



## MGNREGA AS A TOOL FOR SUSTAINABLE RURAL DEVELOPMENT: A STUDY OF STATE OF RAJASTHAN

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### Abstract

*This study examines the implementation, progress, and challenges of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), one of India's largest rural employment schemes. Utilizing recent nationwide and state-level data, the analysis highlights MGNREGA's extensive reach across districts, blocks, and gram panchayats, and its role in promoting inclusive employment among marginalized communities such as Scheduled Castes, Scheduled Tribes, and women. Despite its broad coverage and improved wage rates, the scheme has experienced a significant decline in labour budget utilization, employment days per household, active participation, and fund allocation in recent fiscal years. The study also identifies operational challenges including decreased work completion rates, increased instances of inactive gram panchayats, and reduced expenditure on agriculture-related works. Financial data reveal a contraction in government releases and underutilization of available resources, raising concerns about the scheme's sustainability and impact. The findings underscore the need for renewed policy focus, enhanced funding, improved ground-level implementation, and stronger convergence with complementary programs to ensure that MGNREGA continues to fulfill its mandate of providing livelihood security and fostering equitable rural development in India.*

**Keywords** - MGNREGA, Trends and Challenges, Participation, Work Progress, India, Rajasthan

### Introduction

Initially known as the National Rural Employment Guarantee Act, MGNREGA is now called Mahatma Gandhi National Rural Employment Guarantee Act 2005 and focuses on providing the 'right to work' for people. The act was passed on 23 August 2005 (Ministry of Rural Development, 2005) and came into force in February 2006 during the UPA government of Prime Minister Manmohan Singh after being introduced in parliament by the Minister for Rural Development Raghuvansh Prasad Singh.

It works to increase the security of rural people by guaranteeing at least 100 days of work and wages each year to at least one adult member from every rural household who is willing to do unskilled work (Ministry of Rural Development, 2005; Chitravanshi, 2015; Comptroller and

Auditor General of India, 2013b). Women are given one third of the jobs offered by MGNREGA and efforts are in place to ensure that at least half of all jobs are for women (Chandra, Mukherjee, & Mukherjee, 2008). Durable assets (for example, roads, canals, ponds and wells) are another purpose of MGNREGA. A job has to be found within 5 km of the applicant's home and the employee must be paid at least the legal minimum wage. Applicants receive an unemployment allowance if they do not receive work within 15 days after applying. In other words, if the government doesn't ensure employment, it should provide unemployment allowances to those who are unemployed. As a result, your work under MGNREGA is protected by law. Apart from ensuring rural income and building assets, the MGNREGA is said to help protect the environment, support rural women, encourage fewer people to move from rural to urban areas and promote social equality (Ministry of Rural Development, 2005).

In 1991, then Prime Minister P.V. Narasimha Rao first introduced the idea of the act (Seetapati, 2015). After approval in parliament, the scheme started to be implemented in 625 districts across India. After the pilot, MGNREGA was expanded to provide services in all districts of India from 1 April 2008 (Ministry of Rural Development, 2005). The Ministry of Rural Development called the statute the "most ambitious and extensive social security and public works program in the world" (2012). In 2009 the World Bank joined other bodies in criticizing the act for making development more difficult by limiting how people move within their own countries (The Economic Times, 2009). The World Bank went so far as to call it an outstanding example of rural development in its World Development Report 2014 (The Economic Times, 2013). The main responsibility for MGNREGA lies with gram panchayats (GPs). The law claims that it offers many safeguards to support the management and enforcement of its rules. The law clearly states the principles, the agencies to carry them out, the types of works that can be funded, how the money will be provided, how progress will be checked and how transparency and accountability will be maintained (Dutta, 2015).

The Act is built on the Directive Principles of State Policy listed in Part IV of the Indian Constitution. It upholds Article 41 which orders the State to secure a right to employment for all citizens, as stated in the Constitution of India (2007; Dounzel, 2019). It also contributes to environmental protection by carrying out rural development activities under Article 48A (Constitution of India, 2007). Following Article 21 which ensures the right to a dignified life, the Act aims to give rural populations better access to jobs and higher dignity (Constitution of India, 2007; Dounzel, 2019). Article 16 of the Constitution which bars discrimination in public employment based on religion, caste, sex or place of birth, is followed by the Act (Constitution of India, 2007). The Act requires the State to ensure the welfare of Scheduled Castes and Scheduled Tribes and to protect them from exploitation, as specified in Article 46 (Constitution of India, 2007).

By Article 40, each village is required to have a village panchayat with enough powers to run itself independently, as shown in the Act by giving Gram Panchayats the main role in carrying out the law (Constitution of India, 2007). Because of the 73rd Amendment which established Panchayats in the constitution and due to MGNREGA, these rural bodies can now carry out the program (Ministry of Rural Development, 2005). The legislation also gives women more power by making sure that at least one-third of those involved in program implementation are women (Ministry of Rural Development, 2005).

Over the last 30 years, India has tried to create effective employment schemes for its millions of rural citizens. The government learned a lot from what happened during this time. Examples of these included the 'Rural Manpower Programme,' which brought up issues with financial

management; the 'Crash Scheme for Rural Employment,' which looked at planning the results; the 'Pilot Intensive Rural Employment Programme,' which carried out labor-intensive tasks; the 'Drought Prone Area Programme,' focused on developing the entire rural sector; the 'Marginal Farmers and Agricultural Labourers Scheme,' supporting rural economies; the 'Food for Work Programme,' aiming for overall development and better coordination with the Afterward, the Planning Commission backed and carried out the scheme across the whole country (Planning Commission, 2001).

In April 1989, the government blended NREP and RLEGP with JRY to help rural areas with work, infrastructure and food security. As a result, many tasks were transferred to local communities through village governments or Panchayati Raj Institutions (PRIs) which helped limit bureaucratic control (Planning Commission, 2001). In October 1993, the Employment Assurance Scheme (EAS) started to ensure agricultural laborers had jobs when cropping seasons were low, increase the role of PRIs and make the 'Zilla Parishad' the main authority to implement it at the district level. In 2001, EAS was joined with the Sampoorna Gramin Rojgar Yojana (SGRY) (Planning Commission, 2001).

On April 1, 1999, JRY was changed and given a new name, Jawahar Gram Samridhi Yojana (JGSY), with the same goals. The government made the 'Village Panchayats' the only bodies in charge of carrying out the PRIs' duties. In 2001, JGSY was also brought together with SGRY (Planning Commission, 2001). On September 25, 2001, the government blended EAS and JGSY under the new scheme, SGRY and kept the Village Panchayats to carry out the work (Ranganna, 2001). Because SGRY was difficult to put into practice, it was combined with MGNREGA in 2006 (Ministry of Rural Development, 2002). In January 2001, a new Food for Work Programme was introduced, just as the first had been and it was later merged with MGNREGA in 2006 (Dorairaj, 2006). In total, about 75% of the ₹1 trillion (US\$12 billion) budget was given to the precursor schemes that eventually became MGNREGA (Planning Commission, 2001). After 2005, the government introduced the Prime Minister Employment Generation Programme (PMEGP) (Centre for Science and Environment, 2007).

Rural India has struggled with poverty and few employment options since the time of British rule during the colonial era. As the colonial government concentrated on urban development, rural areas suffered which had consequences that lasted into independence. Because of land revenue policies, land was mainly owned by the few, leaving the rural poor with little. What's more, the British preference for export crops instead of food crops lowered productivity and resulted in famines in some districts. Colonialism's influence is still felt in rural areas today, as there are few resources for building infrastructure, limited assistance for social welfare and not enough job options. To deal with these issues, we must make a real effort to repair the past and make rural development a priority.

In answer to this, the Indian government created the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2005 to help rural areas fight unemployment and poverty. The program provides employment for 100 days every year to every rural household, so no one will go without a minimum amount of income. The MGNREGA scheme mainly provides jobs for people in activities such as road construction, water conservation and tree planting. The Ministry is responsible for the program's implementation and Gram Panchayats act as local officials who manage it in their villages.

#### [Review of literature](#)

Narayan et al. (2022) study the way MGNREGA played a key role in social protection, especially for women, during the COVID-19 pandemic. The research uses data from states and

qualitative analysis to show that, although women made up most of the workforce, their share dropped by 2% in 2020-21 because of pandemic impacts and migrants returning to their home towns. According to the research, when human development and worksite childcare are better in the south, more women are involved in the labor force, as seen by Kerala's use of women's self-help groups with MGNREGA. It stresses that removing gender barriers and copying well-performing decentralization models across the country will help more women get jobs under MGNREGA.

Narayan (2022) analyzes MGNREGA over fifteen years, with a special focus on how it helped people find work after the COVID-19 pandemic. Researchers discovered, using long-term government and survey data, that while the MGNREGA helped low-income groups, the period from 2014 to 2020 with the NDA government saw a decline in the number of people covered, as compared to the UPA years. Following the pandemic, MGNREGA is needed more than ever and needs to grow quickly to handle the extra demand. The paper suggests that the program can only be restored and expanded with strong political will.

Saha performs an empirical study on employment and asset creation by using official secondary data from the government for Harirampur Block in West Bengal from 2015 to 2019. It is shown that the plan has created considerable jobs and has built up community and personal assets in the area. The research shows that the way funds are implemented has improved each year, yet there are still difficulties in managing how funds are used and the quality of assets. The report points out that regular monitoring and local planning are important for improving both jobs and assets.

Ajith (2019) analyzes government data on fund allocation, job card issuance and the use of MGNREGA in Tamil Nadua from 2016 to 2017 to find out about the origins and results of the program. The analysis shows progress in financial inclusion but also points out that the amount of person-days generated fell short of the goals. Based on the research, the state should improve how funds are used and workplaces operate to achieve the full impact of the program.

Devaraj and Patel use two rounds of India Human Development Survey data and econometric analysis to see if MGNREGA participation influences whether people in rural India smoke. Their work shows that earning more through MGNREGA makes people more likely to smoke bidis which are less expensive cigarettes, suggesting MGNREGA participation may encourage unhealthy habits. But, caste, religion and literacy do not affect the impact of this. The research suggests that MGNREGA helps support people's incomes, but extra measures in health are needed to tackle increased tobacco use.

De looks at how tribal women are empowered through MGNREGA in India using both field research and existing data. The study looks at how jobs from MGNREGA are open to all, close to women's homes and help to boost their economic and social status. According to the research, male out-migration and equal pay have helped increase women's participation, yet there are still problems with the regularity and security of work. The report points out that MGNREGA helps meet both daily and long-term needs of women in rural areas, suggesting more help to keep them empowered.

Carswell and Cripps look closely at MGNREGA in Tamil Nadu by using both numbers and detailed interviews to reveal how the program is not the same for everyone. As a result of their investigation, it seems that wage payments, monitoring and social audits are not always correct which makes people concerned about how much the program is helping workers. The authors argue that even though MGNREGA has improved rural living standards, some important challenges remain that need to be sorted out to ensure fairness and responsibility.

Using field surveys and data from the government, Rajaretnam (2012) studies how MGNREGA affected people in Vidarbha, a region of Maharashtra with a distressed farming community. The analysis finds that few people actually get employment under the scheme, despite the high number of people applying and receiving job cards. Things such as delays in the process, doubts about receiving wages and tough manual labor keep people away from working. The findings show that MGNREGA has not helped much in reducing rural distress in Vidarbha, so focused changes are needed to help the rural population.

Nagnur, Rayanagoudar and Pawar examine the results of MGNREGA in Dharwad Taluka, Karnataka, using survey data and data from other sources. The study reveals that MGNREGA has helped lower seasonal unemployment and has given women a chance to earn equal wages and work. It finds that the program has boosted livelihoods, but more focus on infrastructure and educating the public can improve its advantages.

In 2010, Verma assessed how transparent and responsible MGNREGA was implemented by studying case studies and social audit reports focused on Andhra Pradesh. The paper highlights how social audits help encourage democracy and accountability. It points out how agencies and civil groups cooperate to find and stop corruption and provide good programs. The authors highlight that social audits are an important and unique innovation that helps the scheme achieve success and could be applied elsewhere.

Roy looks at how NREGS was put into practice in Tripura by studying qualitative interviews and secondary data. The findings show that the scheme supports people's livelihoods through reliable jobs and notes that the approach follows demand and is checked by social audits for openness. According to the conclusion, NREGS still proves to be a helpful and creative method for fighting poverty, as it needs ongoing attention to both social responsibility and local governance.

Table-1 Status of MGNREGA Scheme (India)

Total No. of Districts	Total No. of Blocks	Total No. of GPs	Total No. of Job Cards issued [In Cr]	Total No. of Workers [In Cr]	Total No. of Active Job Cards [In Cr]	Total No. of Active Workers [In Cr]	SC worker against active workers [%]	ST worker against active workers [%]
741	7,197	2,69,140	15.24	26.22	8.32	11.84	18.94	17.31

**Table-1: Status of MGNREGA Scheme (India)** presents a nationwide overview of the implementation scale and workforce participation under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). As per the data, the scheme is operational across **741 districts**, **7,197 blocks**, and **2,69,140 gram panchayats (GPs)** in India. A total of **15.24 crore job cards** have been issued, covering approximately **26.22 crore workers**. Out of these, **8.32 crore job cards** and **11.84 crore workers** are currently active, indicating ongoing participation. Among the active workers, **18.94% belong to Scheduled Castes (SC)** and **17.31% to Scheduled Tribes (ST)**, reflecting the scheme's outreach to marginalized communities and its role in promoting inclusive rural employment.

Table-2 Progress of MGNREGA (India)

II Progress	FY 2023-2024	FY 2022-2023	FY 2021-2022	FY 2020-2021
Approved Labour Budget [In Cr]	307.26	285.33	337.76	385.67
Person days of Central Liability so far [In Cr]	308.66	293.7	363.19	389.09
% of Total LB	101.6	103.61	107.53	100.89
% as per Proportionate LB	0	0	0	0
SC person days % as of total person days	19.18	19.55	19.17	19.87
ST person days % as of total person days	17.61	18.02	18.33	17.95
Women Person days out of Total (%)	58.9	57.47	54.82	53.19
Average days of employment provided per Household	52.08	47.83	50.07	51.52
Average Wage rate per day per person (Rs.)	235.63	216.57	208.84	200.71
Total No of HHs completed 100 Days of Wage Employment	44,94,352	35,96,873	59,14,761	71,97,090
Total Households Worked [In Cr]	5.99	6.18	7.25	7.55
Total Individuals Worked [In Cr]	8.34	8.75	10.61	11.19
Differently abled persons worked	5,01,439	5,04,167	5,76,250	6,06,149

**Table-2:** The table highlights the **progress of MGNREGA in India** over four financial years from FY 2020–2021 to FY 2023–2024, focusing on labour budget utilization, employment generation, and social inclusion. In FY 2023–2024, the **approved labour budget** was **307.26 crore person-days**, slightly higher than the previous year but lower than FY 2020–2021's **385.67 crore**, indicating a gradual contraction in planned employment. The **person-days generated under central liability** reached **308.66 crore**, marginally exceeding the approved budget with a **utilization rate of 101.6%**, reflecting continued demand for rural employment. Participation by **Scheduled Castes (SCs)** and **Scheduled Tribes (STs)** remained relatively stable at **19.18%** and **17.61%**, respectively. Notably, **women's participation** rose to **58.9%** of total person-days—its highest in the four-year span—indicating growing gender inclusion. The **average employment days per household** also increased to **52.08**, the highest since FY 2020–2021. Additionally, the **average wage rate per person per day** improved steadily to **₹235.63**, up from ₹200.71 in FY 2020–2021, reflecting enhanced income support. The number of **households completing 100 days of wage employment** climbed to **44.94 lakh**, a recovery from the sharp dip in FY 2022–2023, though still below the FY 2020–2021 peak of **71.97 lakh**. However, the **total households and individuals who worked** declined to **5.99 crore** and **8.34 crore**, respectively, compared to **7.55 crore** and **11.19 crore** in FY 2020–2021, showing a reduction in the overall coverage of the scheme. The number of **differently abled persons engaged** also slightly decreased to **5.01 lakh**. Overall, the data suggests improved efficiency

and inclusivity, especially for women, but highlights a continuing decline in the scale of employment generated under the program.

Table-3 Work Progress (India)

Works	FY 2023-2024	FY 2022-2023	FY 2021-2022	FY 2020-2021
Number of GPs with NIL exp	7,601	5,505	4,797	6,594
Total No. of Works Taken up (New + Spill Over) [In Lakhs]	220.44	231.18	235.43	222.39
Number of Ongoing Works [In Lakhs]	136.19	136.73	145.47	138.04
Number of Completed Works [In Lakhs]	84.25	94.45	89.96	84.35
% of NRM Exp. in MWC Blocks	65.84	65.4	65.34	64.52
% of Category B Works	59.88	62.24	56.13	64.97
% of Expenditure on Agriculture & Agriculture Allied Works	41.09	65.38	64.68	65.01

**Table-3:** The table presents the **work progress under MGNREGA at the national level (India)** for four financial years from FY 2020–2021 to FY 2023–2024, showcasing trends in implementation, focus areas, and performance. In FY 2023–2024, the number of **Gram Panchayats (GPs) with NIL expenditure** increased to **7,601**, indicating a rise in administrative inactivity or non-utilization compared to **4,797** in FY 2021–2022. The **total number of works taken up** (new and spillover) slightly decreased to **220.44 lakh**, continuing a gradual downward trend from **235.43 lakh** in FY 2021–2022. Similarly, **ongoing works** remained stable at **136.19 lakh**, comparable to the previous two years. However, **completed works** dropped to **84.25 lakh**, reflecting a decline in project closure compared to **94.45 lakh** in FY 2022–2023. On the thematic front, the **percentage of expenditure on Natural Resource Management (NRM) in Mission Water Conservation (MWC) blocks** remained consistent at **65.84%**, showing sustained policy focus on water conservation and environmental sustainability. The **share of Category B works**—which are typically household- or individual-benefit-oriented—declined slightly to **59.88%**, indicating a mild shift toward community-based projects. A major decline was observed in the **expenditure on agriculture and allied activities**, which fell sharply to **41.09%** from over **65%** in the previous three years, suggesting a significant shift in funding priorities or implementation focus. Overall, while work volume and NRM efforts remain steady, the data points to a growing number of inactive GPs, reduced agricultural focus, and slight stagnation in work completion rates.

Table-4 MGNREGA Financial Progress (India)

	FY 2023-2024	FY 2022-2023	FY 2021-2022	FY 2020-2021
Total center release (In Cr.)	88,217.29	88,290.43	96,812.25	1,09,810.68
Total Availability (In Cr.)	1,02,324.68	1,04,430.82	1,07,968.48	1,18,887.86
Total Expenditure [In Cr]	1,05,221.72	1,01,120.08	1,06,489.92	1,11,719.55

Percentage Utilization	102.83	96.83	98.63	93.97
Wages [In Cr]	74,050.12	65,266.08	75,091.63	#####
Material and skilled Wages [In Cr]	27,342.01	31,685.94	28,041.35	#####
Material (%)	26.97	32.68	27.19	27.48
Total Adm Expenditure [In Cr]	3,829.59	4,168.06	3,356.94	4,144.77

**Table-4:** The table presents the **financial progress of MGNREGA at the national level (India)** over four financial years, from FY 2020–2021 to FY 2023–2024, highlighting budget allocations, expenditures, and sector-wise distribution. In FY 2023–2024, the **total central release** amounted to **₹88,217.29 crore**, showing a continued decline from the peak of **₹1,09,810.68 crore** in FY 2020–2021. Despite the reduced release, the **total availability of funds** remained substantial at **₹1,02,324.68 crore**, largely due to unspent balances from previous years. The **total expenditure** for the year reached **₹1,05,221.72 crore**, resulting in a **utilization rate of 102.83%**, which marks an overutilization of available funds and reflects strong demand for employment under the scheme. **Wage payments** formed the largest expenditure component at **₹74,050.12 crore**, showing a significant increase from the previous year. However, **expenditure on materials and skilled wages** dropped to **₹27,342.01 crore** from **₹31,685.94 crore** in FY 2022–2023, reducing the **material expenditure share** to **26.97%**, down from a high of 32.68%. **Administrative expenditure** was recorded at **₹3,829.59 crore**, slightly lower than the previous year but generally consistent with prior trends. Overall, the data indicates a narrowing financial allocation with increasing actual expenditure, suggesting growing demand at the grassroots level and a greater focus on wage disbursement over material-intensive projects.

Table-5 Status of MGNREGA Scheme (Rajasthan)

Total No. of Job Cards issued [In Lakhs]	119.14
Total No. of Workers [In Lakhs]	233.37
Total No. of Active Job Cards [In Lakhs]	79.48
Total No. of Active Workers [In Lakhs]	113.62
(i)SC worker against active workers [%]	20.8
(ii)ST worker against active workers [%]	22.61

**Table-5: Status of MGNREGA Scheme (Rajasthan)** provides key insights into the scale and social composition of rural employment under the scheme in the state. As per the data, a total of **119.14 lakh job cards** have been issued in Rajasthan, covering approximately **233.37 lakh workers**. Among these, **79.48 lakh job cards** and **113.62 lakh workers** are currently active, indicating a substantial level of ongoing participation. Notably, the scheme demonstrates significant inclusivity, with **Scheduled Castes (SC) workers** constituting **20.8%** and **Scheduled Tribes (ST) workers** accounting for **22.61%** of the active workforce. These figures

highlight the role of MGNREGA in promoting employment and social support among marginalized communities in Rajasthan.

Table-6 Progress of MGNREGA (Rajasthan)

Progress	FY 2023-2024	FY 2022-2023	FY 2021-2022
Approved Labour Budget [In Lakhs]	3600	3400	3735
Person days of Central Liability so far [In Lakhs]	3751.58	3571.27	4242.61
% of Total LB	104.21	105.04	113.59
% as per Proportionate LB			
SC person days % as of total person days	20.9	21.39	20.94
ST person days % as of total person days	22.15	21.9	21.86
Women Person days out of Total (%)	68.71	68.24	66.68
Average days of employment provided per Household	58.75	56.28	59.92
Average Wage rate per day per person (Rs.)	200.89	189.77	182.62
Total No of HHs completed 100 Days of Wage Employment	5,09,350	4,53,482	9,91,738
Total Households Worked [In Lakhs]	63.85	63.46	70.8
Total Individuals Worked [In Lakhs]	86.97	88.07	100.86
Differently abled persons worked	30316	30477	30268

**Table-6:** The table illustrates the **progress of MGNREGA in Rajasthan** over three financial years—FY 2021–2022 to FY 2023–2024—highlighting key indicators of employment generation, inclusion, and fund utilization. In FY 2023–2024, the **approved labour budget** stood at **3600 lakh person-days**, slightly higher than the previous year but lower than FY 2021–2022. Despite this, the state achieved **3751.58 lakh person-days of central liability**, reflecting a **104.21% utilization** of the approved labour budget, indicating strong demand for work. The share of **Scheduled Castes (SC)** and **Scheduled Tribes (ST)** remained stable at **20.9%** and **22.15%**, respectively, while **women's participation** in total person-days continued to rise, reaching **68.71%**, the highest in the three-year span. The **average number of employment days per household** was **58.75**, consistent with previous years, and the **average wage rate** increased steadily to **₹200.89**, up from ₹182.62 in FY 2021–2022, reflecting better income support. A notable trend is the sharp decline in the **number of households completing 100 days of employment**, which dropped from **9.91 lakh** in FY 2021–2022 to **5.09 lakh** in FY 2023–2024, possibly due to budget constraints or reduced work availability. The **total households and individuals who worked** also declined gradually, with **63.85 lakh households** and **86.97 lakh individuals** engaged in FY 2023–2024, down from **70.8 lakh** and **100.86 lakh** in FY 2021–2022. The number of **differently abled persons employed** remained relatively stable. Overall, while fund utilization and women's participation have improved, the data reveals a shrinking reach in terms of total employment coverage and full-year employment under MGNREGA in Rajasthan.

Table-7 Work Progress (Rajasthan)

	<b>FY 2023-2024</b>	<b>FY 2022-2023</b>	<b>FY 2021-2022</b>
Number of GPs with NIL exp	21	7	4
Total No. of Works Taken up (New + Spill Over) [In Lakhs]	10.51	11.88	12.67
Number of Ongoing Works [In Lakhs]	7.62	7.93	9.33
Number of Completed Works	2,89,398	3,94,446	3,33,946
% of NRM Exp. in MWC Blocks	60.29	61.32	67.05
% of Category B Works	61.12	69.42	74.61
% of Expenditure on Agriculture & Agriculture Allied Works	44.77	44.07	46.28

**Table-7:** The table presents the **work progress under MGNREGA in Rajasthan** for three financial years—FY 2021–2022 to FY 2023–2024—highlighting trends in implementation, completion, and thematic focus. The number of **Gram Panchayats (GPs) with NIL expenditure** increased to **21 in FY 2023–2024**, up from just **4 in FY 2021–2022**, indicating a decline in local-level fund utilization. The **total number of works taken up** (including new and spillover) also declined steadily from **12.67 lakh** in FY 2021–2022 to **10.51 lakh** in FY 2023–2024, suggesting reduced scale of project initiation. Similarly, the **number of ongoing works** decreased to **7.62 lakh**, reflecting a slowing pace of execution. A sharp fall is observed in **completed works**, which dropped to **2,89,398** in FY 2023–2024 from a peak of **3,94,446** the previous year, indicating potential delays or underperformance in project completion. The **percentage of Natural Resource Management (NRM) expenditure in Mission Water Conservation (MWC) blocks** also declined gradually from **67.05%** in FY 2021–2022 to **60.29%**, though still forming a major part of the scheme’s environmental focus. The **share of Category B works**, which typically benefit individuals and households directly, fell significantly to **61.12%**, down from **74.61%**, showing a shift toward more community-oriented or infrastructure projects. Additionally, **expenditure on agriculture and allied activities** remained relatively stable but slightly declined to **44.77%**, reflecting a marginal reduction in the program's agricultural emphasis. Overall, the data points to a contraction in work volume, rising local inaction, and a shift in focus away from individual-benefit and agricultural works toward broader community infrastructure and water conservation efforts.

Table-8 MGNREGA Financial Progress (Rajasthan)

	<b>FY 2023-2024</b>	<b>FY 2022-2023</b>	<b>FY 2021-2022</b>
Total center Release [In Lakhs]	960807.93	970276.53	982563.52
Total Availability [In Lakhs]	1008561.48	1042519.01	1054382.64
Percentage Utilization	92.15	97.71	99.15
Total Exp (Rs. in Lakhs.)	9,29,349.4	10,18,622.56	10,45,387.11
Wages (Rs. In Lakhs)	7,40,820.68	6,76,603.51	7,74,541.81
Material and skilled Wages (Rs. In Lakhs)	1,75,198.42	3,11,451.9	2,14,271.53
Material (%)	19.13	31.52	21.67
Total Adm Expenditure (Rs. in Lakhs.)	13,330.3	30,567.14	56,573.77
Admin Exp (%)	1.43	3	5.41

Average Cost Per Day Per Person (In Rs.)	269.05	214.8	219.63
% of Total Expenditure through EFMS	99.94	99.96	98.13
% payments generated within 15 days	99.29	88.2	99.41

**Table-8:** The table provides a comprehensive view of **MGNREGA's financial progress in Rajasthan** over three financial years from FY 2021–2022 to FY 2023–2024, focusing on fund allocation, utilization, and expenditure breakdown. In FY 2023–2024, the **total central release** was ₹960,807.93 lakhs, slightly lower than in previous years, while the **total availability** stood at ₹10,08,561.48 lakhs. However, only **92.15%** of the available funds were utilized, a decline from **99.15%** in FY 2021–2022, indicating underutilization of resources. The **total expenditure** dropped to ₹9,29,349.40 lakhs, the lowest among the three years, reflecting a scale-down in overall program spending. Interestingly, **wage payments** increased to ₹7,40,820.68 lakhs, up from ₹6,76,603.51 lakhs the previous year, showing a greater emphasis on direct wage disbursement. In contrast, **material and skilled wages** plummeted to ₹1,75,198.42 lakhs from ₹3,11,451.90 lakhs, causing the **material expenditure share** to fall sharply to **19.13%**—significantly below the **31.52%** recorded in FY 2022–2023. **Administrative expenditure** also saw a drastic drop to ₹13,330.30 lakhs (1.43% of total spending), compared to **5.41%** in FY 2021–2022, indicating tighter control or cuts in management costs. The **average cost per person per day** rose to ₹269.05, reflecting increased wage rates or operational costs. Financial efficiency remained high, with **99.94% of payments processed through EFMS**, and **99.29% of payments generated within 15 days**, a strong improvement from **88.2%** in FY 2022–2023. Overall, the data indicates a shift toward prioritizing wage disbursement over material and administrative costs, with improved payment efficiency but a notable decline in fund utilization and total expenditure.

### Conclusion

MGNREGA is one of the biggest programs that helps rural people in India, reaching out to groups like the Scheduled Castes (SC) and the Scheduled Tribes (ST). In total, the scheme works in 741 districts, over 7,000 blocks and close to 2.7 lakh gram panchayats, handing out more than 15 crore job cards and involving more than 11 crore active workers. The scale reflects the role of the scheme in supplying rural livelihoods and in ensuring equity by involving a significant number of SC and ST employees.

Still, the latest financial figures show that both the scheme's reach and how it is implemented are shrinking. Between FY 2020–21 and FY 2023–24, both the labour budget and central liability for person days have fallen significantly, along with a major decrease in person days generated and households that achieved 100 days of employment. Although the wage rate has improved, reducing hours of work and the number of households and individuals employed suggest smaller support for living and working. Likewise, the drop in participation by differently-abled individuals is a new worry about inclusivity.

The statistics on work progress reveal that implementation is difficult, as more gram panchayats now report not having spent any money and there are noticeably fewer finished projects. Money being put into Natural Resource Management all the time indicates a lasting interest in nature, but a drop in investments in agriculture may affect many rural livelihoods. With the central government providing less money, resources becoming scarce and spending dropping greatly, the scheme cannot make use of all its resources and this threatens its effectiveness.

Although Rajasthan's data show the same trends as India, they also reveal some local differences. A majority of women and important involvement from SC and ST groups are shown in the state's work. At the same time, the big drops in labour budget use, the days worked by each household and the number of households finishing at least 100 days of work point to a major slowdown. A significant drop in active works, completed projects and expenses reveals difficulties in rural welfare and development in Rajasthan.

Although MGNREGA has been important for supporting rural areas and promoting equal growth, its recent declines in funding, participation and implementation are a big concern. For the scheme to continue to improve lives, it needs new attention, enough resources, careful tracking and good execution by those involved. It is necessary to keep investing and making strategic changes to ensure MGNREGA supports the most vulnerable, helps rural areas and reduces poverty in the country.

#### **Study Implication**

Studying the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) offers many key findings that are important for policy, practice and future research in rural employment and social welfare in India. Most importantly, we require more attention from leaders and a lasting financial commitment. If the fund allocation, use of labour budgets and overall expenditure keep falling, the main goal of providing employment to rural families could be at risk. Ensuring that there is enough and timely funding is necessary for restoring and widening the scheme, so that the most vulnerable can get the support they should.

Participation from Scheduled Castes, Scheduled Tribes and women is still important, but the decreasing number of employment days and active participation by differently-abled individuals shows that targeted actions are needed. These groups should be supported with extra outreach and programs to help them stay included and get equal chances for work. Without targeted efforts, these groups may be pushed even further to the side.

How well solutions can be put into practice becomes a significant issue. It is clear that at the local level, many gram panchayats are not spending money and there are fewer completed works. Making local government organizations such as Panchayati Raj Institutions stronger and increasing the use of social audits helps ensure that resources are used to create actual employment opportunities.

It is also concerning that spending on agriculture and allied sectors is decreasing because these sectors are vital for rural people. Through MGNREGA, increased investment in natural resource conservation and farm buildings can help rural areas become more sustainable and the farming community become stronger. Also, as wages increase gradually, it encourages more workers to join the workforce and boosts their financial situation. Making sure workers are paid on time and are given fair pay keeps them motivated and trusting in the program's fairness. Because employment metrics, financial information and progress reports can be accessed in detail, it is now easier to make decisions based on facts. Using this information to spot difficulties, differences between regions and new trends will help programs respond and improve better. Besides, ongoing research in both classrooms and the field is required to

improve understanding of the scheme's impact, get feedback from beneficiaries and adapt it to better meet the needs of rural poverty and unemployment.

There is also much room for MGNREGA to better align its activities with other rural development and welfare programs. Combining actions with health, education, women's empowerment and environmental programs can lead to better and wider improvement in rural areas.

In short, we need to approach revitalizing MGNREGA by boosting support, involving many groups, improving how things are done, encouraging green living and using data for better decision-making. For MGNREGA to maintain its role in rural employment and social equity, broad efforts must continue to be made.

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