

# National Rural Employment Guarantee Act Implementation Tracker by PAEG

The People's Action for Employment Guarantee (PAEG) is a group of activists, academics and members of peoples' organizations that came together to advocate for the National Rural Employment Guarantee Act (NREGA) in 2004. PAEG hopes to play the role of a catalyst in provoking discussion, peoples' monitoring and convening coalitions to strengthen NREGA implementation through research and advocacy. PAEG is also facilitating a series of consultations on an urban employment guarantee in collaboration with various campaigns, institutions and organizations.



## Why a NREGA tracker? Why now?

The NREGA is a lifeline for millions of rural poor. It guarantees 100 days of employment for each rural household at minimum wages. There are two important legislative provisions. Work should be provided within 15 days of demanding for work failing which the workers are entitled to an unemployment allowance. Workers should be paid within 15 days of completion of work failing which they are entitled to a delay compensation. While NREGA has always been vital, it has assumed renewed significance in light of the unemployment crisis induced by the lockdown. This weekly tracker is an attempt to closely monitor the performance of NREGA by making some key metrics available to everybody in an accessible manner. Some of the metrics would be updated weekly, some monthly, and some quarterly.

## Highlights of the Tracker

- All the data in this tracker is upto 03 August 2020 (except data on pending transactions, which was accessed on 10 August 2020).
- **48 percent** of the Total NREGA budget (revised) for 2020-21 has been spent in the first 4 months.
- **43 percent** payments transactions for the month of July are pending from the Central Govt.
- **Less than 12 percent** of NREGA funds left with the States.
- **38 lakh** new job cards made since April 2020.
- **4.17 lakh** households have completed 100 days of employment.
- **11 percent** more persondays of employment generated in the first quarter of FY 2020-21 compared to the projected Labour Budget in this period.
- **About 17 percent** demand for NREGA is **not met**.
- **More than 12 percent** unmet demand for employment in all the districts under Garib Kalyan Rojgar Abhiyan (GKRA).

48 percent of the total NREGA budget (revised) for 2020-21 has already been spent in the first 4 months.

Table 1 shows the status of fund availability in select states. The net balance is the difference between the total allotted funds and total expenditure including payment dues.

Though there has been an increase in allocation of funds to the states by Rs.12,000 crores between 02 July 2020 and 03 August 2020, the net balance of funds available with the states has fallen from 16.35 percent to 11.92 percent in this period.

Odisha has a negative balance of over 3 percent.

States like Uttar Pradesh and Andhra Pradesh have less than 5 percent of their allocated funds left. This is at a time when there is an unmet demand for employment of more than 27 percent and 14 percent in Uttar Pradesh and Andhra respectively.

Madhya Pradesh, Tamil Nadu, Rajasthan, Chhattisgarh, and Telangana have a balance of less than 10 percent.

Table 1. Status of fund availability

Select States	Total allotted funds to the States (in crores)	Total expenditure including payment due (in lakhs)	Net Balance (in lakhs)	Funds left as a percentage of total allotted funds (%)
Odisha	1,955.76	2,024.80	-69.04	-3.53
Uttar Pradesh	5,664.84	5,586.06	78.79	1.39
Andhra Pradesh	6,677.25	6,491.18	186.08	2.79
Madhya Pradesh	3,733.46	3,523.42	210.04	5.63
Tamil Nadu	3,148.07	2,909.01	239.07	7.59
Rajasthan	5,156.18	4,697.30	458.87	8.90
Chhattisgarh	2,498.66	2,271.54	227.12	9.09
Telangana	2,255.61	2,041.83	213.78	9.48
Bihar	3,730.97	3,276.28	454.69	12.19
West Bengal	6,160.12	5,013.01	1,147.11	18.62
<b>All India</b>	<b>55,071.38</b>	<b>48,506.42</b>	<b>6,564.96</b>	<b>11.92</b>
Source - MGNREGA MIS Report R.7.1 accessed on 03/08/2020				

43 percent payments transactions for the month of July are pending from the Central Govt

Table 2 shows that 42.77 percent of the total transactions and 39.79 percent of the total payments are pending for the month of July.

Over 3 crore transactions are pending for response upto July.

16.47 percent of the total transactions and 15.56 percent of the total payments are pending for the months upto July.

Table 2. Stage II Pending Transactions and Payments

Month	Number of Transactions pending for response (in lakhs)	% Transaction pending out of total	Amount pending (in crores)	% Amount pending out of total
April	0.27	0.26	2.38	0.19
May	28.10	5.16	285.16	4.14
June	51.01	6.85	504.02	4.73
July	244.33	42.77	3,505.81	39.79
<b>Upto July</b>	<b>323.70</b>	<b>16.47</b>	<b>4,297.37</b>	<b>15.56</b>
Source - MGNREGA MIS Report R14.6 accessed on 10/08/2020				

## 38 Lakh new job cards made since April 2020

Returning migrants and the stagnation in the rural economy has increased demand for NREGA employment and new households are registering for job cards and work.

14.68 lakh new job cards were issued in Uttar Pradesh alone which is an 8.64 percent jump from previous year.

In Telangana there has been a 4.56 percent fall in the number of new job cards issued this year compared to previous year.

Table 3 shows new job cards issued from 01st April to 31st July 2020 in select states and the percentage change in the new job cards issued this year compared to previous year.

Table 3: Job cards issued in from 01 April, 2020 to 31 July, 2020

Select States	New job cards issued (in lakhs)	New job cards issued as proportion of previous year job cards (%)
Uttar Pradesh	14.68	8.64
Bihar	5.82	3.46
Rajasthan	3.36	3.20
Andhra Pradesh	3.11	3.47
Karnataka	2.91	4.60
Telangana	-2.54	-4.56
<b>All India</b>	<b>38.11</b>	<b>2.75</b>
Source - MGNREGA MIS Report R5.1.1 for years 2019-20 and 2020-21 accessed on 03/08/2020		

## 4.17 lakh households have completed 100 days of work

2.26 lakh households had completed 100 days of work till July 2, 2020. It has almost doubled in just one month. However this is only 0.78 percent of those who have been employed under NREGA this year.

The scale of households completing 100 days of employment is much higher in states like Andhra Pradesh (1.90 lakh), and Chhattisgarh (70,000).

Table 4 shows the number of households that are about to complete their 100 days of employment. Roughly, 25 lakh households have completed more than 70 days of work till 02nd August.

This is a testament to NREGA's continued importance and underscores the need to increase NREGA entitlement to at least 200 days per household.

Table 4. Households that have nearly completed 100 days till 02 August 2020

Select States	71-80 days (in lakhs)	81-99 days (in lakhs)
Andhra Pradesh	2.44	3.93
Bihar	0.61	0.54
Chhattisgarh	0.97	1.04
Jharkhand	0.29	0.31
Karnataka	0.59	1.11
Madhya Pradesh	1.67	2.8
Odisha	0.77	1.19
Rajasthan	2.26	2.31
Telangana	1.34	2.04
Uttar Pradesh	0.99	1.45
West Bengal	1.09	1.6
<b>All India</b>	<b>10.74</b>	<b>14.07</b>
Source - MGNREGA MIS R5.1.3 accessed on 03/08/2020		

## 17 percent Unmet Demand

1.52 Crore people who demanded work have not been provided employment.

Unmet demand on July 2 was 22 percent. This has decreased to 17 percent as on 03 August.

Table 5 shows that there has been improvement in each of the select states (except Madhya Pradesh) between 10th July and 03 August to meet the unmet demand for work.

Table 5. Table showing Unmet demand for work

Select States	First Tracker (10 July 2020)		03 August 2020	
	Difference between persons demanded employment and persons provided employment (in lakh)	Percentage of people who demanded and didn't receive employment (%)	Difference between persons demanded employment and persons provided employment (in lakh)	Percentage of people who demanded and didn't receive employment (%)
Uttar Pradesh	35.43	30.64	33.57	27.47
Bihar	10.48	24.24	9.6	20.81
Madhya Pradesh	16.39	23.72	17.45	22.81
West Bengal	17.48	21.83	13.26	14.98
Rajasthan	19.11	20.92	16.63	16.95
Chhattisgarh	11.94	19.96	11.9	19.79
Andhra Pradesh	13.41	15.89	12.05	14.02
<b>All States</b>	<b>1.74 Crore</b>	<b>22.23</b>	<b>1.52 Crore</b>	<b>16.77</b>
Source: MGNREGA MIS Report R5.1.1 accessed on 10/07/2020 and 03/08/2020				



## Labour Budget

### What is Labour Budget?

In the third quarter of each financial year through a participatory planning process, every panchayat must prepare an estimated number of days of work (persondays of NREGA work) required to complete all the works planned for the next financial year. This is called the Labour Budget (LB) for NREGA required for that panchayat. Adding these LB for all the panchayats in each state, we get the LB for each state. Every state submits its LB to the central government by December of each year. The central government must then calculate and allocate the minimal amount of money required to ensure that each state's LB requirements are met. It is minimal because NREGA is a demand driven act so if there is more demand for work, funds should be available without any cap.

### What is Approved Labour Budget?

Consider this hypothetical example: Suppose the LB for some state for the next financial year is 50 cr persondays then the central government must minimally apportion funds so that 50 cr persondays of work can be generated in that state. However, in the last few years, even before the next financial year starts, the central government has been cutting down the LB of each state. So, in this example, the central government might arbitrarily decide to 'approve' only 40 cr persondays of work in that state. This in turn, implies that this state is financially constrained to generate NREGA work even if there is demand from workers. Such arbitrary rationing of each state's LB by the central government is called 'Approved Labour Budget'.

### How does the budgetary allocation for NREGA depend on Approved LB?

Let us consider the funds allocated for NREGA in 2017-18. The minimum required budget allocation for NREGA using the LB of all states was ₹72,000 crores. The actual budget allocation for NREGA in 2017-18 was only ₹48,000 crores. This was roughly the amount calculated using the Approved LB for that year. Therefore the actual budget allocation in 2017-18 using Approved LB was 33 percent lower than the minimal budget allocation using the LB. Even the revised estimates were more than 20 percent lower than what was required using the LB.

There is more. For 2017-18, the pending liabilities from previous years was Rs 10,778 crores. Therefore, the NREGA funds available for new works in that year was just Rs 48,000 cr - Rs 10,778 cr = Rs 37,222 crores. This was even lower than the requirement using Approved LB. This was about 48 percent lower than the funds required using the actual LB. This has been the pattern in each of the last 5 years.

### How are LB and Approved LB represented in the NREGA MIS?

The National Electronic Funds Management (Ne-FMS) guidelines issued in 2016-17 said the Management Information System (MIS) 'will not allow' states to 'generate more employment above the limits set by Agreed to LB'. This meant that the MIS would not even allow to register work demand of workers. Because of the Swaraj Abhiyan vs Union of India (2015) Public Interest Litigation, the central government was forced to cancel these guidelines.

Till 2018, there were two different reports in the MIS. One report showed the Projected LB for each state and another report showed the Approved LB for each state. Then the MIS report for the projected LB was removed. As of July 2020, there are conflicting reports in the MIS concerning LB and Approved LB. R 2.1.1 gives 'Monthwise Labour Projection Report' which is possibly the actual LB for each state. Another MIS report called R2.2.2 is named 'Approved Labour Budget Demand Month Wise and Persondays Generated'. However, upon opening the report we get 'Projected Persondays and Persondays Generated'.

The numbers in the two reports are different. It is therefore unclear whether these reports are showing the LB or the Approved LB.

Table 6 shows that upto July, the projected persondays of employment as per R2.2.2 is 50.33 higher than the projected persondays of employment as per R2.1.1.

Table 6. Projected persondays as per MIS Reports R2.1.1 and R2.2.2

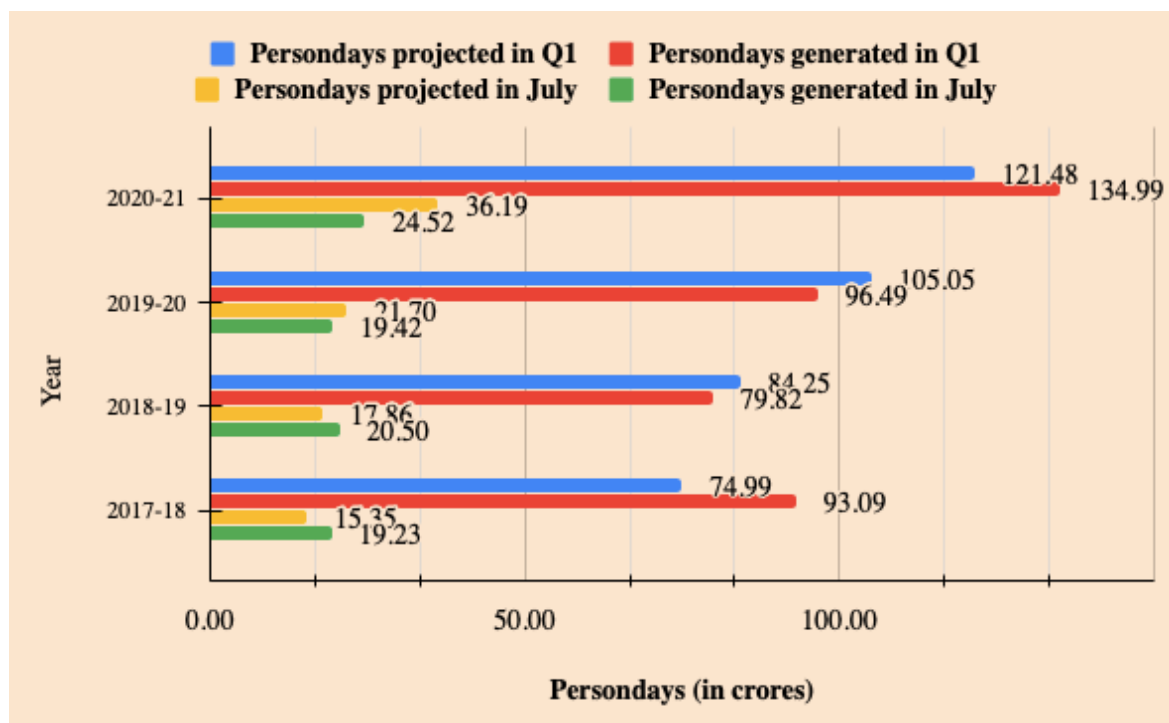
Months	Projected Persondays as in R2.1.1 (in crore)	Projected Persondays as in R2.2.2 (in crore)
April	26.37	22.29
May	29.11	49.14
June	28.52	50.06
July	20.88	36.19
<b>Upto July</b>	<b>104.88</b>	<b>157.67</b>
Source - MGNREGA MIS Report R2.1.1 and R2.2.2 accessed on 31/07/20		



11 percent more persondays of employment generated in the first quarter of FY 2020-21 compared to the Labour Budget projected in this period.

40 percent increase in the persondays of employment generated in the first quarter of 2020-21 compared to first quarter of 2019-20. This is yet another indicator of the importance of NREGA.

Figure 1. Persondays of employment projected and generated in the first quarter (Q1) and the month of July for 2017-18 to 2020-21



## Social Profile of workers - Women

Figure 2 shows the proportion of women in total persons employed and total persondays employed. No significant change in women employment in all the states. Data for Figure 2 is from MIS Report R5.1.1 and R5.1.5 accessed on 01 August 2020. The data for 2017-18, 2018-19, and 2019-20 is for the whole financial year. Whereas, the data for 2020-21 is from 01 April to 31 July, 2020.

Table 7 shows proportion of women in total persons employed and total persondays employed for select states.

Figure 2. Proportion of women in total employed



Table 7. Proportion of women in total persons and total persondays employed

Select States	Proportion of women in total persons employed		Proportion of women in total persondays employed	
	Three year average (%)	2020-21 (%)	3 year average (%)	2020-21 (%)
ANDHRA PRADESH	54.70	53.76	59.86	56.52
BIHAR	51.42	51.59	52.21	53.20
CHHATTISGARH	49.95	50.43	50.17	50.73
JHARKHAND	40.68	41.76	39.35	40.84
KARNATAKA	48.30	49.46	48.36	49.58
MADHYA PRADESH	41.18	42.94	37.33	41.71
ODISHA	43.58	44.12	42.46	44.22
PUNJAB	59.55	62.06	60.69	58.65
RAJASTHAN	60.65	61.23	66.34	65.50
TELANGANA	58.03	56.38	61.93	59.09
UTTAR PRADESH	35.31	32.92	34.84	33.39
WEST BENGAL	46.33	43.82	47.86	44.52
<b>All India</b>	<b>51.76</b>	<b>51.42</b>	<b>54.30</b>	<b>52.35</b>
Note - 2020-21 projections are only for the first four months of the financial year. Three year average is for the financial years 2017-18 to 2019-20				
Source - MGNREGA MIS Report R5.1.1 and R5.1.5 accessed on 03/08/2020				

## SC and ST Households

Figure 3. Proportion of SC and ST households provided employment out of total households from 2017-18 to 2020-21

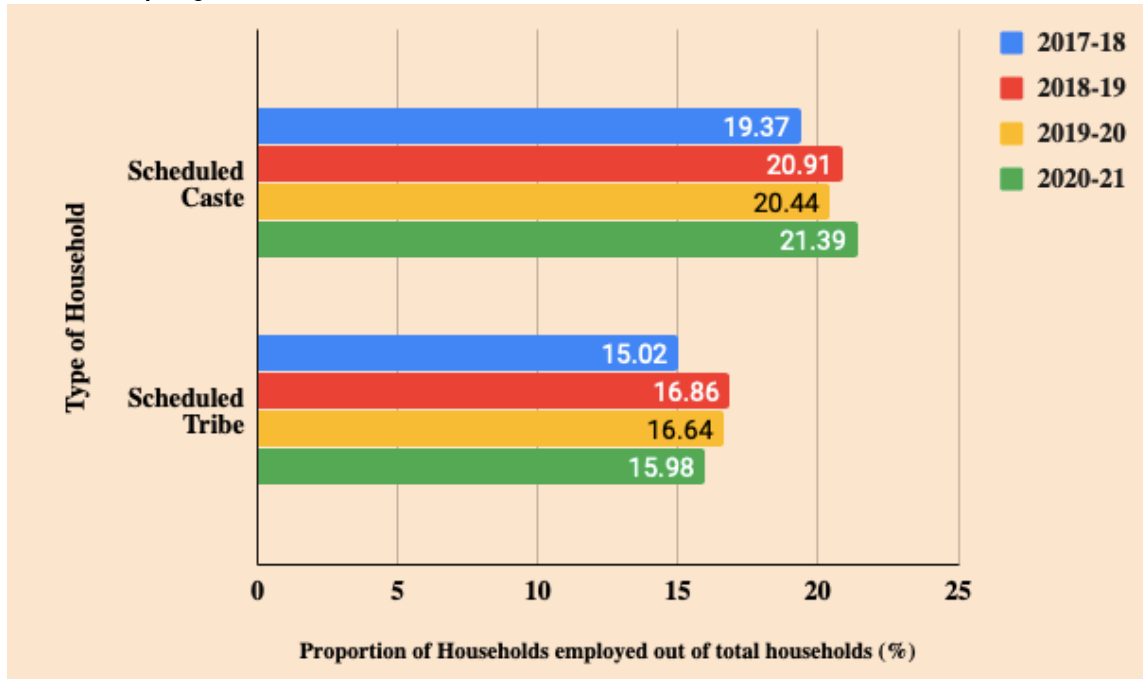
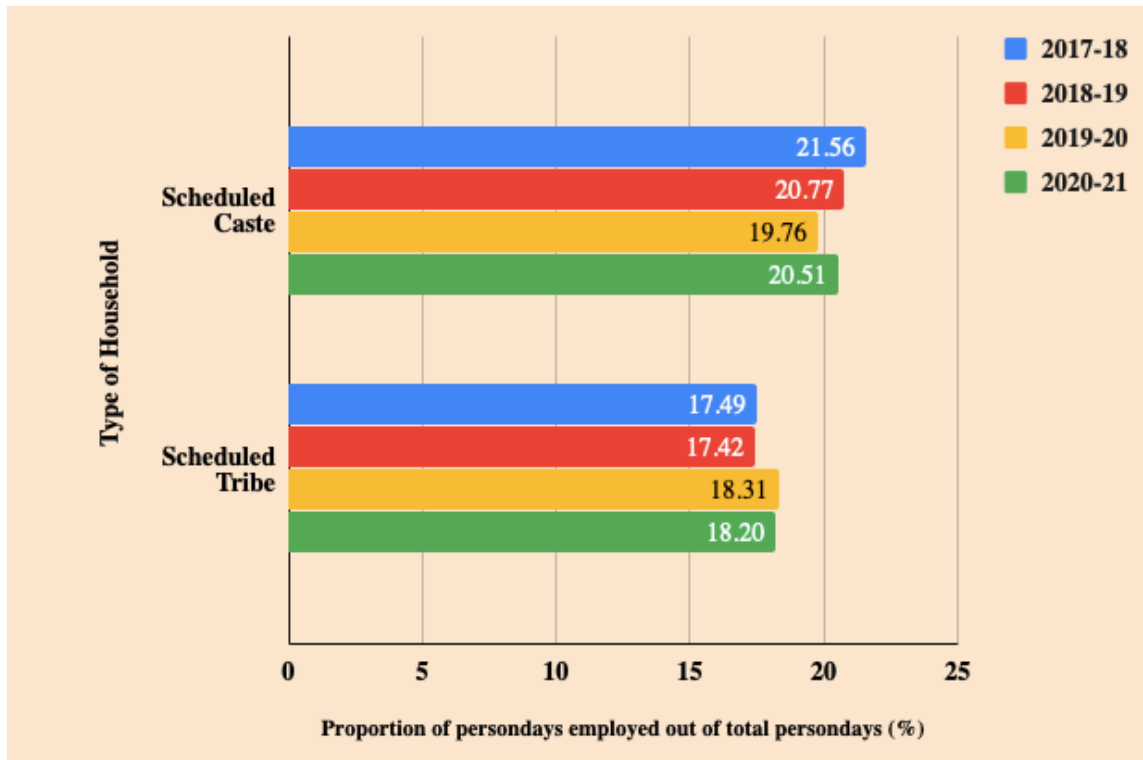


Figure 4. Proportion of persondays provided to SC and ST households out of total persondays from 2017-18 to 2020-21



## NREGA performance in districts under GKRA

In response to the migrant worker crisis, the Prime Minister launched the Garib Kalyan Rojgar Abhiyan (GKRA) on 20th June in 116 districts for 125 days. In each tracker we will focus on NREGA implementation in a sample of 10 out of the 116 GKRA districts.

Like in the previous tracker, we present some metrics of NREGA performance in a sample of 10 aspirational districts. Details in Table 8.

In Khagaria, for every 100 households that demanded work, 1/3rd of them were not provided work. Similarly, 1/4th households in Sitamarhi and 1/5th households in Banka, Begusarai, and Hazaribagh were not provided work till July.

Jamui, Nawada, Godda and Sirohi districts provided employment to 85 percent and above of the households that demanded work.

Table 8: NREGA employment in aspirational (and GKRA) districts

Select Districts	State	Households provided work out of total Households demanded work (%)	Households provided employment <15 days out of total households (%)	Households provided employment 15-30 days out of total households (%)
Banka	Bihar	77	30	35
Begusarai		79	28	42
Jamui		86	27	35
Khagaria		64	46	31
Nawada		85	31	32
Sitamarhi		73	29	46
Godda	Jharkhand	88	28	32
Hazaribagh		78	38	31
Karauli	Rajasthan	80	46	31
Sirohi		88	13	18
Source - MGNREGA MIS data (district-wise) - R.5.1 and R.5.3 accessed on 03/08/2020				

### Corrections in Previous Tracker

- Page 3, bullet point 3 “The scale of NREGA...shown in parentheses” - It was shown that 75000 HHs in Telangana completed 100 days of employment till 02 July 2020. The data on 03 August 2020 shows that only 17,000 HHs have completed 100 days of employment.
- Page 3, Table 1, Column 2 - The column heading was wrongly typed as 71-89 days. The actual heading is 71-80 days.

Source of all figures : [www.nrega.nic.in](http://www.nrega.nic.in), Ministry of Rural Development, GoI  
Reports downloaded between 31 July - 10 August, 2020

For comments and questions please get in touch:

[paeg.india@gmail.com](mailto:paeg.india@gmail.com)

M S Raunaq (8800901304) , Rajendran (9620318492) , Anindita  
(9871832323) , Debmalaya (7294184845), Anushka (7619404770), Nitish  
(8800725131)