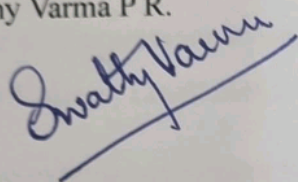


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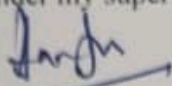
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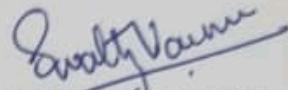
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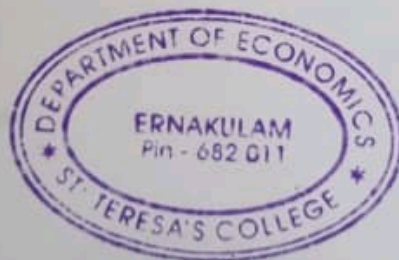
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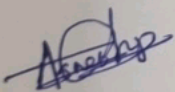


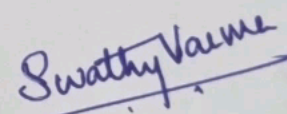


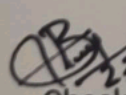
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**PERFORMANCE EVALUATION OF MGNREGA/VB-G RAM G
ACROSS INDIA:AN EMPIRICAL ANALYSIS**

Dissertation submitted to
St. Teresa's College (Autonomous), Ernakulam
(Affiliated to MAHATMA GANDHI UNIVERSITY, KOTTAYAM)

In partial fulfilment of the requirement of the degree of
MASTERS OF ARTS IN ECONOMICS

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CERTIFICATE

This is to certify that the dissertation titled “PERFORMANCE EVALUATION OF MGNREGA/VB-G RAM G ACROSS INDIA: AN EMPIRICAL ANALYSIS” submitted to partial fulfilment of the requirement of M A DEGREE IN ECONOMICS to ST. TERESA'S COLLEGE (AUTONOMOUS) affiliated to MAHATMA GANDHI UNIVERSITY, KOTTAYAM, is a bona fide record of the work done by the student under my supervision and guidance

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DECLARATION

I hereby declare that this dissertation entitled, “PERFORMANCE EVALUATION OF MGNREGA/VB-G RAM-G ACROSS INDIA: AN EMPIRICAL ANALYSIS” submitted by me for the M.A. Degree in Economics is my original work. This work has not previously formed the basis for other academic qualifications.

Signature of the supervisor.

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Signature of candidate

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CHAPTER I

1.1.INTRODUCTION

In a developing country like India, particularly where a considerable proportion of the population which depends on rural and other informal sources of income, employment generation and livelihood security, plays a crucial role in the process of economic development. India's rural labour market is outlined by under-employment, seasonal employment, lack of different livelihoods opportunities and income security. In these circumstances, public employment programs are considered as a notable policy instrument in order to alleviate poverty, lessen vulnerability and mainly to foster inclusive growth.

One of the most remarkable and significant initiatives undertaken by the Government of India is the Mahatma Gandhi National Rural Guarantee Act (MGNREGA), which was sanctioned in 2005 and executed from 2006 onwards. The act was implemented with the aim of providing at least 100 days of work in a financial year to each and every household of rural areas where the adult members are willing to undertake unskilled manual work.

It also aims at reinforcing rural livelihoods through the creation of long-term assets such as roads, canals, ponds, wells etc. The programme transparency and accountability is audited through social audits, timely wage, payment and involvement of Gram Panchayat institutions in planning and implementation etc. The performance of MGNREGA differs significantly among states and local bodies due to differences in financial management, administrative function, level of awareness and governance structure.

The government of India recently introduced Viksit Bharat-Guarantee for Rozgar and Aajeevika Mission (Gramin) Act (VB-G RAM-G, 2025), replacing the MGNREGA. This shows a significant change in the rural employment policy by reframing the design, funding structure and implementation methods under a modified statutory mandate. The act provides guaranteed employment for rural households from 100 to 125 days in a financial year and also changes the cost-sharing ratio to 60:40 scheme for the central government to fund most states. This also replaces the former open-ended labour budgeting system with normative allocations and allows temporary suspension of employment during peak agricultural seasons. These changes are considered as an attempt to align rural employment guarantees with broader national development objectives such as Viksit Bharat@2047 as well as the changes in fiscal and administration at national and state level.

In this context, the present study seeks to analyse the effectiveness of the MGNREGA scheme across India by examining its performance at state level. The study also analyses the performance of several indicators such as employment generation, timely wage payment, asset creation, participation levels and productivity enhancement of the scheme in a selected panchayat in Ernakulam district of Kerala State.

1.2.LITERATURE REVIEW

According to Lamaan Sami and Avas khan in their study (2016) MGNREGA is considered as a “Mullet Bullet” in getting rid of rural poverty and unemployment problems by bringing about demand for productive labour force in villages. It showed that there is a notable influence of MGNREGA in creating employment, increase in income and consumption of certain districts in India.

Jain and et.al (2025), in their study, represent MGNREGA as a “countercyclical automatic stabiliser” linking GDP downturns with greater work demand. In a nutshell the study points out that MGNREGs demand and supply of work are responsive to the aggregate economic activity.

Dr. Mohammed Taufique and et.al (2023) in their paper highlights the operational schemes and permissible works of MGNREGA and also examine the role of the scheme in generating employment opportunities, budget allocation, state wise employment generation and to evaluate the present status of MGNREGA in India. The scheme plays a positive role in alleviating rural poverty and lessening the rural urban migration from India.

Kumar Kancherala Pradeep (2015) states that there had been a positive impact of the scheme among the labour force participation mainly, among the female labour force. According to their study around 65.33% of debt burden was reduced in rural household and 67.66% of overall economic status has been increased. At the planning and implementing stage of the scheme, the participation of people and awareness level of the scheme was low to moderate. The study uplifts the need of bringing out more transparency in conducting social audits.

Saroj Kumari (2015), analysis the issues faced on the initial stage of MGNREGA such as spill over works, lack off staffs, inadequate preparation and low community awareness which in turn lead to some violations of the act. However, several other positive measures resulted in significant improvements in the performance of the programme. The increase in the actual wages given to beneficiaries from 33% to 76% showed increased transparency and effectiveness.

Kasala Srihari Chinna Shekhar (2017) shows that MGNREGA has accomplished in providing employment opportunities to the marginalized sections particularly SCs, STs, women, old people and agricultural labourers. The scheme has also strengthened security through inclusive participation and creation of productive assets. Even so, less wage rate than wages from agricultural works highlights the upcoming challenges that need policy attention.

Arsalan Ali Farooquee (2013) identify the growth and performance of MGNREGA using five key factors such as no of households who received work, average days of work per household, women’s participation, wage spending per household and the quality of asset being created. The study also points out the fact that several states are lagging behind. Whereas the states with less poverty and higher literacy rate prove to implement MGNREGA more efficiently and effectively.

M Bhattarai and et.al examines the effects of MGNREGA on household debt in Andhra Pradesh. The study highlights that the households participating in the scheme has shown a notable reduction in their debt level compared to non-participants. However, the scheme not

only reduced the household debt but also carried up long term asset creation and human capital development in Andhra Pradesh.

T.P Shashi Kumar (2015) the study depicts MGNREGA as a driving force of rural employment and infrastructure development in Karnataka district over the past years. Better use of funds, timely payment of wages and increase in job cards reflect stronger accomplishment of the scheme. Yet the study also points out the inconsistencies in generation of employment opportunities over year and delays in meeting work demand.

Sanjoy Singh et.al (2025) reveals that the social audits conducted in Madhya Pradesh are an effective tool for enhancing accountability in government programmes also boost workers awareness confidence and the potential to engage with local officials. The study also points out that social audits conducted do not function effectively in some areas because of limited public participation and weak Panchayat capacity.

Vineeta Chandra et.al (2025) highlights that most of the participants were middle aged, marginal farmers from SC with lack of education, income and small sized families. They only had less access to social activities, extension services and information. The study points out that most of the beneficiaries of the scheme faced challenges such as low wages and delayed payments. Therefore, the government should organize awareness programmes and demonstrations to address these issues.

Shree Mayurpuri M Gauswami (2017) emphasize the scheme as an important programme for ensuring rural employment and income generation. The study analysed that the percentage of household that received employment has declined over time and most of the spending is on unskilled wages. But the participation of STs and women is large indicating the wages have increased by 334% compared to 2006-2007.

Ajay Kumar (2023) in his study explains that MGNREGA has played a vital role in generating employment opportunities and supporting rural development across Himachal Pradesh. The demand for employment under the scheme in the state has increased from 2014-2015 to 2022-2023 in all districts. Apart from this the government expenditure also increased rapidly, indicating greater financial support for the programme.

Dr. Soorya Anand (2024) identifies clear difference between Kerala and other states based on the level and type of work carried out. It shows that the performance of Kerala was not better than other states ie, the scheme gives less superiority towards assets creating works as compared to others. Therefore, the study states that, the state has to focus on work implementation to ensure greater benefits and use of the scheme.

Sudha Narayanan and et.al (2014) the study reveals that most of the asset created under the scheme in Maharashtra are real, functional and useful to the beneficiaries. The scheme is mainly useful to small and marginalized farmers. The findings challenge the belief that MGNREGA in Maharashtra creates unfruitful assets, while also pointing up the need for better design, quality and maintenance to reinforce its long-term impact.

Dr. Mamata Patra and Dr. Debendra Nath (2023), in their paper shows that MGNREGA has played a crucial role in developing rural households in Odisha by ensuring employment opportunities to the rural poor, mainly in backward and tribal areas. The scheme has reduced migration and unemployment by creating work within the villages of the state. The study also indicates that, MGNREGA has helped in the creation of durable assets in Odisha and also

participation of women under the scheme has been increased. In spite of these positive outcomes, the study also highlights the challenges faced such as limited awareness, delay in wage payment, and delicate asset creation.

Salim Lakha (2011), in his study considers Rajasthan as a developing state in generating MGNREGA through strong prominence on social audits and accountability. The study shows that public participation and society involvement increases transparency, awareness and beneficiary's confidence level. However, political intervention and lack of administrative support, limits the effectiveness of the scheme and accountability mechanisms.

According to the study of Balasubramaniam P. and et.al (2022), MGNREGA in Tamil Nadu shows that the scheme's performance is not only based on employment generation but also based on strength of implementation and operational challenges. The study underlines several significant features such as direct bank payments, transparency, equal wage payment for men and women, and high participation of rural households. However, the scheme also faces certain challenges due to weak planning, poor monitoring skills and limited administrative capacity.

Tahawwar Husain and et.al (2025) in their study reveals that MGNREGA has played a significant role in creating employment operations and improving the livelihood of rural households in Uttar Pradesh. The study also points out that the performance of MGNREGA in Uttar Pradesh remains unbalanced. The study identifies that better targeting of oppressed groups, timely wage payments, and more aim on climate-resilience are important to reinforce the effectiveness and efficiency of MGNREGA's.

1.3. STATEMENT OF THE PROBLEM

The MGNREGA scheme was conceived as a rights-based, demand-driven rural development initiative aimed at enhancing livelihood security by guaranteeing 100 days of wage employment to rural households. Unlike short-term employment program MGNREGA was designed to promote inclusive growth and strengthen decentralised governance through Panchayati Raj Institutions. However, despite its nationwide implementation, substantial inter-state variations exist with respect to issuance of MGNREGA job cards, number of active workers, employment generation, wage payments and allocation of funds. Such variations raise concerns regarding equity, efficiency and the uniform realization of the scheme's objectives across states. Moreover, at the sub-national level, the performance and outcomes of MGNREGA largely depend on the functioning of local self-government institutions. Even within relatively developed states like Kerala, disparities may exist between districts and individual Panchayats. Therefore, there is a clear need to evaluate the performance of MGNREGA both at the state level and at the level of a selected Panchayat in Ernakulam district. Understanding these dimensions will help identify implementation gaps and policy measures necessary for strengthening the scheme's impact on rural households.

1.4.OBJECTIVES

1. To analyse the performance of the Mahatma Gandhi National Rural Guarantee Act (MGNREGA) across Indian states, with a specific focus on Kerala.
2. To evaluate the performance of MGNREGA using selected indicators at the Panchayat level in a selected Panchayat of Kerala State.

1.5. THEORETICAL FRAMEWORK

Keynesian economics places emphasis on government interventions to address circumstances where enough demand from the private sector is not forthcoming to support the achievement of full employment. According to Keynes (1936), unemployment occurs due to inadequate demand in the economy. At such times, government intervention to support aggregate demand can be achieved by undertaking government expenditure, especially on public works programs. The MGNREGA, which guarantees wage employment, primarily fulfils this Keynesian economics theory. As such, by providing up to 100 days of wage employment to the rural economy, this program achieves: An increase in aggregate demand, Stabilizing aggregate household incomes, Reducing seasonal and disguised unemployment, A multiplier effect on demand in rural India.

Grounded in Keynesian demand-side economics, MGNREGA represents a fiscal intervention aimed at addressing involuntary unemployment and stimulating aggregate demand in rural areas. The Composite Index of MGNREGA Performance (CIMP) constructed in this study captures the multidimensional effectiveness of this fiscal intervention. Higher CIMP values indicate stronger public expenditure transmission and enhanced employment generation, reflecting greater realization of Keynesian multiplier effects at the sub- national level.

1.6. METHODS AND DATA

Both Primary and Secondary data are used for the study. Secondary data were collected to analyse state level performance of MGNREGA across all India. The data were obtained from official MGNREGA portal, Ministry of Rural Development reports and state-level publications. The data were used to compare employment generation, participation patterns, and performance indicators across states.

The study employs a composite index approach to evaluate the performance of the MGNREGA programme in India, using state wise and year-wise data derived from MGNREGA website. Further relevant data have been gathered from the Census of India 2011. Key indicators incorporated into the index include household employment coverage, SC/ST and women participation, average days of employment per household, completion of 100 days of work, disabled person participation and the share of wages in total expenditure. Combining all these indicators, an index named as ‘Composite Index of MGNREGA Performance (CIMP)’ is prepared to capture the performance of MGNREGA in different states using the methodology developed by Mishra & Nathan (2008) and Sarma (2010).

The micro-level evaluation is based on primary data collected from the selected beneficiaries. The study was conducted in the state of Kerala, with specific focus on Ernakulam district, Edappally Block and Cheranalloor Panchayat. Cheranallur Gram Panchayat which depict a mix

of highly urbanized areas, coastal villages and also combines economic prosperity with persistent livelihood vulnerabilities in-order to examine the functioning of MGNREGA. A structured questionnaire was prepared to collect primary data. The population of the study consists of total MGNREGS workers in Kerala. Cheranalloor Panchayat has 403 active job card holders, which constituted the sampling frame. A total of 39 beneficiaries (9.7 per cent of active job card holders) were selected for the study. The selection was carried out based on the availability of workers, after contacting the Panchayat authorities who provided information regarding ongoing worksites and worker presence. The researcher visited the identified worksites and conducted direct interviews with the beneficiaries using a structured schedule. In spite of these positive factors a significant number of households in these panchayats depend on MGNREGA scheme for full employment. A purposive sampling technique was adopted for the study. The collected data were examined and analysed with the help of simple statistical and graphical tools, which was mainly used to compare the performance and to examine the responses collected from the workers of the scheme. The period of study is from 2021-2022 to 2025-26.

The MGNREGA performance across different states has been computed and also visualised in a geo-map that is prepared R software. The analytical framework adopted in field survey is consistent with approaches used in official MGNREGA evaluation reports by the Ministry of Rural Development, which examine programme access, employment and wage delivery and beneficiary awareness as key dimensions of performance.

1.7. SCOPE OF THE STUDY

The study examines the performance and implementation of MGNREGA at both interstate and grassroot levels. It considers several selected states of India in-order to compare employment generation, worker's participation, timely wage payment, and fund utilization. It also examines key indicators such as household employment coverage, participation of SC/ST, women, and disabled persons, average days of employment completion of 100 days of work and wage expenditure. At the micro level, the study focuses on a selected Panchayat of Ernakulam district in-order to assess the scheme's impact on rural household in terms of local governance and implementation efficiency. The findings are expected to provide insights into the efficiency and effectiveness of the scheme, identify implementation gaps and provides information regarding the areas for improvement.

1.8. CHAPTER SCHEME

The chapter is organized into five parts:

First chapter deals with the concept and policy background of the study by introducing the Mahatma Gandhi National Rural Employment Guarantee Act as a right based rural employment program across India. The chapter outlines the statement of the problem, objectives, theoretical framework, methodology, the scope of the study, chapter scheme and limitations.

Second chapter presents a systematic review of existing literature related to MGNREGA. The review is organised under thematic areas such as employment aspects, financial aspects, women's participation and Scheduled Caste and Scheduled Tribe participation in the scheme.

Third chapter mainly focuses on the performance of MGNREGA across several selected states of India using secondary data.

Fourth chapter deals with the micro-level analysis of MGNREGA in a selected Panchayat of Cheranallur in the Ernakulam district.

The final chapter outlines the major findings of the study with respect to the stated objectives.

1.9. LIMITATIONS OF THE STUDY

- The study focuses on the secondary data obtained from official MGNREGA portals and government reports for inter-state performance analysis. This may lead to reporting delays, data revisions which in-turn affect the accuracy of inter-state comparisons.
- The study is limited to a selected panchayat of Ernakulam district with a sample population. Therefore, the findings obtained from primary data collection cannot be generalised to all panchayats in Kerala or across India.
- The primary data is completely based on the personal experiences and insights of the respondents, which may involve certain bias such as difference in opinion regarding satisfaction levels and wage delays. The study is confined to a specific time period and therefore it does not cover long-term impacts.

CHAPTER II

MGNREGA / VB-G RAM G Scheme-
Historical Background and Policy Framework

MGNREGA stands for Mahatma Gandhi National Rural Employment Guarantee Act, which ensures employment programs as a legal right for at least 100 days of wage employment in a financial year to every household of rural areas whose adult members are willing to do unskilled manual work. This was enacted in the year 2005 and implemented from 2006 onwards. Initially, this was implemented across 200 districts and later extended to cover all rural districts of the country.

2.1. Salient Features of MGNREGA

- Guarantees employment as legal right to the adult members of rural household, in which the members are willing to do unskilled manual work at least up to 100 days in a financial year.
- Equally applicable for all the villages in each district.
- Each and every rural household is provided with a right to register under the MGNREGA, and job cards are being issued to every household.
- The work is given within 15 days, and if there is any delay, the unemployment allowance is provided.
- Wages are often paid through bank accounts.
- Conduct social audits and ensure proper Punjab, involvement, emphasizing transparency and accountability.
- Focus on the creation of durable assets and rural development works such as roads, plantations, canals, water conservation, and land development.

2.2. Reframing Rural Employment through the Viksit Bharat–G RAM-G Bill, 2025

For about 20 years, the rural employment policy across India has been closely associated around the Mahatma Gandhi National Rural Employment Guarantee Act introduced in 2005. The act showed a historic change in India's welfare profile by legally guaranteeing wage employment to rural households. For the majority of the households facing seasonal unemployment, uncertain farm income, and migration MGNREGA became a major livelihood support by stabilizing income, providing employment opportunities and creating durable assets, such as ponds, roads, canals, etc. Unlike the other poverty alleviation programs, MGNREGA considered employment as a legal right rather than a benefit. Over the years, the program has also evolved. Payment of wages became digital, Aadhaar Linked systems were introduced, which improved transparency and assets were geo- tagged for monitoring purposes. In many of the villagers, women were considered as the backbone as women's participation increased significantly. Regardless of these improvements, several challenges existed such as

delays in wage payments, under-utilization of funds, mismatch between sanctioned works and local needs, which underlines the need for more efficient and a forward-looking scheme framework. In late 2025, the Government of India put forward the Viksit Bharat-Guarantee for Rozgar and Ajeevika Mission (Gramin) Act, replacing the entire Mahatma Gandhi National Rural Guarantee act. Rather than continuing in its old form, the new framework shows a significant change in the Rural Employment Policy by reframing the design, funding structure and implementation methods under a modified statutory mandate. It maintains the key idea of guaranteeing work and also tries to connect employment with long-term rural transformation rather than short-term. One of the major changes in the new scheme is the increase in guaranteed employment for 100 to 125 days per rural household, offering greater income stability. Along with that, 60 days of pause in public work during peak agricultural seasons shows the importance of agriculture in rural livelihood. Instead of showing a competitive behaviour, the new scheme attempts to balance both agricultural productivity and wage employment opportunities. Another significant factor is the stronger linkage between employment generation and rural infrastructure creation under VB-G RAM-G. The wage employment is directly connected to long-term development facilities such as water security, climate adaptability, rural development, storage infrastructure, and durable asset creation. It represents a shift from segmented asset creation to strategized asset generation. All the assets created under the scheme are put together in the National Rural Infrastructure Stack, which facilitates better tracking, collaborative planning, and coordination at the national level. The bill also strengthens the decentralized planning. Gram Panchayats are expected to prepare well structured developmental plans according to the nation's priorities. This ensures that rural employment becomes a part of coordinated strategy. The annual cost of the mission is estimated at 1.57 lakh crore, with the Centre contributing around 95,700cr. The cost sharing ratio is 60:40 where 60 for Central and 40 for the state with more centralized support for North-eastern and Himalayan states. Overall, the shift from MGNREGA to Viksit Bharat-G RAM-G is considered as an attempt to reframe rural employment for a new upcoming generation. The Viksit Bharat 2047 bill was introduced in-order to align rural livelihood with a broader vision.

2.3. MGNREGA – Inter-state Comparison

Table: 2.3.
Inter-State Comparison of MGNREGA (Active workers and Scheme participation)

States	Total Registered Workers	Active workers	% Active Participation
Andhra Pradesh	1,24,69,979	95,45,419	76.55
Bihar	2,73,41,807	98,59,440	36.06
Gujarat	98,98,571	25,05,855	25.32
Himachal Pradesh	28,93,290	13,92,545	48.13
Karnataka	1,85,74,379	75,76,801	40.79
Kerala	59,82,209	22,94,022	38.35
Madhya Pradesh	1,91,45,379	1,00,41,684	52.45
Maharashtra	3,33,55,727	87,10,061	26.11
Odisha	1,10,31,423	66,75,855	60.52
Rajasthan	2,34,92,673	1,16,79,951	49.72
Tamil Nadu	1,10,51,617	88,94,763	80.48
Uttar Pradesh	2,35,41,626	1,18,72,534	50.43
West Bengal	2,57,04,024	18,46,862	7.19

Source: Secondary data

The table shows an interstate comparison of Mahatma Gandhi National Rural Employment Guarantee Act regarding total registered workers, number of active workers, and the percentage of active participation among selected states. It is clear from the table that the number of active participations differs widely among the states, showing variation in demand for work, effectiveness of implementation, and administrative efficiency. States like Tamil Nadu and Andhra Pradesh show a high active participation rate, indicating full and better utilisation of job cards and timely wage payment and states like Gujarat, Maharashtra, Kerala, and Bihar show moderate levels showing that a particular proportion of workers are not engaged in work under the scheme. On the other hand, West Bengal records the most lower participation rate, showing a significant underutilization of the scheme. This may be due to limited work availability, delays in wage payment, and social insecurities.

Table 2.4
Financial and Employment details under MGNREGA (Kerala)

Indicators	2021-22	2022-23	2023-24	2024-25
Central Government Expenditure	34,781.5	38,546.8	30,849.5	30,447.9
State Government Expenditure	40,226.8	39,910.7	39,686.5	40,115.3
Total Expenditure	31,521.7	29,879.4	33,243.6	31,079.1
Average Wage per Day	89.6	77.5	107.8	102.1
Total Employment Generated	81,469.2	86,642.2	51,262.9	71,305.1

(Person-days in lakh)				
Women Participation (%)	20.73	22.48	13.36	18.66
SC Participation (Person-days in lakh)	9,277.3	13,660.1	13,166.3	19,057.1
SC Participation (%)	2.31	3.42	3.32	4.75
ST Participation (Person-days in lakh)	312.46	362.88	374.6	417.2
Employment Under Asset Creating works (Person-days in lakh 25%)	20,367.3	21,661.6	12,815.7	17,826.3
Total Wage Expenditure	54,456.7	13,632.5	88,370.7	96,673.8

Source: Government estimates reported in Mathrubhumi (29.12.2025)

The table represents the changes in expenditure, wage levels, social participation during the period 2021-22 to 2024-25 under MGNREGA particularly in the state of Kerala. The table underlines a noticeable year-to-year variations in financial allocation and employment outcomes. During 2022-23, the employment generation in terms of person-days was the highest and then showed a decline in 2023-24, followed by a partial improvement in the year 2024-25. This reflects that the external factors like fiscal adjustments and changes in design of the scheme influenced employment provision. By ensuring active participation of socially disadvantaged groups, the scheme helps in reducing the social and economic disparities existing in the rural areas.

Table 2.5
Estimated Financial Allocation under MGNREGA (2024-25)

Indicators	Amount (in crore)
Total Estimated Expenditure	1,24,316.00
Central Government Share (40%)	49,726.40
State Government Share (15%)	10,695.80
Local Body Contribution (15%)	2,858.60
Total Wage Expenditure	1,37,870.90

Source: Government estimates reported in Mathrubhumi (29.12.2025)

The above table presents estimated financial allocation of the MGNREGA for the year 2024-25. The table shows that the total estimated expenditure is about 1,24,316.00 crore, and a major portion of the total expenditure is assigned to wage payment, i.e., 1,37,870.90 crore is being

allotted. The central system contributes the highest share of 40%, and the State and Local body contribute 15%. This, cost-sharing pattern shows a shift from earlier funding arrangements. This also plays as a key role for sustainable rural development.

2.6.Social Inclusion Under MGNREGA

Social inclusion is an essential feature of MGNREGA. The act particularly aims to strengthen the most marginalized sections of the society, such as Scheduled Castes (SCs), Scheduled Tribes (STs), Other Backward Castes (OBCs), women, and other helpless groups, by confirming their participation in employment generation programs and protecting their rights.

- **Constitutional and legal basis:**
MGNREGA is basically a scheme that provides employment as a legal right for at least 100 days of work in a financial year. This legal guarantee ensures that no one of the backward or lower group is excluded from the program, and their demand for the work should be considered within a certain time period.
- **Women's participation:**
One of the most important core features of this scheme is its prominence on gender inclusion. According to the rules of the act, at least one-third of the beneficiaries must be women. And in some states like Kerala, Tamil Nadu, and Odisha, 40 to 60 percentage or more women participations have been achieved. This led to multiple inclusive outcomes, such as increased economic independence, improved household decision-making, and recognition of women's work.
- **Empowerment of SC, ST communities:**
The scheme mainly focused on providing livelihood support to SC, ST of rural areas who suffer from lack of employment opportunities. Inclusive provision provides preference in job allocation when demand for labour is equal and monitoring of SC, ST involvement.
- **Inclusion through Panchayat Raj institutions:**
The scheme empowers local self-governance by particularly Gram Panchayats and Gram Sabha's in planning and execution of the project. These institutions help the marginalized groups to take part in decision-making process, influence work selection, conduct social audits to monitor transparency and accountability.

2.7. STUDY AREA- ERNAKULAM DISTRICT

Ernakulam District is taken as the primary study area for this research because it shows a distinctive combination of economic development and livelihood vulnerability that is not fully shown in the broader analysis of Kerala. As Ernakulam is situated in the central part of the state, the district consists of coastal regions, backwaters, midland villages, and a highly urbanised core situated around Kochi. However, several rural and semi urban areas continue to depend on informal sources for livelihood support. This typically makes Ernakulam an appropriate place to analyse the significance and performance of MGNREGA, a rural employment guarantee program. In spite of the high literacy rate, around 96% and better

infrastructure facilities, an ample proportion of household faces under-unemployment, seasonal unemployment, particularly those engaged in fishing, construction, farming, and other informal works. According to the data of MGNREGA participation, the demand for wage employment still remains even in a developed district like Ernakulam. This showed that economic growth alone did not ensure livelihood security to most of the population. Therefore, Ernakulam is marked as a district to study the operation and functions of MGNREGA, where development and vulnerability exist.

2.7.1. Selected Panchayat

Cheranallur Gram Panchayat was selected as the study area because of its unique socio-economic profile and semi-urban rural features. Cheranallur performs as a rural local body, which is a part of Kanayannur Taluk. The Panchayat consists of 20 wards with 458 MGNREGA active workers and administers the village of Cheranallur within its power. Cheranalloor Panchayat has 403 active job card holders, which constituted the sampling frame. A total of 39 beneficiaries (9.7 per cent of active job card holders) were selected for the study. According to 2011 census, Cheranallur has a population of approximately 43,000 residents and a literacy rate of over 97%, which is higher than the state average. In spite of these indicators, many households in Cheranallur depend on informal and casual work. Income stability remains as a concern for most of the population in the Panchayat. This makes Cheranallur an important area for analysing how rural employment guarantee scheme functions. Therefore, the implementation of MGNREGA in the Panchayat helps to reduce these socio-economic challenges by offering work opportunities, timely wage payment, income security, and reducing migration. Thus, this study area is appropriate as Cheranallur Gram Panchayat functions as an efficient area to analyse the advantages, implementation and obstacles of MGNREGA scheme in supporting livelihood of rural households.

CHAPTER III

Performance Analysis of MGNREGA in India

Performance Analysis of MGNREGA

The Mahatma Gandhi National Rural Employment Guarantee Act serves as a demand-oriented employment program that aims at strengthening rural livelihood. The act was executed with the aim of providing at least 100 days of paid work to each and every household of rural areas where the adult members are willing to do unskilled manual work. This chapter focuses on the financial aspects of the Mahatma Gandhi National Rural Employment Guarantee Act. It analyses how funds are being allocated, distributed, and utilized under the scheme across India, with special reference to the Kerala state.

Rural regions characterized by intense poverty, disguised unemployment, and limited work opportunities, public work programs such as MGNREGA play a crucial role in ensuring income security and thereby reducing economic vulnerability. From the Maharashtra EGS (1972–73) to the national MGNREGA (2006–07), India has undertaken a number of labour-intensive public works projects, drawing on international experiences and development viewpoints like Nurkse's surplus-labour theory. **(S Mahendra Dev, IGIDR, Impact of 10 years of MGNREGA: An overview).**¹

Since the 1990s, India's economy has grown rapidly and steadily, averaging roughly 7% per year between 1990 and 2000. Nevertheless, neither the socially vulnerable caste groups nor households in the lowest income quintiles have seen an improvement in living conditions as a result of this improvement (Gupta, 2018). Rather, data indicates that economic expansion has exacerbated intra and inter-state disparities and sustained rural poverty, with 33.3% of rural residents living below the poverty line in 2009-2010 (Ghosh & Chandrasekhar, 2007; Panagariya, 2014). **(Patwardhan & Tasciotti, 2022).**²

Dr.Gunabhagya's report, "Performance Analysis of MGNREGA in Karnataka" offers an empirical assessment of the Mahatma Gandhi National Rural Employment Guarantee Act's implementation effectiveness in each of Karnataka's districts. The main objective of the study is to evaluate district-level performance using specific indicators that represent the program's overarching objectives. Its three main objectives are to analyse trends and patterns in public spending on MGNREGA, assess inter-district differences in implementation results, and provide evidence-based policy recommendations to increase the program's effectiveness. According to the study, households only receive half of the guaranteed employment days and only a small percentage of them reach 100 days. Additionally, districts with lower performance levels spend more on material and administrative expenses than wages, highlighting the need for improved planning, long-term initiatives and increased trust and access for vulnerable groups.³

¹S. Mahendra Dev, *Impact of 10 Years of MGNREGA: An Overview*, Indira Gandhi Institute of Development Research (IGIDR), Mumbai.

²Sharvari Patwardhan and Luca Tasciotti, "The Effect of the Mahatma Gandhi National Rural Employment Guarantee Act on the Size of Outstanding Debts in Rural India," *Journal of Development Effectiveness*, 15(4), 2022, pp. 353–372. <https://doi.org/10.1080/19439342.2022.2103169>.

³Gunabhagya, *Research Report on Performance Analysis of MGNREGA in Karnataka*, Research Report No. 4/2023-24, Government of Karnataka Fiscal Policy Institute, Bengaluru.

3.1. PERFORMANCE OF MGNREGA PROGRAMME IN INDIA

3.1.1. Growth of public expenditure on MGNREGA in India

At the national level, the total fund allocation was Rs. 32,74,626.75 lakhs in FY 2013-14 and increased to Rs. 1,09,81,068 lakhs in 2020-21. Further, it declined to Rs. 63,35,919 lakhs in FY 2025-26.

Table 3.1

Growth of public expenditure on MGNREGA in India

Year	Central Release(Lakhs) Amt in Rs	Per HH allocation (amount Rs.in Lakhs)
2013-14	32,74,626.75	6831.39
2014-15	32,13,910	7767.20
2015-16	35,97,464	7473.85
2016-17	47,41,172	9255.76
2017-18	55,65,993	10879.79
2018-19	62,12,507	11788.44
2019-20	71,02,035	12959.92
2020-21	1,09,81,068	14544.46
2021-22	96,81,225	13353.41
2022-23	88,29,043	14286.48
2023-24	88,21,729	14727.43
2024-25	85,64,055	14816.70
2025-26	63,35,919	13864.16
CAGR	5.65%	6.08 %
AAGR	6.15%	6.42%

Source: Author estimate, MGNREGA, Ministry of Rural Development, GOI.

The Compound Annual Growth Rate (CAGR) for fund allocation has been 5.65% over the period, reflecting consistent growth in the total funds allocated by the government. Conversely, the Average Annual Growth Rate (AAGR) for fund allocation is slightly higher at 6.15%. Regarding household per allocation, the CAGR indicates a growth rate of 6.08%, while the AAGR shows a slightly lower average growth rate of 6.42%. The increase in the amount of money allotted to each household under the MGNREGA scheme in India over the 12 years is reflected in this growth in the per-household allocation.

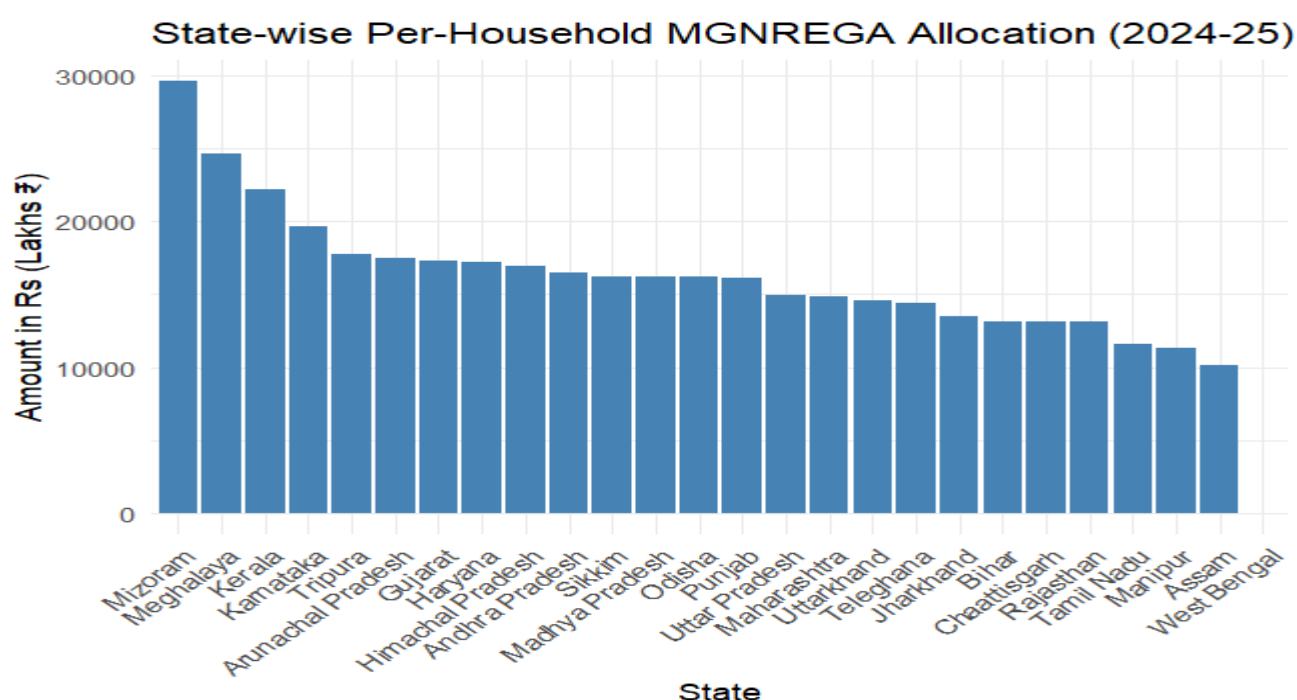
3.1.2. State wise per household allocation under MGNREGA

The allocation of funds per household under MGNREGA varies significantly across states, with Mizoram, Meghalaya, Kerala, Karnataka, Tripura, Andhra Pradesh and Gujarat emerging as the highest allocating states, while West Bengal, Assam, Tamil Nadu, Bihar and Rajasthan receive comparatively lower allocations (Figure 3.1). This graphic pattern supports the quantitative variations in allocation by highlighting the differences in fund distribution between

states. Allocations per household worked are typically higher in high income states⁴ (Gujarat, Karnataka) indicating better fiscal capacity and implementation efficiency. The allocations are also comparatively high in the middle-income states of Kerala, Andhra Pradesh, Maharashtra, Odisha and Punjab. However, the per-household allocations in many low-income states such as West Bengal and Bihar are significantly lower. There is a significant difference in Tamil Nadu, where the per-household distribution of MGNREGA funds in 2024–2025 is relatively low, even though the state has a high GSDP per capita. This pattern highlights regional differences in fund distribution and program implementation efficiency.

Figure: 3.1.

State wise per household allocation under MGNREGA



Source: Author estimate, MGNREGA, Ministry of Rural Development, GOI.

3.1.3. MGNREGA Fund allocation and fund utilisation in India

For finding the fund utilisation, fund allocation to MGNREGA, to states for the year 2024-25 was collected from the MGNREGA web portal.

Table: 3.2.

State wise MGNREGA Fund allocation and fund utilisation 2024-25

State	Fund allocation (In lakhs)	Fund Utilisation (In lakhs)	% of utilisation
Andhra Pradesh	831289.55	849255.72	102.16
Bihar	735126.67	847365.3	115.27
Gujarat	183032.25	172020.26	93.98
Himachal Pradesh	145044.21	153149.23	105.59

⁴Note: States are classified based on per capita GSDP of 2024-25.

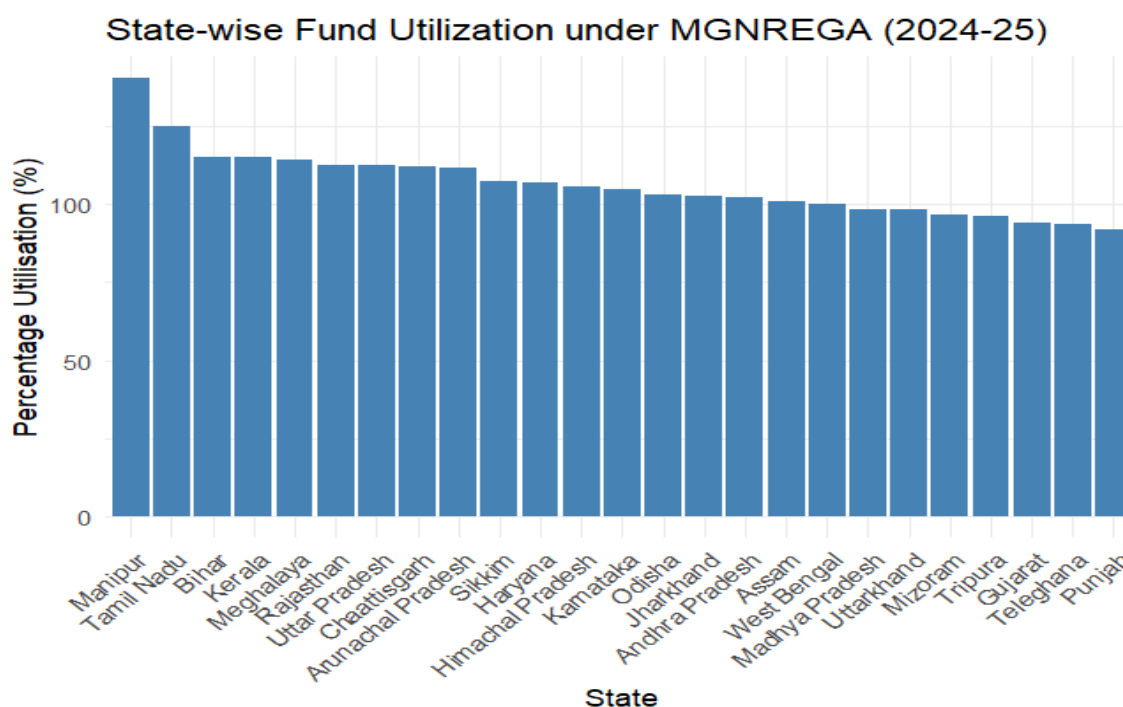
Karnataka	611818.1	640667.28	104.72
Kerala	348810.42	401159.2	115.01
Madhya Pradesh	703036.71	691965.9	98.43
Odisha	448996.24	463697.83	103.27
Rajasthan	840437.12	944463.77	112.38
Tamil Nadu	858839.18	1074472.22	125.11
Uttar Pradesh	1066658.02	1198078.26	112.32
West Bengal	19195	19196.33	100.01
Mizoram	63628.56	61451.19	96.58
Meghalaya	133003.53	151874.04	114.19
Telangana	464550.7	434107.69	93.45
Sikkim	10600.17	11372.52	107.29
Arunachal Pradesh	59902.24	66915.56	111.71
Chhattisgarh	383706.25	430280.58	112.14
Assam	225877.34	228144.47	101
Haryana	65134.84	69531.49	106.75
Jharkhand	316931.52	325458.52	102.69
Manipur	65098.86	91386.56	140.38
Punjab	150895.39	138867.97	92.03
Tripura	119798.24	115403.22	96.33
Uttarakhand	69105.62	67998.74	98.4

Source: Author estimate, MGNREGA, Ministry of Rural Development, GOI.

Significant differences in performance are found when comparing the allocation and use of MGNREGA funds across states. Bihar (115.27%), Kerala (115.01%), Tamil Nadu (125.11%) and Manipur (140.38%) have all used their allotted funds to the fullest. This indicates either high demand or carryover expenditures. Conversely, a few states underutilized their allotments, such as Telangana (93.45%), Mizoram (96.58%), Tripura (96.33%) and Punjab (92.03%). Although MGNREGA generally satisfies demand, efficiency and implementation differ greatly by sub national levels, as evidenced by the wide variations in fund usage across states, which range from 92% to 140%.

Figure: 3.2.

State wise MGNREGA Fund utilisation 2024-25



Source: Author estimate, MGNREGA, Ministry of Rural Development, GOI.

3.1.4 Growth of fund allocation and fund utilisation in Kerala

Table: 3.3.

Growth of fund allocation and fund utilisation in Kerala 2024-25

Year	Fund allocation (In lakhs)	Fund Utilisation (In lakhs)	% of utilisation
2020-21	451141.71	386823.2	85.74
2021-22	374337.12	402268.15	107.46
2022-23	406743.45	399100.69	98.12
2023-24	332440.06	396865.83	119.38
2024-25	348810.42	401153.3	115.01
2025-26	308628.87	212580.38	68.88
CAGR %	-7.35%	-11.94%	
AAGR %	-6.65%	-8.65%	

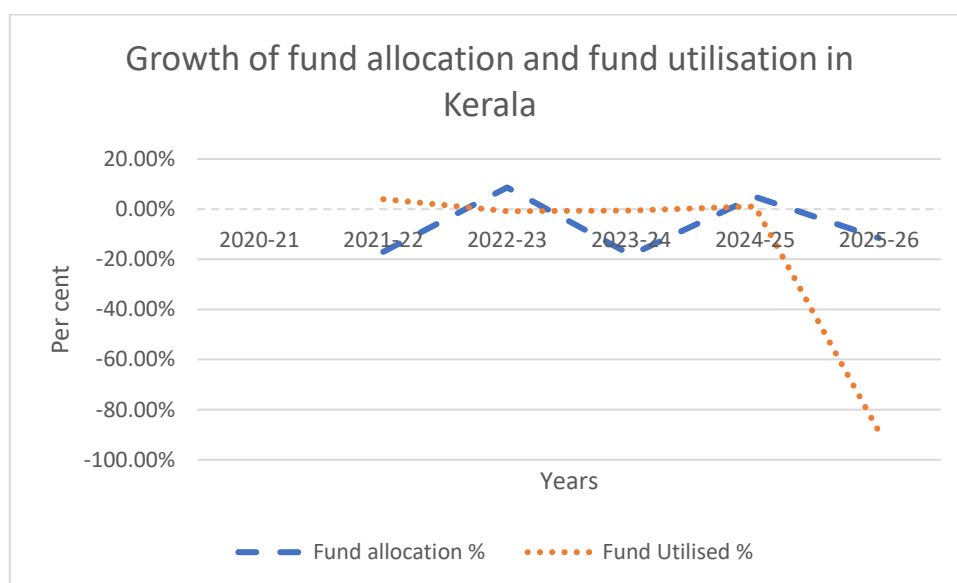
Source: Author estimate, MGNREGA, Ministry of Rural Development, GOI.

Growth trend analysis of MGNREGA funding in Kerala, over the years 2020–21 to 2025–26, indicates a declining path in both fund allocation and utilisation. The fund allocation records a CAGR of -7.35 % and AAGR of -6.65 %, thereby signalling a gradual reduction in the funds allocated to the programme over the period. Fund utilisation is declining even more steeply than fund allocation; fund utilisation accounts a CAGR of -11.94 % and an AAGR of -8.65 %,

indicating fund spending is declining faster than fund allocation. This disparity supports the shows that the intensity of programme's implementation declining steadily over time. The more pronounced decline in utilisation may represent various operational issues such as delays in wage payments, administrative challenges etc. In general, negative growth trends, both in fund allocation and fund utilisation, indicate a decline in the scale and effectiveness of MGNREGA implementation during this period and point to a need for improved institutional arrangements to improve both fund allocation and utilisation.

Figure: 3.3.

Growth of fund allocation and fund utilisation in Kerala



Source: Author estimate, MGNREGA, Ministry of Rural Development, GOI.

1.1.5. Household coverage under MGNREGA-Kerala

Table: 3.4.

Household coverage under MGNREGA

Year	Number of households that availed employment (in lakhs)	Annual growth (%)
2020-21	1617000	
2021-22	1645000	1.73%
2022-23	1551000	-5.71%
2023-24	1469000	-5.29%
2024-25	1372000	-6.60%
2025-26	1158000	-15.60%
CAGR	6.37%	
AAGR		-6.29%

Source: Author estimate, MGNREGA, Ministry of Rural Development, GOI.

In Kerala, there has been a consistent decline in the number of households who received work under MGNREGA from 2020–21 to 2025–26 following a slight increase. A marginal increase of 1.73 % in 2021–22 was followed by a consistent decline year over year which becomes increasingly steeper. The year-to-year overall decline from the baseline year 2020-21 was 5.71 % in 2022–23, –5.29 % in 2023–24, –6.60 % in 2024–25 and a steep decline of –15.60 % in 2025–26. The consistent decline can be seen through the negative AAGR) that has declined consistently on a year-to-year basis to reflect a –6.29 % average. The compounded decline in participation is also reflected through a negative CAGR of –6.37 %.

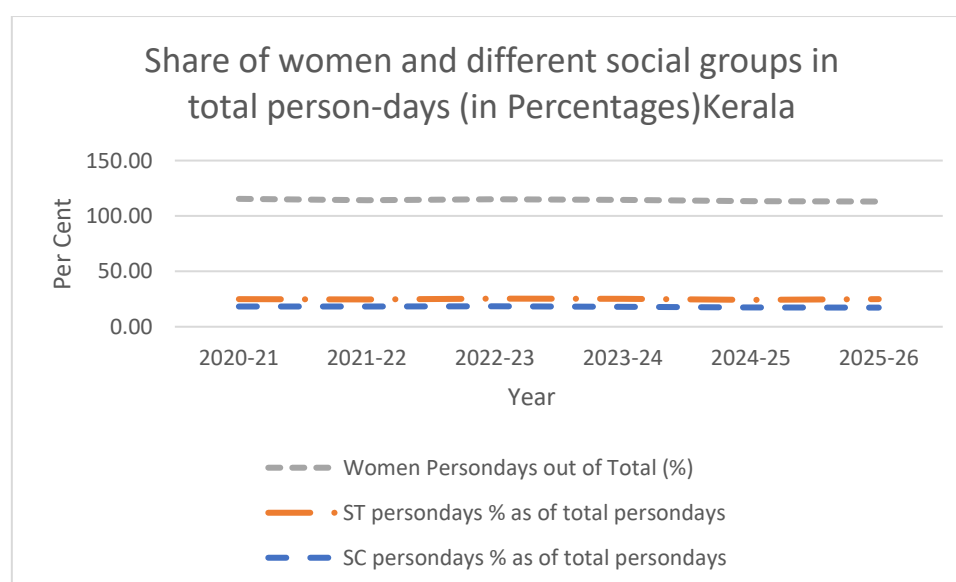
The decline in participation demonstrates that there is a weakening demand for MGNREGA work in Kerala. Reasons for the decline in participation may range from delayed wage payments, better employment alternatives, migration, administrative bottlenecks or a reduction in the amount of work available or it could be due to potential policy issues that need further investigation.

3.1.6. Share of women and different social groups in total person-days (in Percentages) in Kerala

The higher participation of marginalised sections compared to their population demographics indicates the absence of discrimination in providing employment opportunities to these groups.⁵

Figure: 3.4.

Share of women and different social groups in total person-days (in Percentages) in Kerala



Source: MGNREGA, Ministry of Rural Development, GOI.

The distribution of person-days reported under MGNREGA in Kerala from 2020–21 to 2025–26 indicates that participation among Scheduled Castes and women remained broadly stable but gradually declining, whereas representation of Scheduled Tribes showed some fluctuation, but a slightly increasing trend toward the end of the 2025-26. The proportion of SC person-days declined from 18.41% in 2020–21 to 17.27%, reflecting a slow but steady decline in SC participation across the period. ST participation on the other hand shows moderate fluctuations between 6.34% and 7.53%.

Women's involvement remains high by national standards at a consistent level of 88%, although there is a slight decline from 90.49% in 2020-21 to 88.22% in 2025-26.

The data show high participation of marginalized and vulnerable groups especially women, the proportion is declining. This warrants policy attention in order for us to enable continued social equity for MGNREGA participation in Kerala, especially for SC households and women workers as these populations are a significant aspect of Kerala's historical implementation model.

3.2. Performance of MGNREGA Program in India -A Composite Index Measurement of Indicators.

Methodology:

In order to assess the performance of MGNREGA at the district level, a composite index was developed. This index is typically formulated using 6 key factors. Firstly, it takes the number of households that received employment under the scheme with respect to total proportion of household in each district, with the help of district-wise and year-wise household data from 2011 census. Secondly, the degree of social inclusion is measured using three separate factors each representing the share of person-days executed for SC's, ST's and women in overall employment. Thirdly, the index integrates the average number of employment days provided per households. Fourthly, it combines the proportion of households completing 100 days of work and among those that availed work. Fifthly, the share of person-days generated for persons with disabilities in total person-days of employment and lastly the share of wage expenditure in total MGNREGA expenditure is being included. These indicators were combined to construct the Composite Index of MGNREGA Performance - CIMP - which captures inter-

state variations in MGNREGA program performance following the methodologies proposed by Mishra and Nathan (2008)⁶ and Sarma (2010)⁷.

Composite Index of MGNREGA Performance (CIMP)

$$CIMP=1-\sqrt{\frac{(W1-dHHA E)^2+(W2-dSC)^2+(W3-dST)^2+(W4-dWomen)^2+(W5-dADE)^2+(W6-dHC100D)^2+(W7-dNDP)^2+(W8-dWE)^2}{W1^2+W2^2+W3^2+W4^2+W5^2+W6^2+W7^2+W8^2}} \quad \text{---(1)}$$

Whereas,

- dHHA E = dimension value of percentage of households availed employment under the program out of total number of households in the state
- dSC, dST and d Women, = dimension values of percentage of SC ST and Women person-days out of total person-days of employment
- dADE = dimension value of average days of employment provided per household
- dHC100D = dimension value of percentage of households that completed 100 days of employment out of total households that availed employment
- dNDP = dimension value of percentage of disabled person-days out of total person-days of employment
- dWE= dimension value of percentage of wage out of total expenditure.

In order to compile these values for constructing an index, dimension values for each indicator were computed, which represent a states performance on a certain dimension of MGNREGA. Weights were assigned to these indicators based on their importance, with weights believed to vary inversely with indicators' variance, based on Iyengar & Sudarshan (1982)⁸ study. On these grounds, those indicators with smaller regional variations are assigned greater weights, with normalization through a constant. After deriving a composite, states are grouped into three categories-better, moderate and poor performing-based on the quartile system to accommodate for skewed distributions of values. States above the third quartile are regarded as better performers, with those between the second and third quartile and those below defined as moderate and poor performers, respectively. An illustration of state performance of MGNREGA is presented through geo-maps created with R software.

Quartiles Calculation: Computed the quartiles of the sorted composite index values to categorize the States. This involves:

First Quartile (Q1): The value below which 25% of the data falls.

Second Quartile (Q2): The median value, below which 50% of the data falls.

Third Quartile (Q3): The value below which 75% of the data falls.

Better Performers: States with composite index values above the third quartile (Q3).

Formula: $\text{Composite Index} > Q3$

Moderate Performers: States with composite index values between the second quartile (Q2) and the third quartile (Q3).

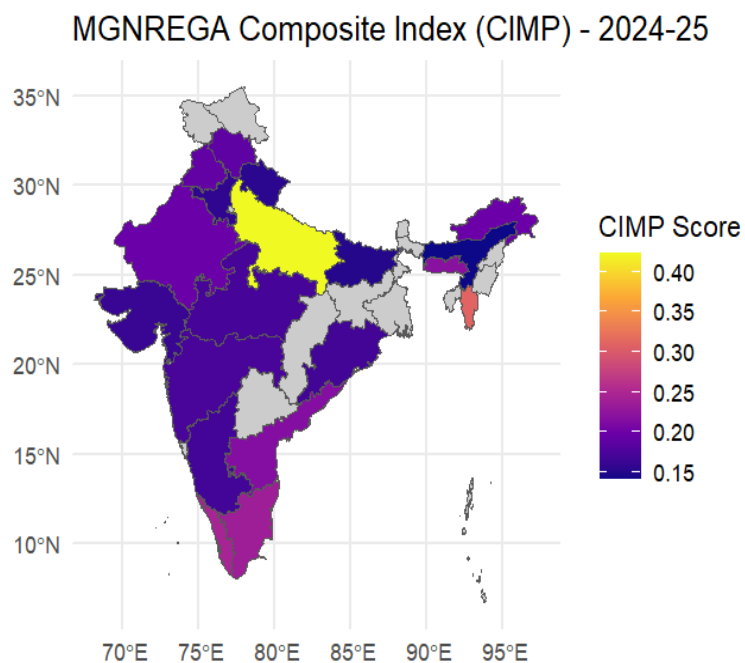
Formula: $Q2 \leq \text{Composite Index} \leq Q3$

Poor Performers: States with composite index values below the second quartile (Q2) but above the first quartile (Q1).

$Q1 \leq \text{Composite Index} < Q2$.

Figure: 3.5

State-wise CIMP Score India 2024-25.



Source: Author estimation, MGNREGA.

Best Performers

The analysis of MGNREGA performance across Indian states for the period 2024–25 indicates that Uttar Pradesh, Mizoram, Kerala, Tamil Nadu, Meghalaya, and Andhra Pradesh emerged as the top-performing states, attaining the highest values of the Composite Index of MGNREGA Performance (CIMP). These states exhibit a strong implementation of the scheme, with a large proportion of households benefitting from employment opportunities. The average number of days of employment provided to each household is high, and a significant number of households have completed 100 days of wage employment. Furthermore, the allocation of expenditure prioritizes wages over administrative or material costs, ensuring that the majority of funds are effectively utilized to provide direct employment benefits to workers.

Moderate Performers:

States scoring moderately on the CIMP, such as Arunachal Pradesh, Rajasthan, Punjab, Himachal Pradesh, and Maharashtra, show average performance in MGNREGA implementation. While employment benefits reach a substantial share of households, the proportion of households receiving full employment or completing 100 days is comparatively lower than in the best-performing states. Expenditure on wages remains satisfactory, but there is room for improvement in optimizing administrative and material costs to maximize benefits for workers.

Poor Performers:

States identified as poor performers include Madhya Pradesh, Karnataka, Odisha, Gujarat, Haryana, which display lower CIMP scores. These states have a smaller proportion of rural households benefiting from MGNREGA employment. The average number of days of employment provided per household is lower, and the completion rate of 100 days of wage employment is limited. Additionally, a considerable share of expenditure is directed toward administrative and material costs rather than direct wages, reducing the scheme's effectiveness in providing employment and income support to rural households.

Low Performers:

Finally, states categorized under the "Low" performance group-Uttarakhand, Bihar, and Assam-exhibit the weakest outcomes in MGNREGA implementation. These states have minimal household participation, low average employment days, and a higher proportion of expenditure allocated to administrative and material components. This suggests that the scheme's primary goal of providing meaningful wage employment is less effectively achieved in these regions.

The MGNREGA performance across India demonstrates significant variation between states. While northern and southern states like Uttar Pradesh, Kerala, and Tamil Nadu show strong outcomes, central and eastern states, particularly Bihar, Assam, and Uttarakhand, lag behind. Improving household participation, ensuring adequate employment days, and prioritizing wages over administrative-material expenditure are critical to enhancing the effectiveness of MGNREGA across low-performing states.

CHAPTER IV
MGNREGA PERFORMANCE IN SELECTED PANCHAYAT OF
ERNAKULAM DISTRICT

4.1 Introduction

This chapter examines an in-depth analysis of the performance of MGNREGA in the selected Cheranallur Panchayat of Ernakulam district based on primary data collected from 39 respondents. The study aims to know the socio-economic profile of beneficiaries, the level of employment provided, the efficiency of implementation as well as the benefits and constraints of the scheme. This chapter mainly focus on the grassroot-level functioning of the programme, evaluating how effectively and efficiently the scheme operates at the Cheranallur Panchayat.

Primary data used in this study were collected from 39 MGNREGA workers through a structured questionnaire. The chapter mainly focuses on several important dimensions, such as job card ownership, availability of work, wage payment, social audits, income stability, migration reduction, and overall satisfaction of the people. Also, the chapter analyses the impact of the scheme on income stability, migration reduction, skill development and village asset creation. The study is examined using valid percent analysis, supported by tables, bar diagrams and figures.

4.2 Socio Economic Profile

4.2.1 Age Group of Respondents

Table 4.1 Age group of the respondents

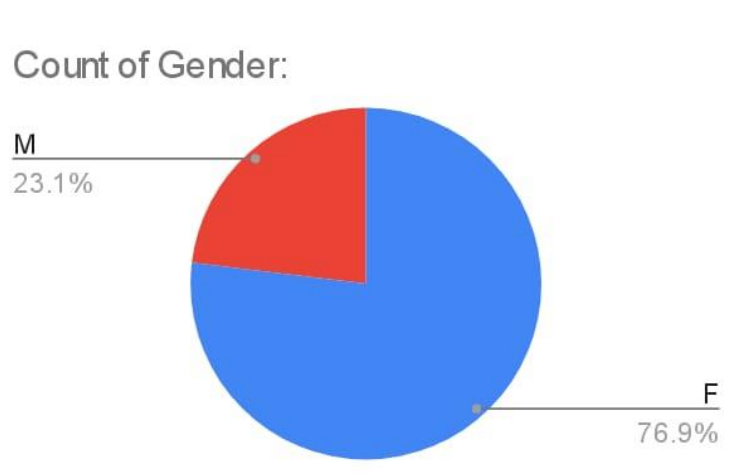
Age Group	Frequency	Percent
18-25	0	0
26-35	0	0
36-45	2	5.1
46-55	8	20.5
Above 55	29	74.4
Total	39	100

(Source: Primary data)

This table about age distribution shows that a large number of respondents, 74.4%, are about 55 years, followed by 20.5% in the 46-55 age group, and very few respondents belong to the category of 36-45. It can be seen that there are no respondents belonging to younger age categories. This indicates that MGNREGA in the selected Panchayat is largely reliant on elderly workers, mainly as a system of support for older rural households who lack employment opportunities.

4.2.2 Gender of Respondents

Figure: 4.1 Gender of the respondents



(Source: Primary data)

The gender distribution indicates that 76.9% of the respondents are female, whereas 23.1% of the respondents are male. This mainly reveals a strong participation of females in MGNREGA, showcasing the scheme's role in promoting women's employment, income security, and economic empowerment at the village level.

4.2.3 Educational Qualification

Table: 4.2 Educational qualification of the respondents

Educational Qualification	Frequency	Valid Percentage
Illiterate	0	0
Primary	9	23.1
Secondary	10	25.6
Higher Secondary	18	46.2
Graduate	1	2.6
Above Graduate	1	2.6
Total	39	100.1

(Source: Primary data)

The educational profile reveals that 46.2% of respondents have completed their higher secondary education, followed by 25.6% with secondary level and 23.1% with primary education. Only a very few 2.6% are graduates.

This suggests that the scheme mainly favours individuals with average or low educational qualifications, boosting its importance as a livelihood option for unskilled as well as semi-skilled workers of rural areas.

4.2.3 Personal Income of Respondents

Table 4.3 Personal income of respondents

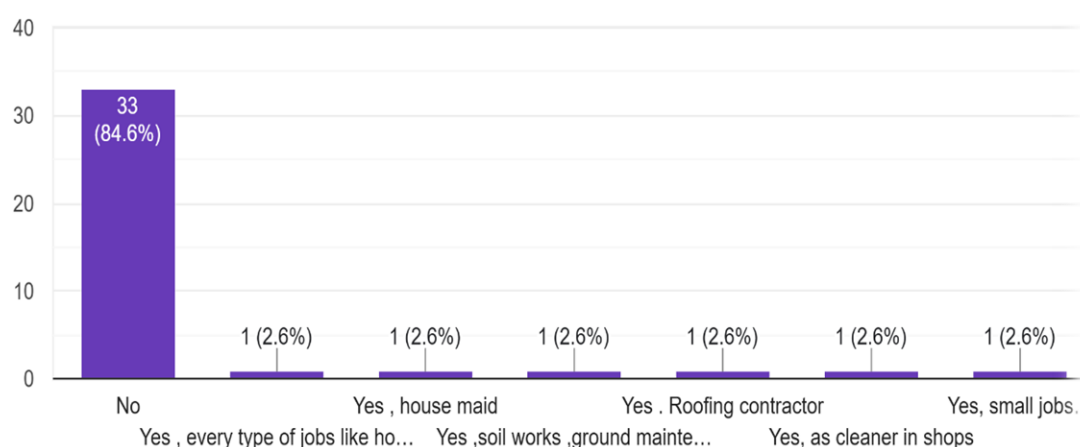
Monthly Income	Frequency	Valid Percentage
0-5000	24	61.5
5001-10000	13	33.3
10001-15000	2	5.1
15001-20000	0	0
20001-25000	0	0
Above 25000	0	0
Total	39	100

(Source: Primary data)

The data shows that 61.5% of respondents earn below Rs.5000 per month, whereas 33.3% earn between 5001-10,000 and a very few 5.1% earn between 10001-15000. This underlines the low-income status of MGNREGA beneficiaries and highlights the role played by the scheme as an alternative source of income for economically backward households.

4.2.4 Other Occupation

Figure: 4.2 Occupation other than MGNREGA



(Source: Primary data)

This figure indicates that a majority of the respondents, i.e., 84.6%, do not have any alternative occupation apart from MGNREGA work. Only very few are engaged in other activities such as agricultural works, normal daily wage works, or other informal sector jobs. This shows that MGNREGA serves as a primary source of employment for most of the beneficiaries in the selected Panchayat of Ernakulam district.

4.2.5 Monthly Income of Respondents

Table: 4.4 Monthly household income of the respondents

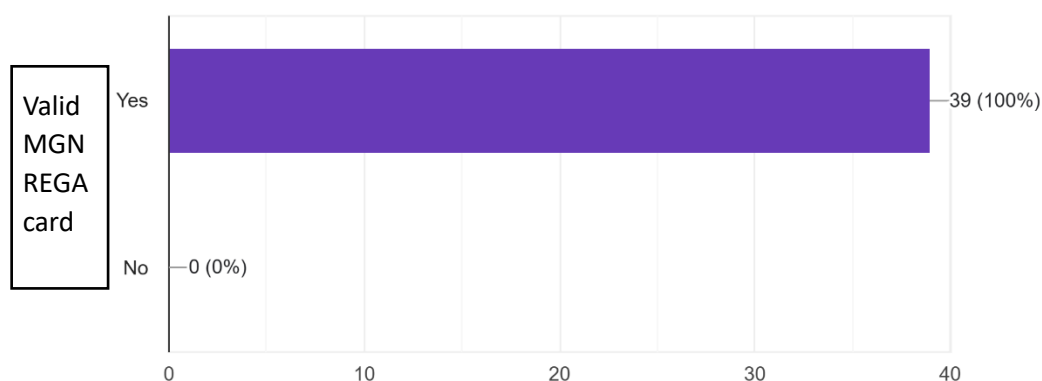
Monthly Household Income	Frequency	Valid Percent
200-10000	29	74.4
10001-20000	10	25.6
20001-30000	0	0
30001-40000	0	0
40001-50000	0	0
50000 Above	0	0
Total	39	100

(Source: Primary data)

This table shows that a significant number of households, 74.4% earn below 10000 per month, while the other year 25.6% earn between 10001-20000. This highlights that the scheme mainly favours low-income families for whom the wages from the scheme are crucial for survival and consumption purposes.

4.2.6 Respondents having valid MGNREGA Card

Figure: 4.3 Respondents having valid MGNREGA job card

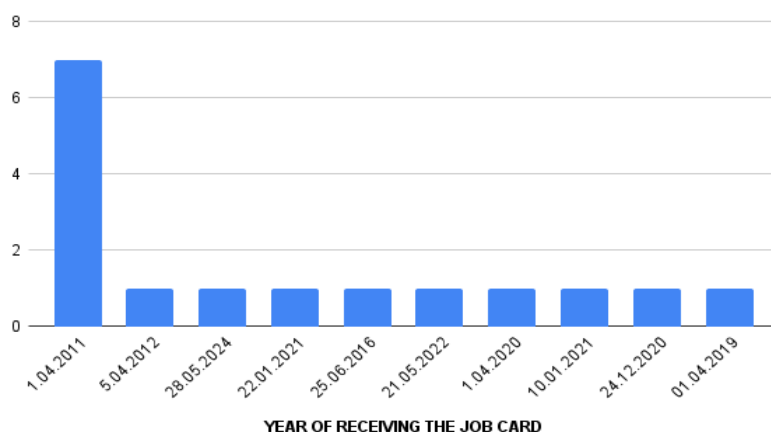


(Source: Primary data)

This figure shows that all the respondents are having a valid job card, indicating a complete and full coverage of job card issuance among the beneficiaries in selected Panchayat of Ernakulam district. The full coverage job card ensures that beneficiaries are systematically recognized and permitted to work.

4.2.7 Year receiving the job card

Figure: 4.4 Year in which respondents received the job card



(Source: Primary data)

The figure depicts the year in which respondents received their MGNREGA job card. The beneficiaries have been associated with the scheme for several years. The majority of the respondents received their card in the year 2011. Early receipt of the job card underlines the long-term engagement of household with the scheme, as well as their dependence on MGNREGA for livelihood support.

4.2.8 Coverage of Eligible adults under the job card

Table: 4.5. Registration of eligible family members under a single job card

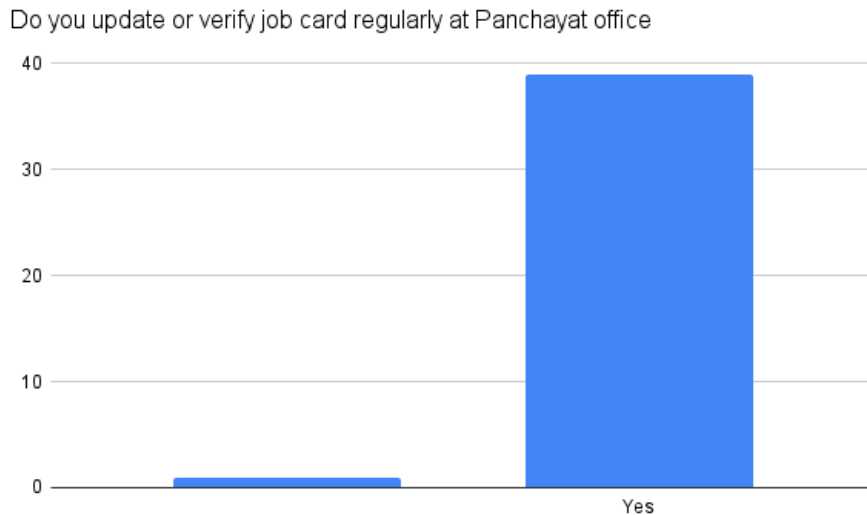
Registered	Frequency	Valid Percent
Yes	8	20.5
No	30	76.9
Not-sure	1	2.6
Total	39	100

(Source: Primary data)

According to the above table, 76.9% of respondents revealed that not all eligible family members are registered under the same job card, whereas only 20.5% confirmed full coverage and a very few 2.6% are unaware or not sure. This indicates that there is a gap in household registration, which may lead to limitations in employment accessibility for all eligible adults and underpins the need for better awareness and verification mechanisms.

4.2.9 Verification of Job Card Details at Panchayat Office

Figure: 4.5 Job card verification at panchayat office by the respondents



(Source: Primary data)

According to the primary data collected all the respondents reported that they regularly verify and update Job card details at the Panchayat office indicating administrative accessibility and responsiveness at the local level.

4.2.10 MGNREGA Workdays Received

Table: 4.6 Days of work respondents received under MGNREGA

Days of work	Frequency	Valid Percent
Below 20	0	0
21-50	0	0
51-80	1	2.56
81-100	38	97.43
Above 100	0	0
Total	39	100

(Source: Primary data)

This table indicates that a 97.43% of respondents received 81-100 days of work whereas only a very few, 2.56% received 51-80 days. This shows an effective generation of employment under MGNREGA and also a strong implementation extent of the scheme in the selected Panchayat.

4.2.11 Waiting Period for Employment

Table: 4.7 After applying for work, the time taken to get employment

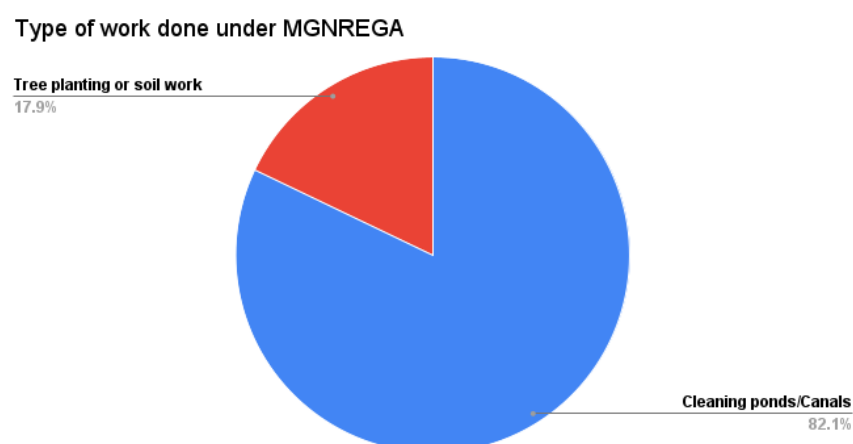
Period	Frequency	Valid Percent
Within 15 days	39	100
Within 1 month	0	0
More than 1 month	0	0
Total	39	100

(Source: Primary data)

According to this table, all the respondents (100%) received work within 15 days after applying. This shows an efficient demand-based work allocation and also shows that the work availability at the local level is well coordinated ensuring timely employment opportunities and uplifting the reliability of the scheme among the beneficiaries

4.2.12 Category of Work Performed

Figure: 4.6 Types of work done by the respondents under MGNREGA



(Source: Primary data)

According to this daigram 82.1% of responents were engaged in works such as cleaning ponds or cleaning of canals and 17.9% were engaged in works such as tree planting or soil works showing a focus on productive and making the society more cleaner and greener.

4.2.13 Proximity of Work site

Table: 4.8 Worksite located within the panchayat limits

Within the Panchayat limits	Frequency	Valid Percent
Yes	39	100
No	0	0
Total	39	100

(Source: Primary data)

This table shows that the work site of all respondents (100%) are located within their Panchayat limits which in-turn reduces the workers travel time and cost, making the work more accessible mainly for women's and elderly workers.

4.2.14 Worksite Safety Provisions

Table: 4.9 Availability of safety equipment at worksite

Provision of safety tools	Frequency	Valid Percent
Yes	39	100
No	0	0
Total	39	100

(Source: Primary data)

The table reveals that all respondents (100%) have agreed in the availability of safety tools and materials at the MGNREGA worksites showing that the safety rules and guidelines under the scheme are being sternly followed in the selected Panchayat. Allocation of safety tools is essential to lessen work related risks and secure the well-being of the workers. It also exhibits the responsibilities and readiness of the implementing authorities.

4.2.15 Mode of payment

Table: 4.10 Method through which wages received by respondents

Mode of Payment	Frequency	Valid Percent
Bank Transfer	39	100
Post Office	0	0
Cash	0	0
Total	39	100

(Source: Primary data)

This table shows that all respondents (100%) received their MGNREGA wages through bank transfer indicating a complete adoption of DBT (Direct Benefit Transfer) system in the selected Panchayat. This mode of payment mainly focuses on promoting financial inclusion by encouraging workers to maintain active bank accounts and also ensures transparency, accountability, as well as reduction of leakages in wage distribution.

4.2.16 Wage Payment Timeliness

Table: 4.11 Wages received by the respondents within 15days of completion

Received within 15days	Frequency	Valid Percent
Always	39	100
Sometimes	0	0
Rarely	0	0
Total	39	100

(Source: Primary data)

This table shows that all respondents (100%) received their wages within 15 days of work completion which indicates the efficient functioning of the wage payment system in the selected Panchayat. Timely payment of wages is essential for ensuring income security between workers mainly for low-income households.

4.2.17 Average Daily Wage

Table: 4.12 Average daily wage earned by the respondents

Wage Earned	Frequency	Valid Percent
369	39	100
Below 369	0	0
Above 369	0	0
Total	39	100

(Source: Primary data)

The table reveals that all respondents (100%) earn an average daily wage of Rs.369 under MGNREGA showing equal wage payment among the workers in the selected Panchayat. This ultimately ensures equity and fairness in wage distribution and also transparent and effective wage payments under the scheme.

4.2.18 Delays in Payment

Table: 4.13 Delays or missing faced by respondents in their payment.

Delays faced	Frequency	Valid Percent
Yes	11	28.21
No	28	71.79
Total	39	100

Table: 4.13.1 If yes, extent of delay faced.

Duration of Delay	Frequency	Valid Percent
Less than a week	39	100
1-2 weeks	0	0
Over 2 weeks	0	0

(Source: Primary data)

The table about delays in payment shows that most of the respondents (71.79%) did not faced any kinds of delay in wage payment where as 28.21% of respondents faced delays in receiving wages. The range of delay reveals that all respondents who faced the delays experienced them only for less than a week. Minor delays happen for a section of beneficiaries but those delays do not exceed more than one week. This mainly indicates that the delays in wage payment were temporary under the scheme.

4.2.19 Knowledge of Grievance System

4.14 Awareness of the complaint system regarding problems with MGNREGA work or payment

Aware	Frequency	Valid Percent
Yes	39	100
No	0	0
Total	39	100

(Source: Primary data)

This table shows that all the respondents (100%) are well aware about the grievance system under MGNREGA scheme. This underlines the strength and support provided by the scheme, allowing beneficiaries to give complaints and concerns regarding factors such as issues related to work allocation, wage payment or worksite facilities whenever required.

4.2.20 MGNREGA Office Visit

Table: 4.15 Respondents whether visited the Panchayat office for MGNREGA related information

Ever Visited	Frequency	Valid Percent
Yes	39	100
No	0	0
Total	39	100

(Source: Primary data)

The table shows that all respondents have visited the Panchayat office for MGNREGA related information which reveals that there is an active interaction among beneficiaries and local administrative officials. The constant visit to Panchayat office reflects the availability of local governance institutions and the willingness of workers to look for information related to job cards, work availability, and wage payment.

4.2.21. Panchayat Support Level

Table: 4.16 Support from the Panchayat in MGNREGA matters

Level of Support	Frequency	Valid Percent
Very Good	17	43.59
Satisfactory	22	56.41
Average	0	0
Poor	0	0
Total	39	100

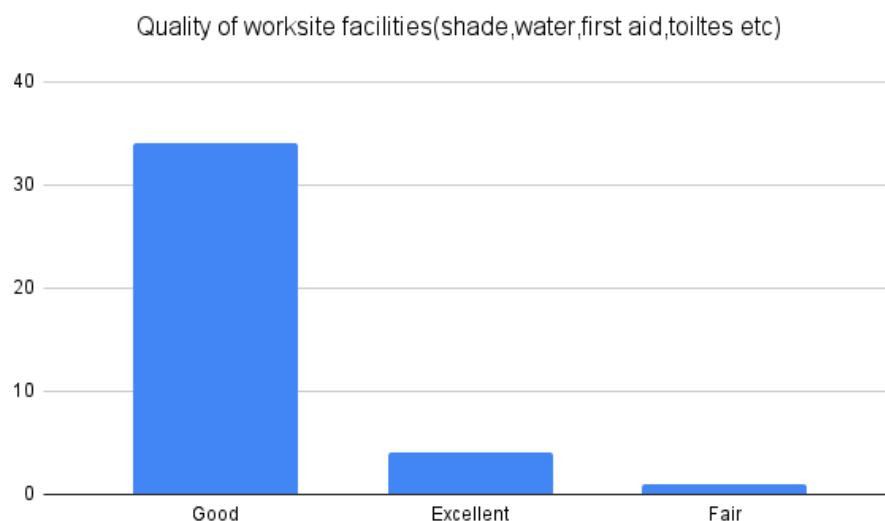
(Source: Primary data)

The above table shows that 56.41% of the respondents claim that the support from Panchayat in MGNREGA matters are satisfactory where as 43.59 % of the respondents rated it as very good. Notably, no one has rated the support as average or poor. This shows a high level of

satisfaction between beneficiaries regarding the support provided by the Panchayat in MGNREGA related matters such as job card management, allocation of work, wage payments. Altogether this shows a positive role played by the Panchayat in the successful implementation of the scheme in the selected Panchayat of Ernakulam district.

4.2.22. Assessment of work site facilities

Figure: 4.7 Respondents rating regarding the worksite facilities

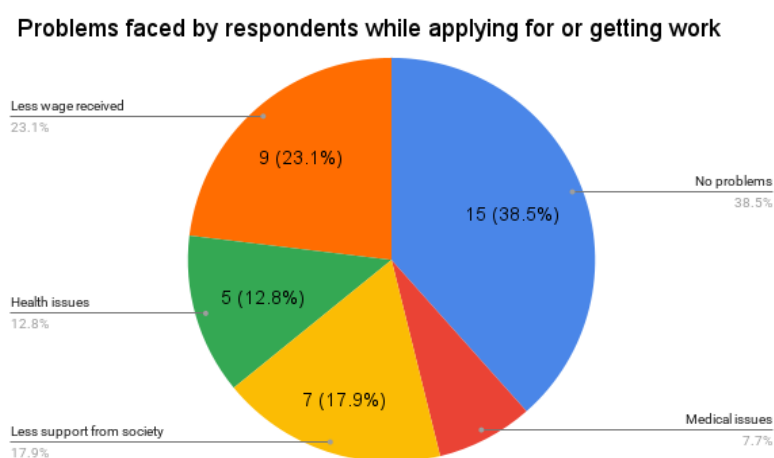


(Source: Primary data)

According to this figure a large majority of respondents (87.18%) rated the work site facilities as good and 10.26% rated as excellent. Only a small proportion (2.56%) rated the facilities as fair. Notably none of them rated as poor. This underlines the fact that the worksite facilities are satisfactory and suggests more working facilities for better working conditions and higher working satisfaction in the selected Panchayat.

4.2.23. Employment Related Problems

Figure: 4.8 Difficulties faced by the respondents while assessing employment



(Source: Primary data)

The diagram on employment related problems reveals that most of the respondents 38.5% did not face any difficulties while applying or obtaining the work. Whereas several others faced many problems such as 23.1% of the respondents faced wage related issue, the wages received was less. 17.9% of them faced lack of support from the society, 12.8% of them faced health related issues and 7.7% of the respondents had medical issue. Proper medical support was less according to them. Overall, the job allocation and work access is smooth but also improvements need to be done for the effective functioning of the scheme.

4.2.24. Access to New Work Opportunities

Table: 4.17 Awareness of the respondents regarding new work opportunities under MGNREGA

Aware	Frequency	Valid Percent
Yes	39	100
No	0	0
Total	39	100

(Source: Primary data)

The table indicates that all respondents (100%) are aware of new work opportunities under MGNREGA scheme. This shows an effective information and communication among the beneficiaries and Panchayat regarding the upcoming work and employment availability under the scheme. This awareness helps the workers to plan their participation and make timely work applications. Overall, the table highlights the active role played by the Panchayat in informing beneficiaries and ensuring access to employment opportunities under the scheme.

4.2.25 Transparency in work display

Table: 4.18 Availability of work list at Panchayat office or Worksite

Availability of work list	Frequency	Valid Percent
Always	39	100
Sometimes	0	0
Rarely	0	0
Total	39	100

(Source: Primary data)

The table reveals that all respondents (100%) rated that the list of available MGNREGA works is always displayed at the Panchayat office or worksite. This indicates a high level of transparency in the implementation of the scheme. This mainly allows the beneficiaries to access information easily by reducing asymmetric information and prevents unfair practices in the allocation of work

4.2.26 Social Audits Awareness

Table: 4.19 Knowledge regarding social audits conducted for MGNREGA at Panchayat Office.

Aware	Frequency	Valid Percent
Yes	39	100
No	0	0
Not sure	0	0
Total	39	100

(Source: Primary data)

According to the table all respondents (100%) are aware of the social audits that happens in the Panchayat office regarding the scheme. This shows a high level of transparency and knowledge in the functioning of the scheme. Awareness of social audits is important for ensuring accountability, community participation and examining public expenditure.

4.2.27. Involvement in Social Audits

Table: 4.20 Participation of respondents in social audits regarding MGNREGA

Participated	Frequency	Valid Percent
Yes	39	100
No	0	0
Total	39	100

(Source: Primary data)

The table shows that all respondents (100%) have participated in social audit meetings related to MGNREGA. This underlines the active community involvement in examining, monitoring and evaluating the implementation of the scheme. The complete involvement of beneficiaries highlights the effectiveness of social audits as a tool for transparency and effective implementation of the scheme in the selected Panchayat.

4.2.28. Perception of Fair Work Selection

Table: 4.21 Respondent's opinion regarding the fairness and transparency in work selection

Fair & Transparent	Frequency	Valid Percent
Yes	39	100
No	0	0
Not sure	0	0
Total	39	100

(Source: Primary data)

According to the table all respondents (100%) have rated that the work selection under the scheme is fair and transparent. This mainly reflects a high level of trust between the beneficiaries in the decision-making process of the Panchayat. Fair and transparent selection of work is crucial in ensuring equal access to employment opportunities and to reduce and prevent bias. Overall, this highlights the credibility and integrity of local governance in the implementation of the scheme in the selected Panchayat of Ernakulam district.

4.2.29. MGNREGA and Migration Reduction

Table: 4.22 MGNREGA's role in the reduction of respondent's need for outside employment.

Reduced	Frequency	Valid Percent
Yes	32	82.05
No	5	12.82
Not sure	2	5.13
Total	39	100

(Source: Primary data)

The table indicates that a large majority of the respondents (82.05%) reported that the scheme has reduced their need to migrate outside the village or state in search of work. Whereas a small proportion 12.82% reported no reduction, while 5.13% of the respondents were unsure. This depicts that the scheme has played a crucial role in providing local employment opportunities thereby reducing migration. By ensuring employment within the Panchayat, the scheme helps the workers to remain closer to their families and society.

4.2.30. Income Stability through MGNREGA

Table: 4.23 MGNREGA's role in making family income steadier throughout the year.

Increased Income	Frequency	Valid Percent
Yes	26	66.67
A little	13	33.33
No	0	0
Total	39	100

(Source: Primary data)

According to the table 66.67% of the respondents showed improved stability in family income through MGNREGA, while the others 33.33% reported that the scheme helped to a little increase in their income. Above all, none of the respondents reported no improvement. This shows that the scheme plays a significant role in making family income steadier throughout the year, contributing to income security and financial stability among rural households in the selected Panchayat.

4.2.31. Enhancement of Skills and Confidence

Table: 4.24 Respondent's personal and skill development through MGNREGA.

Developed	Frequency	Valid Percent
Yes	39	100
No	0	0
Total	39	100

(Source: Primary data)

The table indicates that all respondents (100%) showed that there is improvement in their skills and confidence after working under MGNREGA. This shows that the scheme has contributed not only to income generation but also to personal and social development of the beneficiaries. This enables the workers to gain practical skills, work discipline, teamwork experience, and self-confidence leading to a positive human development mainly among women and elderly participants.

CHAPTER V
FINDINGS, SUGGESTIONS AND CONCLUSION

FINDINGS

- The analysis of MGNREGA performance (2024–25) reveals significant state-level variation. Top performers like Uttar Pradesh, Mizoram, Kerala, Tamil Nadu, Meghalaya, and Andhra Pradesh demonstrate high household participation, substantial employment days and efficient wage use. Moderate performers (Rajasthan, Punjab) show average outcomes, while poor performers (Madhya Pradesh, Karnataka) have lower employment days and wage prioritization. The weakest states (Bihar, Assam) exhibit minimal participation and ineffective fund use. Strengthening wage focus and household engagement is crucial for low performers.
- The primary data survey conducted in Cheranalloor Gram Panchayat reveals that MGNREGA plays a pivotal role in supporting economically backward households. A majority of the beneficiaries fall within low-income groups, who otherwise have limited access to alternative employment avenues. As a result, the scheme functions not merely as a short-term income source but as a vital livelihood security mechanism. By providing regular employment opportunities, ensuring timely wage payments, and fostering the creation of durable community assets, MGNREGA stabilizes rural incomes and acts as a safeguard against distress migration. This ensures that many rural families, previously marginalized, have a steady source of income and a safety net in times of economic hardship.
- The age composition of MGNREGA workers in Cheranalloor Panchayat further emphasizes the scheme's role as a social security net, particularly for older rural workers. A substantial proportion of the surveyed beneficiaries fall in the 50 to 55 age bracket or above, indicating that the scheme offers employment security to aging workers who might otherwise struggle to find opportunities. This also highlights how MGNREGA mitigates rural unemployment by engaging willing adult members in unskilled manual labour. In contrast, younger workers display lower participation rates, suggesting the scheme is a crucial support for older rural segments more reliant on steady income.
- The study also underscores the remarkable rise in female participation, with women registering most job cards in their own names. This trend reflects improved transparency, financial accountability, and empowerment, as women are directly linked to wage payments. Thus, MGNREGA has become a significant tool for gender inclusion in rural India. Employment opportunities under the scheme are notable, with many respondents securing between 80 and 100 days of work, demonstrating a timely and effective local implementation. The wage payment system is also largely transparent, with direct bank transfers ensuring accountability. However, occasional delays in wage distribution highlight the need for further improvements. Additionally, the nature of work—ranging from canal cleaning to plantation—contributes to the creation of durable assets, such as roads and ponds. These assets not only enhance environmental quality but also build long-term livelihood security by boosting skill development and community resilience.

SUGGESTIONS

- To improve low-performing states, it is essential to enhance household participation, ensure timely wage payments, and prioritize wages over administrative costs, drawing lessons from top performers like Kerala and Tamil Nadu.
- Improved coordination between Panchayats, implementing agencies and banks is crucial for timely wage payments within 15 days. At the micro level, Panchayats must foster work demand by organizing awareness programs, ensuring eligible households know their right to demand work, and promoting full utilization of 100 days. Youth participation, currently low, can be boosted by introducing semi-skilled work and targeted awareness campaigns. Finally, strengthening social audits, transparency mechanisms and grievance redressal will build public trust and ensure the scheme's continued success.

CONCLUSION

The study concludes that MGNREGA is a vital livelihood protection tool, ensuring 100 days of wage employment for rural households, despite significant interstate variations. At the interstate level, governance quality, efficient administration, and fund utilization drive performance, with Kerala standing out for its decentralized strength. Micro-level findings highlight income stability for women and elderly, supported by timely payments and transparency. Nevertheless, challenges like wage delays, limited work diversification, and low youth participation must be addressed. By strengthening these aspects, MGNREGA can better foster inclusive, sustainable rural development.

ANNEXURES

References

Appendix I-Questionnaire

Appendix II-State wise CIMP Score India 2024-25

Appendix III-Field Survey

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APPENDIX II

QUESTIONNAIRE

Field Survey on MGNREGA Beneficiaries: MGNREGA Employment, Transparency, Awareness, and Implementation

Section A: Respondent Profile

1. Age range: ☐ 18–25 ☐ 26–35 ☐ 36–45 ☐ 46–55 ☐ Above 55
2. Gender: ☐ Male ☐ Female ☐ Other
3. Contact number (optional): _____
4. Number of people in your household: _____
5. Highest level of education completed:
☐ No formal education ☐ Primary ☐ High School ☐ Plus Two ☐ Degree ☐ Postgraduate or above
6. Your monthly personal income (₹): ☐ Below 5,000 ☐ 5,001–10,000 ☐ 10,001–15,000 ☐ 15,001–20,000 ☐ Above 20,000
7. Do you have any other source of income besides MGNREGA? ☐ Yes ☐ No

If yes, please mention: _____

8. Total monthly income of your family (₹):
☐ Less than 10,000 ☐ 10,001–20,000 ☐ 20,001–30,000 ☐ 30,001–50,000 ☐ Above 50,000

Section B: Job Card Information

9. Does your family have a valid MGNREGA Job Card? ☐ Yes ☐ No
10. In which year did you receive the Job Card? _____
11. Name under which the Job Card is registered:
☐ Self ☐ Spouse ☐ Parent ☐ Other (specify): _____
12. How many members of your household are listed in the Job Card? _____
13. Are all eligible adults in your family registered under the same Job Card? ☐ Yes ☐ No ☐ Not sure
14. Do you update or verify your Job Card details regularly at the Panchayat office? ☐ Yes ☐ No

Section C: Work and Employment Details

15. How many days of work did you get last year under MGNREGA?

☐ Below 20 ☐ 21–50 ☐ 51–80 ☐ 81–100 ☐ Above 100

16. After applying for work, how long did it take to get employed?

☐ Within 15 days ☐ Within 1 month ☐ More than a month

17. What type of work did you do under MGNREGA?

☐ Road or drainage work ☐ Cleaning ponds/canals ☐ Tree planting or soil work ☐
House or public asset construction ☐ Others (specify): _____

18. Was the worksite located within your Panchayat limits? ☐ Yes ☐ No

19. Were safety tools or materials provided at the worksite? ☐ Yes ☐ No

20. Mode of payment: ☐ Bank transfer ☐ Post office ☐ Cash

21. Did you receive your wages on time (within 15 days of completion)?

☐ Always ☐ Sometimes ☐ Rarely

22. Average daily wage earned (₹): _____

23. Have you ever faced delays or missing payments? ☐ Yes ☐ No

If yes, how long was the delay? ☐ Less than a week ☐ 1–2 weeks ☐ Over 2 weeks

Section D: Awareness and Access

24. Do you know whom to contact if there's a problem with your MGNREGA work or payment? ☐ Yes ☐ No

25. Have you ever visited the Panchayat office for MGNREGA-related help or information? ☐ Yes ☐ No

26. How would you describe the support from the Panchayat in MGNREGA matters?

☐ Very good ☐ Satisfactory ☐ Poor

27. How would you rate the worksite facilities (shade, water, first aid, toilets, childcare)?

☐ Very poor ☐ Poor ☐ Fair ☐ Good ☐ Excellent

28. What kind of problems have you faced while applying for or getting work?

Section E: Transparency and Local Involvement

29. Do you get regular updates about upcoming MGNREGA works from Panchayat staff or notices? ☐ Yes ☐ No

30. Is the list of MGNREGA works easily available to the public? ☐ Yes ☐ No ☐ Not sure

31. Have you heard about review meetings or public audits related to MGNREGA in your Panchayat? ☐ Yes ☐ No

32. Have you or anyone from your household attended any such meeting? ☐ Yes ☐ No

33. Do you feel that the selection of workers for MGNREGA is fair and transparent?
☐ Yes ☐ No ☐ Can't say

Section F: Impact and Outcomes

38. Has MGNREGA reduced the need for your family to migrate for jobs outside the village?

☐ Yes ☐ No ☐ Not applicable

39. Has the scheme helped your family earn a more steady income?

☐ Yes ☐ No ☐ To some extent

40. Do you think MGNREGA works (like pond renovation or road repair) have improved your village environment or community assets?

☐ Yes ☐ No ☐ Unsure

41. Has working under MGNREGA made you more confident or given you new skills?

☐ Yes ☐ No

42. Would you suggest others in your area to join MGNREGA if they need work?

☐ Yes ☐ No

Thankyou for your response and spending your valuable time.

APPENDIX II

STATE WISE CIMP SCORE INDIA 2024-25

States	CIMP	Performance
Uttar Pradesh	0.42	Better
Mizoram	0.31	Better
Kerala	0.24	Better
Tamil Nadu	0.24	Better
Meghalaya	0.22	Better
Andhra Pradesh	0.22	Better
Arunachal Pradesh	0.20	Moderate
Rajasthan	0.20	Moderate
Punjab	0.19	Moderate
Himachal Pradesh	0.19	Moderate
Maharashtra	0.17	Moderate
Madhya Pradesh	0.17	Poor
Karnataka	0.17	Poor
Odisha	0.17	Poor
Gujarat	0.16	Poor
Haryana	0.16	Poor
Uttarakhand	0.15	Low
Bihar	0.15	Low
Assam	0.14	Low

Source: Authors' estimates. MGNREGA, Ministry of Rural Development, GOI

APPENDIX III

Field Survey- MGNREGA works in Cheranallur Gram Panchayat of Ernakulam district

