Completed Works in Karnataka under MGNREGA Scheme.

## **CONCLUSION**

The progress of MGNREGA Scheme is not satisfactory, because only 54.71 per cent of Job Cards and less than 50 per cent of the workers are active and the number of households who

have completed 100 days of works and number of completed works have decreased and expenditures are increasing, all these are reasons for the dissatisfaction. So, it is required to take steps by the concerned authority to supervise the MGNREGA works properly and awareness programmes have to be conducted to create awareness among the rural people about MGNREGA and its relevance.

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