

AN EVALUATION OF THE PROGRESS AND PERFORMANCE OF MGNREGA IN KARNATAKA

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ABSTRACT

The present study analyzes the financial and operational performance of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in Karnataka from 2014–15 to 2023–24. Using comprehensive data on fund allocation, employment demand and provision, job card issuance, project implementation, and payment efficiency, the paper highlights key trends and patterns in the scheme's execution over the decade. The analysis of fund flow from 2019–20 to 2023–24 reveals fluctuations in total central releases, availability, and expenditures, with a peak observed in 2023–24. Utilization percentages steadily improved, reaching a high of 98.53% in the same year. The allocation between wages, materials, and administrative expenses remained relatively balanced, and the average daily cost per person and promptness of payments both showed positive trends. Additionally, job card issuance among Scheduled Castes (SC), Scheduled Tribes (ST), and other communities demonstrated consistent growth, reflecting the state's inclusive approach. Employment trends indicate both under- and over-achievement in meeting household work demands across years, underscoring the dynamic nature of rural employment needs. The study observed a significant increase in completed and ongoing works, peaking in 2022–23, affirming the growing scale of MGNREGA activities in the state.

Key Words: Employment, Programme, Job Cards, Household, Poverty, Expenditure

INTRODUCTION:

The Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (MGNREGA) was notified on September 7, 2005. The Act was notified in 200 districts in the first phase with effect from February 2nd 2006 and then enlarged to an additional 130 districts in the financial year 2007-2008 (113 districts were notified with effect from April 1st 2007, and 17 districts in UP were notified with effect from May 15th 2007). The remaining districts have been notified under Mahatma Gandhi National Rural Employment Guarantee Act with effect from April 1, 2008. Accordingly the MGNREGA covers the entire country with the exception of districts that have a hundred percent urban population. The development of rural India is an imperative for inclusive and equitable growth and to unlock the huge potential of the population that is presently trapped in poverty with its associated deprivations. MGNREGA is a flagship programme of Govt. of India which forms the second stand for development of rural areas, the first being the Swachh Bharat Abhiyan has been important programme interventions in India and elsewhere in developing countries since long.

MGNREGA programmes typically offer unskilled workers with short-term employment on public works. They afford income transfers to deprived households during periods when they endure on account of absence of opportunities of employment. In areas with high unemployment rates and under employment, transfer benefits from workfare programmes can avert poverty from worsening, especially during incline periods. Durable assets that these

programmes generate have the potential to engender second-round employment benefits as necessary infrastructure is developed. Based on the experience of the previous programmes the National Rural Employment Guarantee Act (NREGA) was introduced in 2005 to strengthen the commitment towards livelihood security in rural regions. The thrust of the Eleventh Five Year Plan (2007-12) is social inclusion combined with provision of improved livelihood opportunities. Mahatma Gandhi National Rural Employment Guarantee programme is conceived as a holistic approach to make the growth more inclusive.

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is the world's biggest employment guarantee programme. It aims to strengthening livelihood security for the rural poor by guaranteeing hundred days of wage employment in a financial year to a rural household whose adult members volunteer to do unskilled manual work. It has generated more employment for the rural poor than any other program in the history of independent India. It has the potential to transform the lives of the rural poor not just by guaranteeing wage employment through creation of productive assets, but also by empowering the rural poor through improved governance in rural areas. MGNREGA is being implemented in Karnataka since 2006. Currently it comprises all the thirty districts of the state. The study mainly focused on job card issued, employment demanded and provided and financial inclusion of MGNREGA in Karnataka. Under the MGNREGA, many infrastructures related works has been undertaken. As a result of this, rural unemployment and poverty considerably declined and there can be progressed in the living standard of the rural community. If the scheme implemented more properly, it can successfully contribute to the rural development.

OBJECTIVES OF THE STUDY

The main objectives of the study are as follows,

- To study financial progress of MGNREGA in Karnataka
- To study the job card issued and employment generation in the state
- To analyse the performance of MGNREGA in Karnataka

METHODOLOGY OF THE STUDY

The study based on secondary data. The secondary data has been collected from the various Government reports viz., Ministry of Rural Development, Government of India and Ministry of Rural Development and Panchayat Raj, Government of Karnataka and also data retrieved from MGNREGA official website. The literature has also been gathered from published articles, books and other government reports. The data analysis is carried out by using simple statistical methods like percentage and average as these will help us to understand the development situation at the grassroots level.

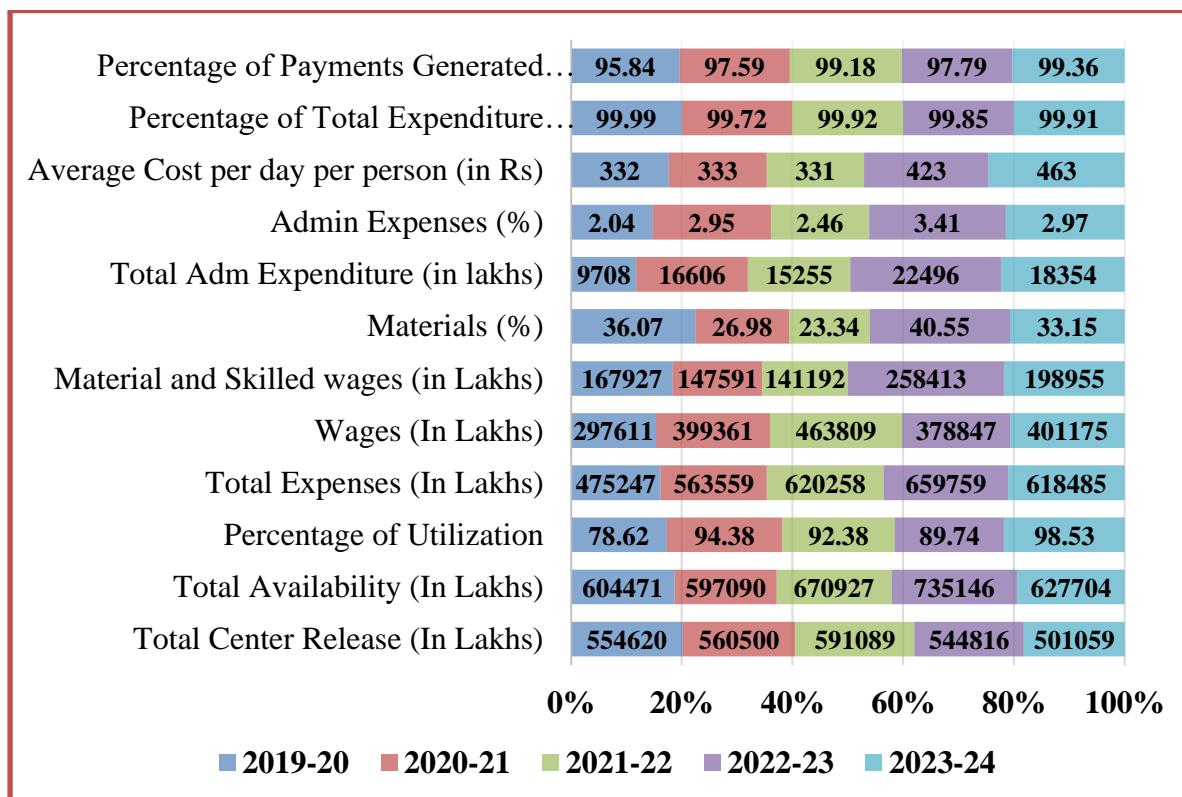
Progress of MGNREGA in Karnataka: An Overview

Financial Progress for MGNREGA in Karnataka

The financial progress of MGNREGA in Karnataka from 2019–20 to 2023–24 demonstrates a steady increase in investment toward rural employment and infrastructure development. During this period, the total expenditure under the scheme rose from approximately ₹4,752 crore in 2019–20 to ₹6,612 crore in 2023–24, indicating a consistent effort by the state to meet growing rural demand for wage employment. The surge in spending, especially in the years following the COVID-19 pandemic, reflects the crucial role of MGNREGA in providing livelihood support during economic hardship. Karnataka's effective implementation

is evident from its high fund utilization and emphasis on both wage payments and environmentally sustainable works. Despite fluctuations in central allocations, the state has maintained a strong financial performance under the scheme, reaffirming MGNREGA's role as a vital instrument for promoting rural welfare and economic resilience.

Graph-1: Financial Progress for MGNREGA in Karnataka



Source: <http://nrega.nic.in>.

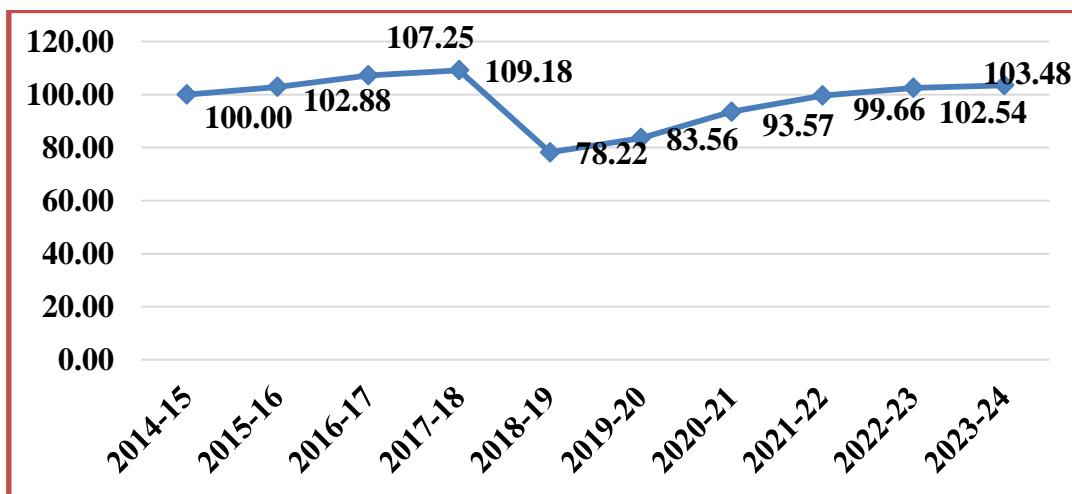
From 2019–20 to 2023–24, the chart lists every cent that Karnataka received from the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA). It considers a number of factors, including overall centre release, availability, utilisation percentage, total expenses, wages (both material and skilled), administrative expenditure, average daily cost per person, percentage of total expenditure through the Electronic Fund Management System (EFMS), and the percentage of payments generated within 15 days. The data reveals that total centre release, total availability, and total expenses have fluctuated over the years, reaching their peak in 2023-24. Also fluctuating is the percentage of utilisation, which peaks at 98.53 percent in 2023-24. The pay budget for 2021–22 is significantly more than the previous two years, as shown in the table, which also shows how the money is divided up between wages and materials. Additionally, it reflects administrative expenses as a percentage of total expenditure, with relatively consistent figures over the years. The table concludes with statistics on the average cost per day per person and the efficiency of payment generation within 15 days, showing positive trends in both aspects. Overall, the table provides valuable insights into the financial management and operational efficiency of MGNREGA in Karnataka over the specified period.

Job Cards Issued in Karnataka

Under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), job cards serve as essential documents entitling rural households to demand work and record

employment details. In Karnataka, the issuance of job cards reflects the outreach and implementation efficiency of the scheme. As per the latest available data, lakhs of job cards have been issued across the state, covering both Scheduled Castes (SCs), Scheduled Tribes (STs), and other rural households. These job cards enable transparency, track wage payments, and empower rural workers by formalizing their right to employment. The district-wise distribution indicates higher issuance in regions with greater rural and agrarian populations such as Kalaburagi, Ballari, and Raichur. Continued issuance and updating of job cards remain critical for ensuring timely access to employment opportunities and social security for the rural poor in Karnataka.

Graph-2: Job Cards Issued in Karnataka

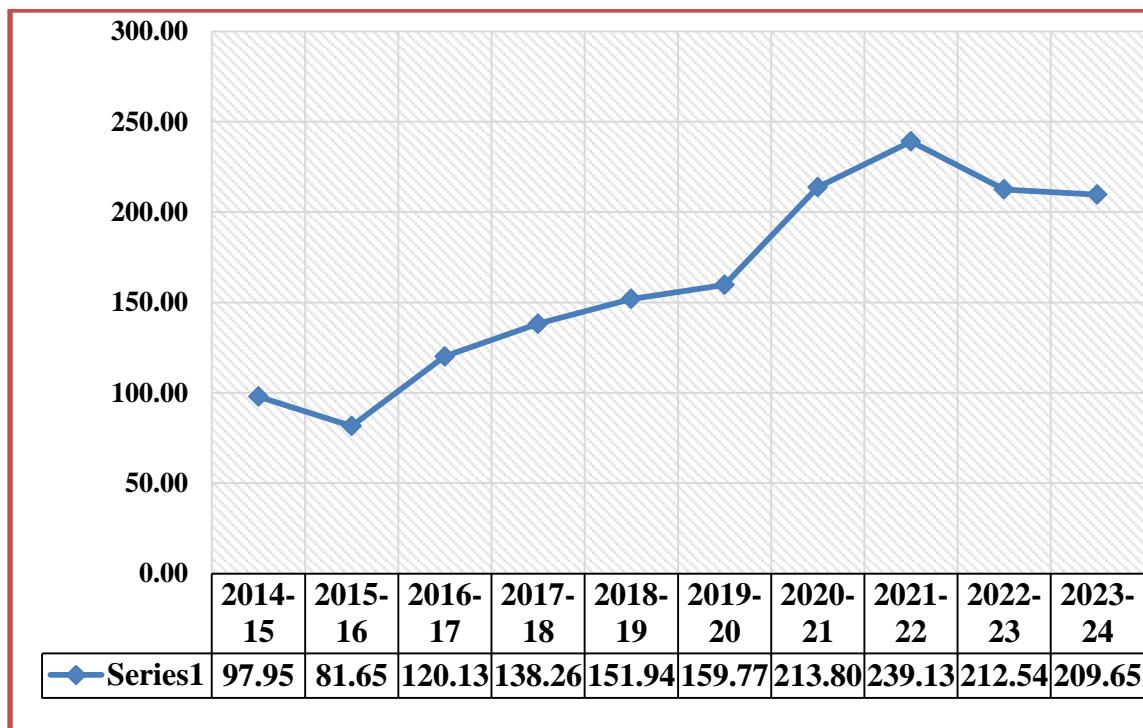


The above graph presents data on the issuance of job cards in Karnataka categorized by Scheduled Castes (SC), Scheduled Tribes (ST), and others for the years 2014-15 to 2023-24. The total number of job cards issued each year is also provided, along with the percentage increase compared to the previous year. The figures show a consistent increase in the issuance of job cards across all categories and overall, with fluctuations in the rate of increase from year to year. Notably, there was a significant jump in the issuance of job cards from 2017-18 to 2018-19, followed by a gradual increase in subsequent years. This suggests a concerted effort to extend the benefits of employment schemes to a broader section of society. The data provides insights into the distribution of job opportunities and the government's efforts to promote inclusivity and socio-economic development in Karnataka.

Number of Households Demanded and Provided Employment under MGNREGA in Karnataka

The implementation of MGNREGA in Karnataka has shown a strong and consistent response to rural employment needs, as reflected in the number of households demanding and receiving employment under the scheme. Over the years, the state has witnessed a substantial number of households actively seeking work through MGNREGA, particularly during times of economic stress such as the COVID-19 pandemic. In most years, Karnataka has maintained a high demand-to-supply ratio, with more than 90% of the households that demanded employment actually being provided work. For instance, in recent years, over 25 to 30 lakh households have demanded work annually, and the majority of these were successfully given employment opportunities, demonstrating the scheme's effectiveness in addressing rural livelihood security. This high rate of employment provisioning highlights the state's administrative efficiency and commitment to ensuring that MGNREGA remains a vital safety net for rural communities across Karnataka.

Graph-3: Number of Households Demanded and Provided Employment Under MGNREGA in Karnataka



Source: <http://nrega.nic.in>.

The above graph depicted the number of households (HH) that requested and received employment under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in Karnataka from 2014–15 to 2023–24 is shown in the table. The data is displayed according to the quantity of households looking for employment, the quantity of households actually employed, and the success rate in filling those positions. There is a noticeable trend of fluctuating demand and provision of work over the years, with some years exceeding the demand while others falling short. Interestingly, in some years like 2016-17, 2017-18, and 2018-19, the number of households provided work surpassed the demand, leading to achievement percentages above 100 percent. Conversely, in other years, such as 2015-16 and 2019-20, the achievement percentages were lower, indicating a shortfall in providing employment relative to the demand. Overall, the table highlights the dynamics of employment generation under MGNREGA in Karnataka and sheds light on trends in demand and provision of work.

Number of Completed and On-going Works under MGNREGA in Karnataka

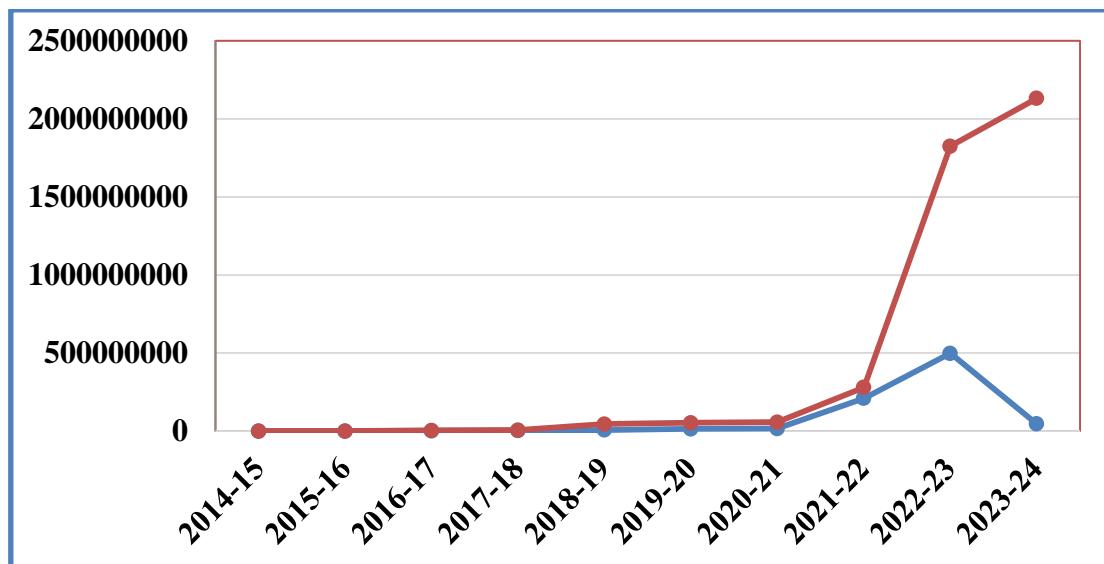
In Karnataka, MGNREGA has demonstrated robust execution in terms of completed and ongoing works: as of 2023–24, the state initiated approximately 7.17 million labor-intensive projects, of which about 6.42 million had been successfully completed, leaving roughly 0.75 million works still in progress—a commendable overall completion rate of around 90% . During the 2023–24 fiscal year alone, around 235,743 new works were launched but only 45,946 reached completion within the period, resulting in approximately 190,000 ongoing projects at year-end—underscoring that while historical follow-through is strong, a substantial share of newly initiated works typically extend into subsequent years.

Table-4: Number of Completed and On-going Works Under MGNREGA in Karnataka

Sl. No.	Year	Completed Works	On-going Works
1	2014-15	67214	17830
2	2015-16	84495	42946
3	2016-17	1914796	1616592
4	2017-18	4444322	1923759
5	2018-19	7467024	37871286
6	2019-20	14559714	39031916
7	2020-21	15789548	41192849
8	2021-22	209913906	69387907
9	2022-23	498421797	1326223898
10	2023-24	46357114	2084831579

Source: <http://nrega.nic.in>.

Graph-4: Number of Completed and On-going Works under MGNREGA in Karnataka



The graph shows the total number of projects funded under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in the Indian state of Karnataka. Both finished and ongoing works are included in the figures, which demonstrate a notable growth in the numbers every year. Between 2014-15 and 2023-24, the number of completed works rises significantly, reaching a peak in 2022-23. Similarly, the data also reflects a substantial increase in ongoing works over the years, with a peak observed in 2022-23. The numbers highlight the extensive implementation of MGNREGA initiatives in Karnataka and the significant investment in rural employment generation and infrastructure development during the specified period. Overall, the table illustrates the scale and progression of MGNREGA activities in Karnataka over the years.

CONCLUSION

The decade-long assessment of MGNREGA implementation in Karnataka underscores the program's critical role in promoting rural employment, infrastructure development, and inclusive growth. The financial trends suggest steady improvement in fund utilization and operational efficiency, particularly in recent years. Rising job card issuance across all social groups highlights the state's commitment to equitable access to employment opportunities. Despite fluctuations in work demand and supply, the overall success in job provision,

especially during peak years, demonstrates the program's responsiveness to rural livelihood needs. The substantial increase in completed and ongoing works signifies MGNREGA's expanding footprint in rural infrastructure and environmental conservation. Positive trends in cost efficiency and timely wage disbursement further validate the scheme's institutional strengthening. However, addressing inconsistencies in employment generation and ensuring year-round demand satisfaction remain key areas for policy focus. Overall, MGNREGA in Karnataka emerges as a vital pillar of socio-economic development, with continued potential for poverty alleviation and sustainable rural transformation when supported by robust governance, timely funding, and grassroots participation.

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