

Evaluating The Financial Performance of MGNREGS in Uttarakhand: An Analytical Study of Budget Allocation, Expenditure Patterns, and Fund Utilization Efficiency

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Abstract

Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is a comprehensive and effective programme introduced by the Government of India in 2006 to reduce poverty and unemployment in rural India. It has two objectives: one is to provide 100 days of guaranteed wage employment to every rural household whose adult members are willing to do unskilled manual work, and the second is to ensure a minimum of 33% employment for women under the programme. This study aims to analyse the inclusiveness of the programme and the employment opportunities it provides to marginalised communities, such as Scheduled Castes (SCs), Scheduled Tribes (STs), and women, in Uttarakhand, India. The study takes the secondary data from official websites of MGNREGA covering 2020-21 to 2024-25 on three broad parameters, such as (1) Financial Progress, (2) Physical Progress, and (3) Inclusiveness of the programme. The study takes data from 2020–21 to 2024–25, and found that MGNREGS experienced significant growth, characterised by increased budget allocations and effective fund utilisation, indicative of strong implementation. The timely processing of payments has consistently been outstanding, strengthening the confidence of the workforce. The overall increase in employment days per household and infrastructure projects indicates a beneficial effect of the scheme on rural livelihoods. Nonetheless, reductions in average wages and variations in project completion highlight difficulties in wage advancement and task execution. The consistent majority participation of women highlights the programme's significance in promoting gender inclusion. Meanwhile, the stable involvement of Scheduled Castes and the fluctuating participation of Scheduled Tribes indicate the influence of social and regional dynamics. Changes in spending habits related to agriculture and resource management, however, indicate a transformation in priorities. To ensure continued effectiveness, it is essential to concentrate on enhancing wage rates, completing projects on schedule, and distributing resources fairly.

Keywords: MGNREGS; Rural Development; Social Inclusion; Rural Sustainability; Women Empowerment.

1. Introduction

Since independence, rural India has been grappling with widespread unemployment and poverty. As a result, developing rural areas has become crucial for driving economic growth and social transformation in the country. Therefore, the government of India has launched various social welfare programs over time to reduce poverty and unemployment levels in rural India, providing net safety to rural people who have been excluded from the formal sector. On 25th August 2005, the Mahatma Gandhi National Rural Employment Guarantee Act was enacted by the Government of India and came into force on 2nd February 2006. In response to widespread unemployment and poverty in rural India, it aimed to transform rural areas by improving their socio-economic conditions through a unique national-level intervention. In Indian history, apart from the Maharashtra Employment Guarantee Scheme of 1975, which was started as a drought-relief measure in 1972-73 (Pankaj, 2012), the MGNREGS is effectual wage employment programme on the lines of right to work and it is the largest wage employment designed within the constitutional frame work to provide the guaranteed wage employment and expected to increase the rural livelihood security on a sustainable basis by creating economic and social infrastructure in rural India and improve the life of marginalized communities by providing basic amenities in rural areas. Under the programme, every rural household is provided 100 days of guaranteed wage employment in every financial year by the state, whose adult members are willing to do unskilled manual work with unique features such as like employment on demand within 15 days, equal wage payment men and women within 15 days, use of information and technology and social audits, active role of gram Sabha (MGNREGS, 2005). It is entirely different from the country's previously established employment programme, and it is designed to enhance food security among rural households and align with Goal 1 of the Sustainable Development Goals.

The programme creates sustainable public assets, including land development activities, irrigation facilities, rural connectivity, and other livelihood infrastructure, intended to benefit communities. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is the largest employment guarantee scheme in the world (UNDP, 2015), providing 2.8 million days of work to people from over 54 million households in the peak year of 2009-10 at a cost of 0.8% of gross domestic product (Ghose, 2015). It offers equal wages to both men and women and supports women's positions and integrity, thus promoting gender equality (Rania Antonopoulos, 2009). This welfare programme is unique in India because it is based on a rights-based approach that ensures social welfare as an entitlement for the rural poor, placing legal obligations and duties on the state government to guarantee those rights (Ruparelia, 2013). The programme increases the participation of rural households during periods of abnormal rainfall significantly in the state of Andhra Pradesh (Johnson, 2009). It benefited the rural population in the lean season by reducing distress migration and increasing purchasing power. The scheme gives equal rights to both men and women to access work with equal pay, and evidence shows that the MGNREGS improves the bargaining power of women (Pankaj & Tankha, 2010; Khera & Nayak, 2009) come to the same conclusion using the surveys of 250 women (Afridi, Mukhopadhyay, and Sahoo 2013) women participation significantly increases which improves the child school attendance and grade achievement although women participation varies across the states (Narayanan & Das, 2014) increase the power of depressed caste and class including women through guaranteed employment programme (Khera, 2008, 2011) It proves the secondary source of employment to those rural families who did not benefited from agriculture production (Bhatia & Drèze, 2006). The programme represents a philosophical innovation that adopts a rights-based and demand-driven approach, guaranteeing 100 days of employment each financial year at the ongoing agricultural minimum wage (Dutta et al., 2012). There is evidence that the implementation of MGNREGA has reduced distress migration, improved the bargaining power of agricultural labour and led the higher wages (Planning Commission, 2010). The programme achieved a significant milestone in issuing job cards, but there is an over-reporting issue. But the participation of jobholders is low. The study emphasises improving the participation of ST households and women's participation (NCAER, 2009). Little is known about the quality of assets created and various types of irregularities observed, such as the distribution of job cards after work commences, delayed and lower wage payments, and limited empowerment of the poor in the state of Odisha, for whom it is designed (Das, 2007). While the MGNREGS has been widely studied, only a few studies are available on its financial, physical, and inclusive impacts on vulnerable sections of society. Most studies focus on individual aspects, leaving a gap in understanding the scheme's overall effectiveness across multiple dimensions. Therefore, this study tries to analyse the (1) financial progress, including total budget allocation, total expenditure, percentage of utilization of funds, material and skilled wage, total administrative expenditure, average cost per day per person, and percentage of payments generated within 15 days, (2) Physical Progress includes total number of works taken up, number of ongoing works, number of completed works, percentage of expenditure on agriculture and allied works, percentage of NRM expenditure in MWC blocks and percentage of category B works taken up (3) Inclusiveness of MGNREGS includes scheduled caste person-days, scheduled tribes person-days, women person-days, average days of employment per household and average wage rate per day per person from 2020-21 to 2024-25 in the state of Uttarakhand, India and tries to find out the effect of MGNREGS on financial progress, physical progress and inclusiveness to beneficiaries of the programme.

2. Review of Literature

MGNREGS is the largest welfare programme based on rights, a demand-driven and wage employment approach. It has a cash transfer mechanism that ensures transparency and improves the socio-economic conditions of the marginalised population (Muralidharan et al., 2023). Many developing countries started welfare programmes similar to MGNREGA and offered cash transfers to mitigate poverty and vulnerabilities. In Brazil, the programme Bolsa Família; in Mexico, the programme for Direct Assistance in Agriculture; in Ethiopia, the Productive Safety Net Programme; and in Bangladesh, the National Strategy on the Management of Disaster and Climate-Induced Internal Displacement (Silchenko & Murray, 2023; Muralidharan et al., 2023).

Many scholars examine the various dimensions and themes of MGNREGS in different states, districts, blocks, and gram panchayats. Some studies focused on its effect on beneficiary income ((Ravallion, 2008; Sharma, 2013), migration and wage (Mukherjee & Sinha, 2011; Gulati et al., 2014), gender equality and environment convergence (Antonopoulos, 2007, 2013; Antonopoulos, 2007, 2013), leakages of the scheme and corruption ((Anderson et al., 2013) some studies related to common theme of proper planning and successful implementation of the programme (Hirway, 2004; Chakraborty, 2007; Raabe et al., 2010), some studies related to micro studies and geographic specific on wage, gender, and income factor ((Ravi & Engler, 2009; Das, 2013; Datta and Singh, 2012, 2014). Mahanta and Choudhury (2025) examine the decision-making power of women in the Barpeta district of Assam using the difference-in-differences method and found that there is a positive relationship between MGNREGA and employment generation. It also significantly impacts the financial decision-making of women, improves their living standards, and enhances their self-respect. Farooquee (2013) studied the policy implementation and impact review, concluding that States like Rajasthan, Andhra Pradesh, and Tamil Nadu have effectively implemented MGNREGA, while Bihar, Uttar Pradesh, and Odisha face challenges. Success is linked to lower poverty, higher literacy, and greater rural awareness, which help people exercise their right to work. Maske (2015) found that MGNREGA in Maharashtra faces challenges like work-demand mismatch, payment delays, poor planning, and staff shortages. Committed implementation can regenerate village resources and support sustainable development. Chopra (2019) concluded that the success of MGNREGA depends on the commitment of political and administrative leaders, with higher dedication leading to better implementation. Singh et al. (2012) identify major issues affecting MGNREGA as governance challenges, concerns regarding the quality of life for participants, and problems related to wage levels and productivity. Corruption is also prevalent in some well-performing states, which undermines the program's overall effectiveness. Chakraborty (2014) found that structural deficiencies and procedural lapses in MGNREGA hinder the realisation of its intended benefits. Dutta (2024) analyses the decentralisation and corruption under MGNREGA and found that corruption is high in Uttar Pradesh due to clientelism by local leaders, while it is lower in Andhra Pradesh, where bureaucratic implementation reduces local capture but introduces administrative opacity. Chandra (2015) concluded that MGNREGA has great potential to reduce poverty and improve living standards; its implementation faces challenges of corruption and inefficiency, and simple measures of corruption may give a misleading picture of the situation across states. Shah (2016) effectively expanded and reformed, which can drive rural transformation by providing short-term relief, medium-term livelihood support, and long-term sustainable growth, eventually reducing dependence on the programme. Debnath and Goswami (2019) concluded that the widespread corruption in MGNREGA has discouraged beneficiaries from participating, politicised worker demands, and limited the programme's effectiveness in reducing rural poverty. Mohanty (2024) analyses the employment demanded and generated under the MGNREGA, pointing out that the COVID-19 pandemic increased employment demand and generation in migration-prone districts. However, employment demand decreased due to poor support from the support staff. Husain et.al (2025) studied the effect of MGNREGS on the marginalised communities in Uttar Pradesh, India, and concluded that the programme provided the above statutory limit of 33%, but only a small portion

of people completed the 100 days of employment from 2020-21-24-25. Manjula (2024) studied the participation of people under the MGNREGS in Karnataka and found that a positive association exists between people's participation and demand for work, and also found that demand for work is high in backward regions and socially disadvantaged households. (Rajasekhar and Manjula, 2018) studies also highlighted the problems of inappropriate project selection, improper timing of MGNREGS work implementation, the use of machinery in undertaking works, elite capture, and poor quality of public works. Therefore, this study examines the financial, physical and inclusiveness of MGNREGS in the state of Uttarakhand and suggests recommendations to improve the performance of MGNREGS in the state of Uttarakhand, India.

Table 1: A Comparative Overview of Rural Livelihood Programmes in Selected Countries

Country	Scheme/ Programme	Implementing agency	Objectives
India	Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).	Ministry of Rural Development, Government of India.	Employment Guarantee Livelihood Security Asset Creation Social Inclusion Rural Development Poverty Alleviation Decentralized Governance
Bangladesh	Employment Generation Programme for the Poorest (EGPP).	The Ministry of Disaster Management and Relief, Government of Bangladesh. International Development Association (IDA).	Food Security Income Enhancement Productive Capacity Building Support for Destitute Populations Rural Road Construction Social Inclusion Access to Opportunities
Nepal	Rural Access Programme.	Government of Nepal. UK Department for International Development (DFID).	Vocational Training Income Generation Economic Infrastructure Development Support for Poorest & Disadvantaged Groups Micro-Enterprise Development Linkages with SMEs & Agri-Business
Afghanistan	Afghanistan Rural Enterprise Development Programme (AREDP).	Ministry of Rural Rehabilitation and Development (MRRD). World Bank..	Rural Employment Income Generation Sustainable Livelihoods High-Growth Sectors Integration Value Chain Strengthening Sustainable Rural Livelihoods Forest & Water Conservation
Bhutan	Rural Livelihood Project..	Royal Government of Bhutan. Helvetas.	Food Security Farmer Support Market Access Infrastructure Development Hydropower Opportunity Remote Area Development Poverty Reduction Income Support
Brazil	Bolsa Familia.	Ministry of Social Development and Assistance, Family and Fight Against Hunger, Government of Brazil.	Conditional Cash Transfers Education Promotion Healthcare Access Social Inclusion Breaking the Intergenerational Poverty Cycle

Source: Author's Compilation.

Table 1 presents an overview of the selected rural livelihood programmes implemented across India, Bangladesh, Nepal, Afghanistan, Bhutan, and Brazil, which reflect diverse yet complementary strategies aimed at enhancing the well-being and economic resilience of vulnerable populations. India's MGNREGS emphasises guaranteed wage employment and community asset creation to ensure livelihood security, while Bangladesh's EGPP focuses on providing income and food security to the poorest through labour-intensive public works. Nepal's Rural Access Programme integrates infrastructure development, particularly rural roads, with vocational training and social inclusion to uplift marginalised groups. Afghanistan's AREDP promotes micro-enterprise growth and value chain linkages to generate sustainable rural employment, whereas Bhutan's Rural Livelihood Project adopts an integrated approach that supports resource conservation, market access, and rural infrastructure, especially in remote areas. Brazil's Bolsa Família stands out as a conditional cash transfer model that combats poverty and promotes human capital development by linking financial support to compliance with education and healthcare requirements. Together, these programmes illustrate country-specific adaptations towards common goals of poverty alleviation, rural development, and enhancing the productive capacity of disadvantaged communities.

Table 2: Comparative Analysis of MGNREGS and Bolsa Família

Features	MGNREGS (India)	Bolsa Família (Brazil)
Nature of the Programme	Guaranteed Wage Employment Programme	Conditional Cash Transfer (CCT)
Implementation	Ministry of Rural Development (Government of India)	Ministry of Social Development (Brazil)
Primary objectives	Enhance livelihood security by providing 100 days of wage employment per rural household	Reduce poverty through income support and encourage human capital development
Target Population	Rural households are willing to do unskilled manual labour	Poor and extremely poor families with children or pregnant women
Focus Area	Employment generation, asset creation, and social protection	Education, health, and income support
Key benefit	Guaranteed employment and wage income; creation of durable rural infrastructure	Cash transfers directly to beneficiaries
Key Impact	Increased rural wages, reduced distress migration, and improved rural infrastructure	Reduced inequality, improved school attendance and health outcomes
Design Approach	Livelihood security through rights-based, labour-intensive public works	Poverty alleviation through social assistance and human capital investment

Source: Author's compilation.

Table 2 highlights MGNREGS in India and Bolsa Família in Brazil exemplify two distinct yet complementary models of state-driven social protection in the Global South. MGNREGS adopts a work-based entitlement approach, where guaranteed employment provides both immediate income and long-term community assets, reinforcing rural economies through collective action and infrastructure development. Its primary strength lies in empowering rural households through labour opportunities while strengthening local governance and minimising migration pressures. In contrast, Bolsa Família's strategy is rooted in conditional cash transfers, offering direct monetary support to the poorest families, particularly those with children, contingent upon school attendance and regular health check-ups. This approach not only alleviates short-term poverty but strategically invests in human capital to disrupt the cycle of generational poverty. The key difference lies in their operative logic. MGNREGS prioritises productive employment as a tool of economic empowerment, while Bolsa Família leverages financial transfers to foster educational and health-based social mobility. Together, these programmes demonstrate how countries can pursue shared goals such as poverty reduction, inclusion, and rural development through uniquely aligned policy paths that are deeply informed by their governance structures and societal needs.

3. Objectives of The Study

These are the following objectives of the study

- To analyse the financial progress of the scheme
- To critically evaluate the physical progress of the programme
- To find out the inclusiveness of the programme to marginalised communities

4. Data Sources and Methodology

4.1. Data source

This study is based entirely on secondary data collected from the official data repository of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), available on the Ministry of Rural Development's official website (<https://nrega.nic.in>). The data were obtained from the Management Information System (MIS) reports for the financial years 2020–21 to 2024–25. The MIS provides detailed district- and block-level information on expenditure, employment generation, and asset creation, ensuring accuracy and reliability of administrative data. To maintain consistency and comparability, only verified data from official annual reports, progress dashboards, and state-level updates for Uttarakhand were used. Supplementary information was drawn from the MGNREGA Annual Reports (Ministry of Rural Development, Government of India) and publications of the Rural Development Department of Uttarakhand.

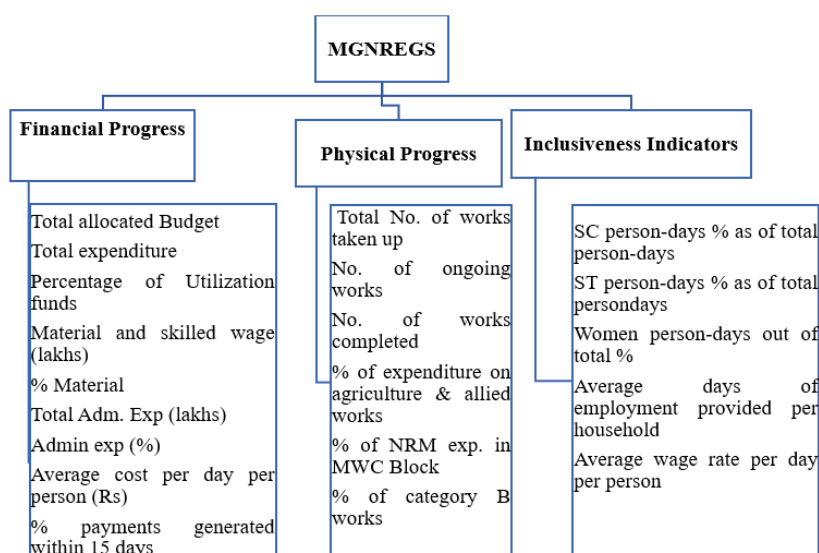
4.2. Research design

The study adopts a quantitative and descriptive research design to evaluate the performance of MGNREGS in Uttarakhand. Descriptive statistics were employed to summarise large datasets into interpretable measures of financial efficiency, physical achievements, and inclusiveness.

The analysis framework is structured into three major dimensions:

- Financial Progress
- Physical Progress
- Inclusiveness of the Programme

These indicators help to comprehensively evaluate how effectively the programme advances social justice, gender equality, and inclusive rural growth. The overall methodological approach offers a structured, data-driven assessment of MGNREGS performance in Uttarakhand, covering its financial management, implementation outcomes, and inclusiveness during the study period.



Source: Goyal et al.

5. Results and Discussion

Table 3: Financial Progress of MGNREGS

Year	Total allocated Budget (lakhs)	Total expenditure (lakhs)	Utilization of funds (%)
2020-21	10350.98	5353.76	51.72
2021-22	68538.62	68044.79	99.28
2022-23	60266.79	72311.45	119.99
2023-24	96902.03	90909.04	93.82
2024-25	63895.96	62859.47	98.38

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

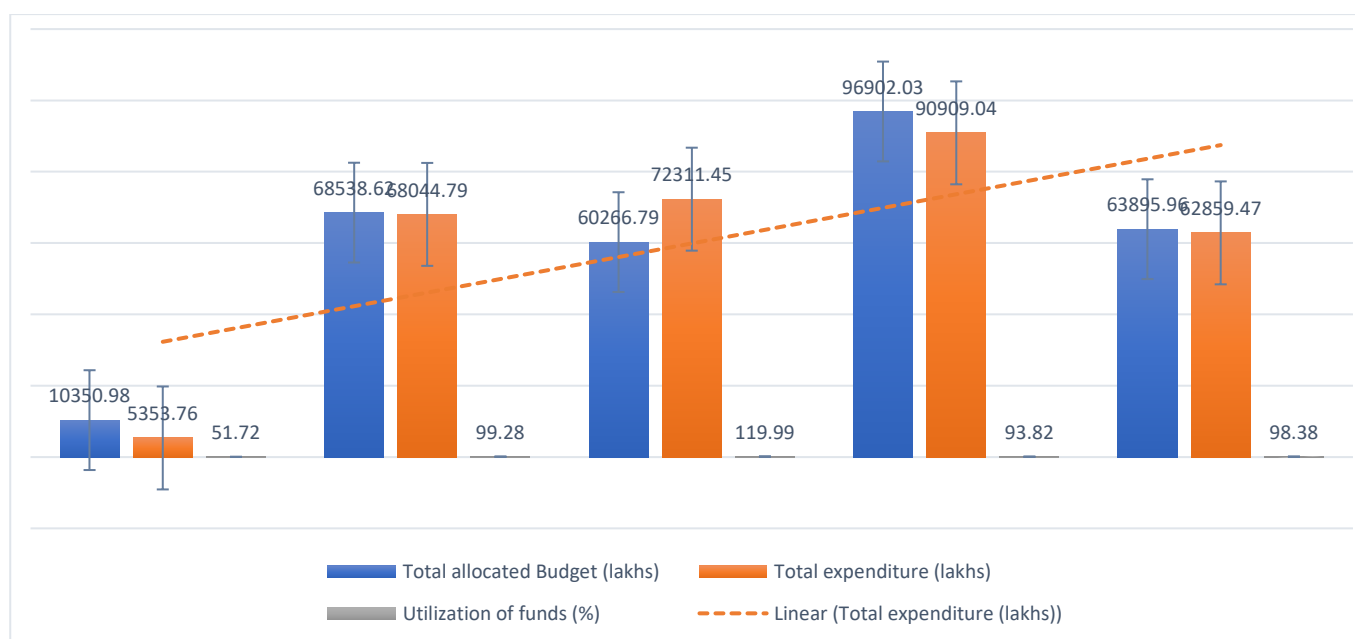


Fig 5.1. Financial Progress of MGNREGS

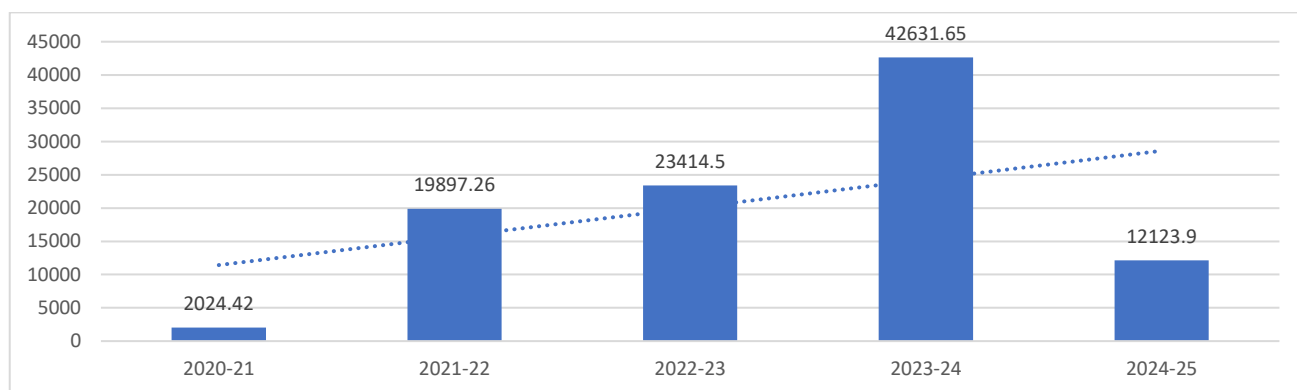
Source: Author's computation based on MIS NREGA data.

The above table 3 and figure 5. 1. analysis of the financial trends of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) from 2020–21 to 2024–25 reveals notable fluctuations in both budget allocation and expenditure efficiency. In the initial year, 2020–21, just over half of the allocated ₹10,350.98 lakh was utilised, indicating underperformance with only 51.72% of funds spent. The situation improved drastically in 2021–22 when fund usage almost matched the allocation of ₹68,538.62 lakh, reaching a utilisation rate of 99.28%. Interestingly, 2022–23 saw spending exceed the sanctioned budget, with ₹72,311.45 lakh spent against an allocation of ₹60,266.79 lakh resulting in an over-utilisation rate of 119.99%, suggesting either increased demand or improved execution. The subsequent year, 2023–24, saw a substantial budget rise to ₹96,902.03 lakh, with 93.82% of it spent, reflecting strong implementation. In 2024–25, the allocation was moderately reduced to ₹63,895.96 lakh, but spending remained high at ₹62,859.47 lakh, yielding a fund utilisation rate of 98.38%. These figures collectively illustrate a trajectory of increasing efficiency and responsiveness in the scheme's financial management over the five-year period.

Table 4: Financial Progress of MGNREGS

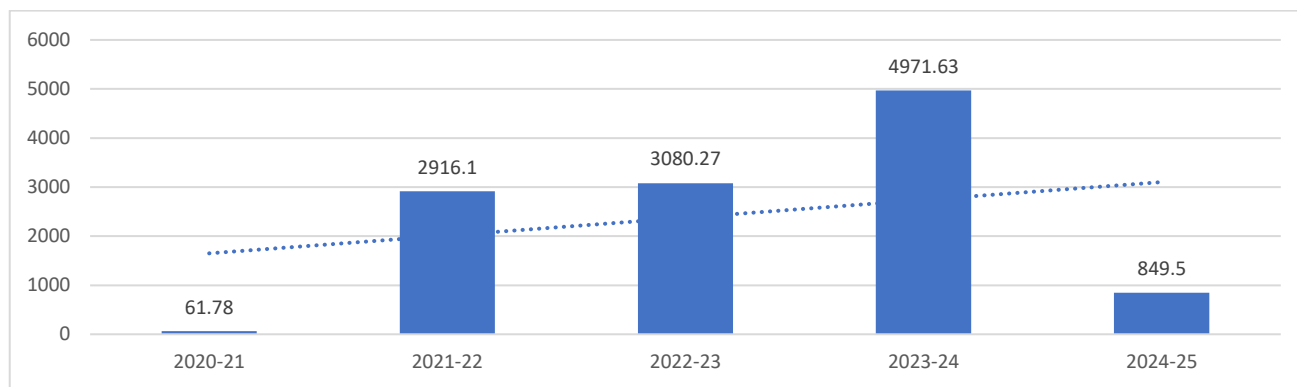
Year	Material and skilled wage (lakhs)	% Material	Total Adm. Exp (lakhs)	Admin exp (%)	Average cost per day per person (Rs)	% payments generated within 15 days
2020-21	2024.42	38.25	61.78	1.15	367.89	100
2021-22	19897.26	30.55	2916.1	4.29	423.31	99.99
2022-23	23414.5	33.82	3080.27	4.26	331.82	99.98
2023-24	42631.65	49.61	4971.63	5.47	317.56	99.83
2024-25	12123.9	19.55	849.5	1.35	220.27	99.92

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

**Fig 5.2.1.** Material and Skilled Wage (Lakhs)

Source: Author's computation based on MIS NREGA data.

Figure 5. 2.1. illustrates the financial trends related to material and skilled wage expenditure under the scheme from 2020–21 to 2024–25. In 2020–21, the expenditure on these components stood at ₹2,024.24 lakh. This amount saw a significant rise in the following year, reaching ₹19,897.26 lakh in 2021–22. The upward trend continued in 2022–23 with a further increase to ₹23,414.50 lakh. The highest expenditure during the five-year period occurred in 2023–24, peaking at ₹42,631.65 lakh, indicating a substantial boost in spending on materials and skilled labour. However, in 2024–25, there was a noticeable decline, with expenditure dropping to ₹12,123.90 lakh. This overall pattern suggests fluctuations in investment towards infrastructure and skilled components, possibly reflecting changing priorities or implementation strategies over the years.

**Fig 5.2.2.** Total Administrative Expenditure (Lakhs)

Source: Author's computation based on MIS NREGA data.

Figure 5.2.2. presents an analysis of total administrative expenditure under the scheme from 2020–21 to 2024–25, highlighting notable shifts in spending patterns over the five-year period. In 2020–21, administrative expenditure was relatively minimal at ₹61.78 lakh. This figure saw a dramatic increase in 2021–22, reaching ₹2,916.10 lakh, followed by a further rise to ₹3,080.27 lakh in 2022–23. The peak in administrative spending occurred in 2023–24, with the expenditure climbing to ₹4,971.63 lakh, marking the highest level during the period. However, in 2024–25, there was a significant decline, with the expenditure dropping to ₹849.50 lakh. This pattern suggests fluctuating administrative needs or shifting financial priorities in the implementation of the scheme.

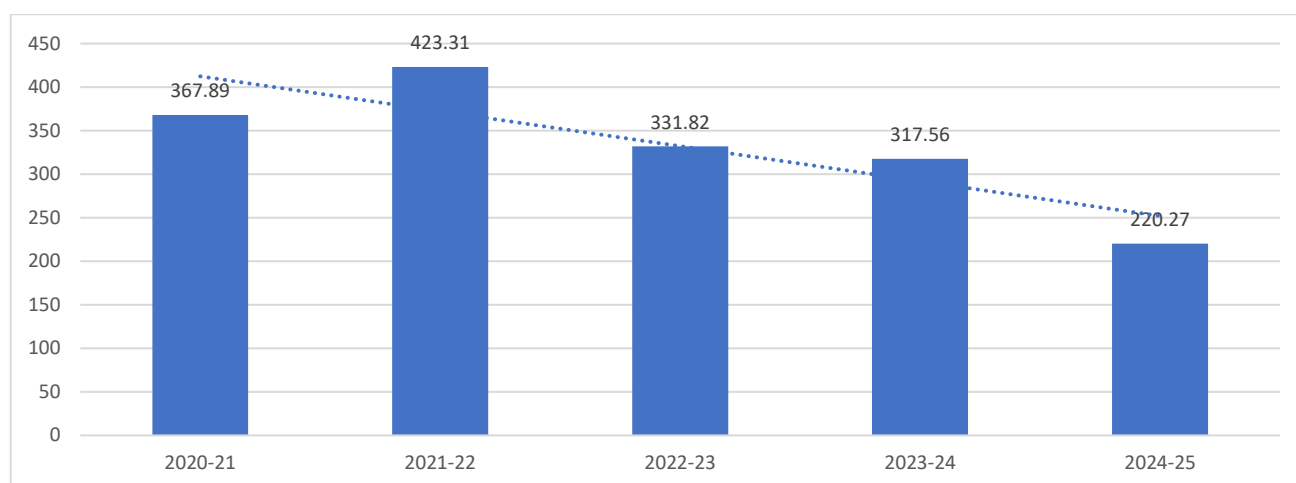


Fig 5.2.3. Average Cost Per Day Per Person (Rs)

Source: Author's computation based on MIS NREGA data

Figure 5.2.3. illustrates the trend in average daily cost per person under the scheme from 2020–21 to 2024–25, revealing both rises and declines over the five-year period. In 2020–21, the average daily cost was ₹367.89 per person. This increased notably to ₹423.31 in 2021–22, marking the highest cost during the observed period. However, the trend reversed in subsequent years, with the cost dropping to ₹331.82 in 2022–23 and further declining to ₹317.56 in 2023–24. The lowest recorded cost was in 2024–25, falling to ₹220.27 per person per day. This downward trend in later years may reflect policy adjustments, changes in wage rates, or shifts in the nature of work undertaken under the scheme.

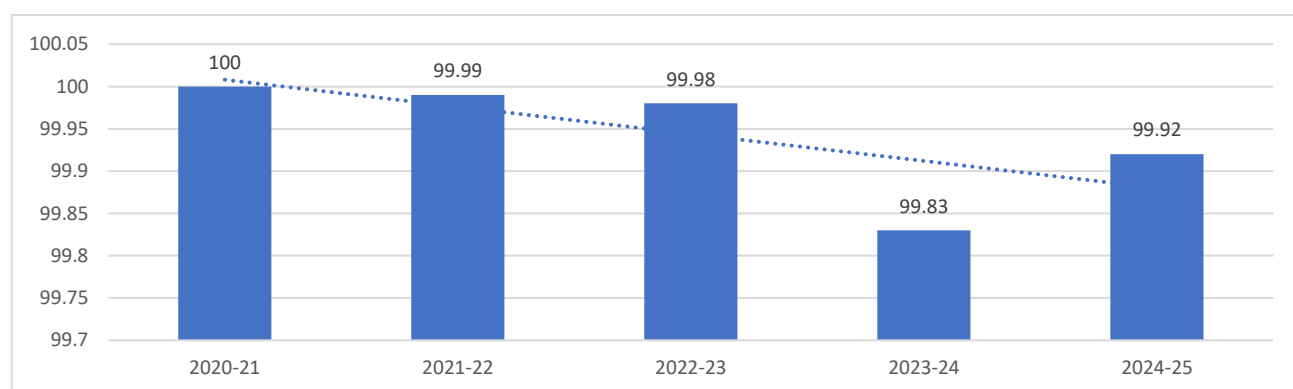


Fig 5.2.4. Percentage of Payments Generated Within 15 Days

Source: Author's computation based on MIS NREGA data.

Figure 5.2.4. examines the percentage of payments generated within 15 days under the scheme from 2020–21 to 2024–25, indicating a consistently high level of timely payment generation with minor fluctuations. In 2020–21, all payments 100% were generated within the 15-day period, demonstrating perfect efficiency. This figure saw a very slight dip to 99.99% in 2021–22 and continued to decline marginally to 99.98% in 2022–23. The downward trend persisted in 2023–24, with 99.83% of payments processed within the timeframe. However, in 2024–25, there was a slight improvement, with the percentage rising to 99.92%. Despite minor year-to-year variations, the data reflect a strong and consistent commitment to timely wage payments throughout the five-year period.

Table 5: Physical Progress of the MGNREGS

Year	Total No. of works taken up (New + Spillover) (lakhs)	No. of ongoing works (lakhs)	No. of works completed	% of expenditure on agriculture & agriculture allied works	% of NRM exp. in MWC Blocks	% of Category B works
2020-21	1.13	1.04	9245	71.75	65.87	35.41
2021-22	1.95	1.09	85851	59.47	42.71	40.5
2022-23	2.12	1.31	81831	52.22	72.49	39.84
2023-24	2.2	1.13	106938	49.01	58.68	31.15
2024-25	1.86	1.44	41618	51.16	67.47	28.91

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

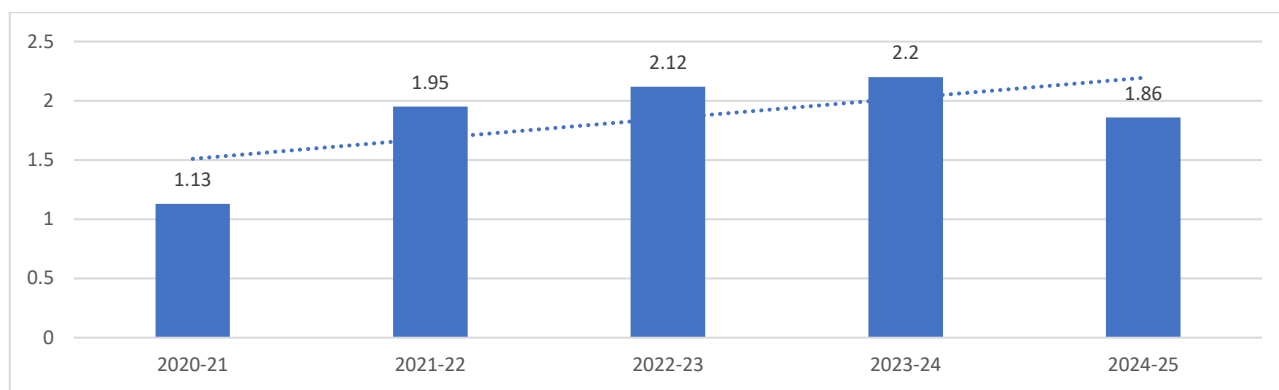


Fig 5.3.1: Total No. of Works Taken up

Source: Author's computation based on MIS NREGA data.

Figure 5.3.1. highlights the progress in sustainable infrastructure creation under the scheme from 2020–21 to 2024–25, focusing on the total number of works undertaken during this period. In 2020–21, the number of infrastructure works initiated stood at 1.13 lakh. This figure saw a steady rise in the following years, reaching 1.95 lakh in 2021–22 and slightly increasing further to 2.12 lakh in 2022–23. However, in 2023–24, the number slightly declined to 2.2 lakh and continued to decrease in 2024–25, falling to 1.86 lakh. This trend indicates an initial expansion in infrastructure activities followed by a modest reduction, possibly due to shifting priorities, completion of existing projects, or budgetary constraints.

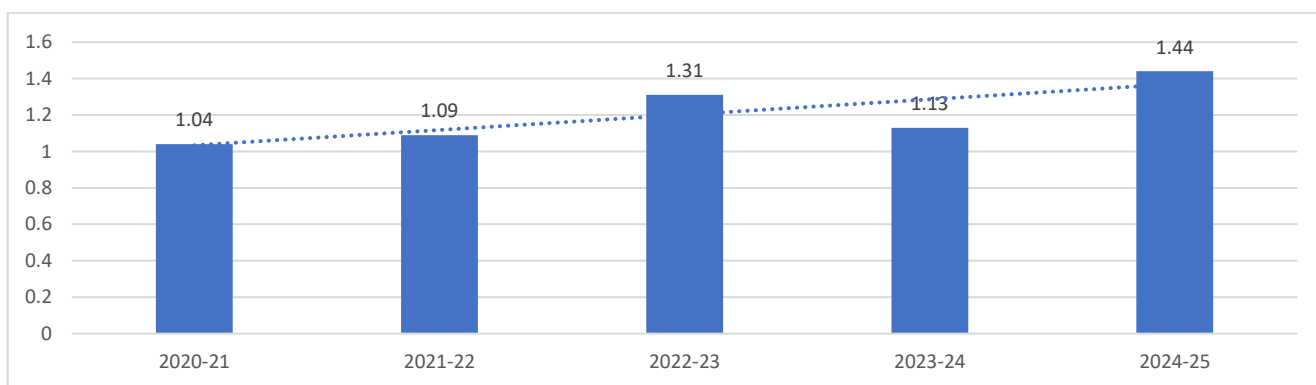


Fig.5.3.2: Number of Ongoing Works

Source: Author's computation based on MIS NREGA data.

Figure 5.3.3. provides an analysis of the number of ongoing works under the programme from 2020–21 to 2024–25, showing a generally upward trend with minor fluctuations. In 2020–21, the number of ongoing works stood at 1.04 lakh, which slightly increased to 1.09 lakh in 2021–22. The upward movement continued in 2022–23, reaching 1.31 lakh. However, there was a modest decline in 2023–24, with ongoing works dropping to 1.13 lakh. This dip was followed by a significant rise in 2024–25, with the number of ongoing works reaching 1.44 lakh, the highest recorded during the five-year period. This pattern reflects a steady expansion of project implementation efforts, culminating in peak activity in the most recent year.

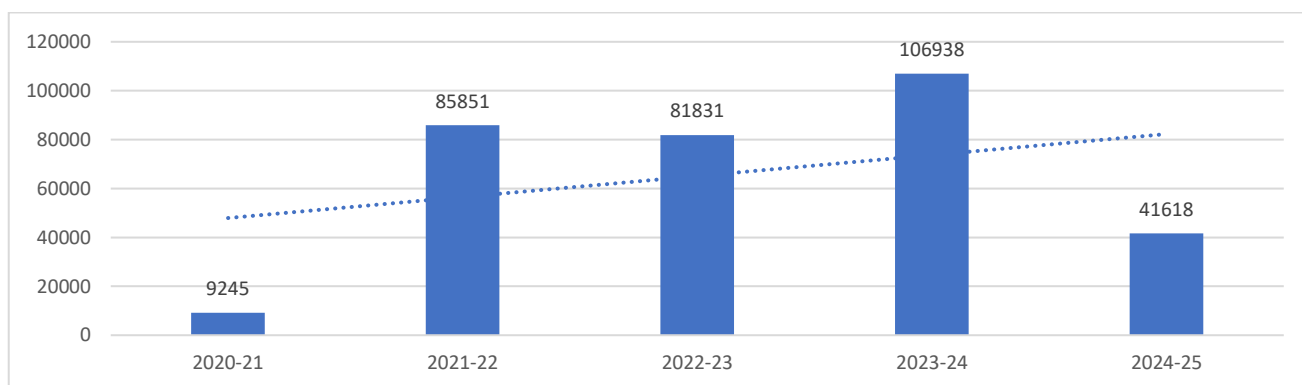


Fig 5.3.4: Number of Works Completed

Source: Author's computation based on MIS NREGA data.

Figure 5.3.4. illustrates the number of works completed under the programme from 2020–21 to 2024–25, highlighting fluctuations over the five-year period. In 2020–21, a total of 9,245 works were completed, which surged dramatically to 85,851 in 2021–22. The number then saw a slight decrease to 81,831 in 2022–23 before rising again to a peak of 1,06,938 completed works in 2023–24, marking the highest level of completion during the period. However, in 2024–25, the number of completed works dropped significantly to 41,618, the lowest

figure recorded over the five years. This pattern suggests varying implementation pace and possible shifts in project cycles or resource allocation.

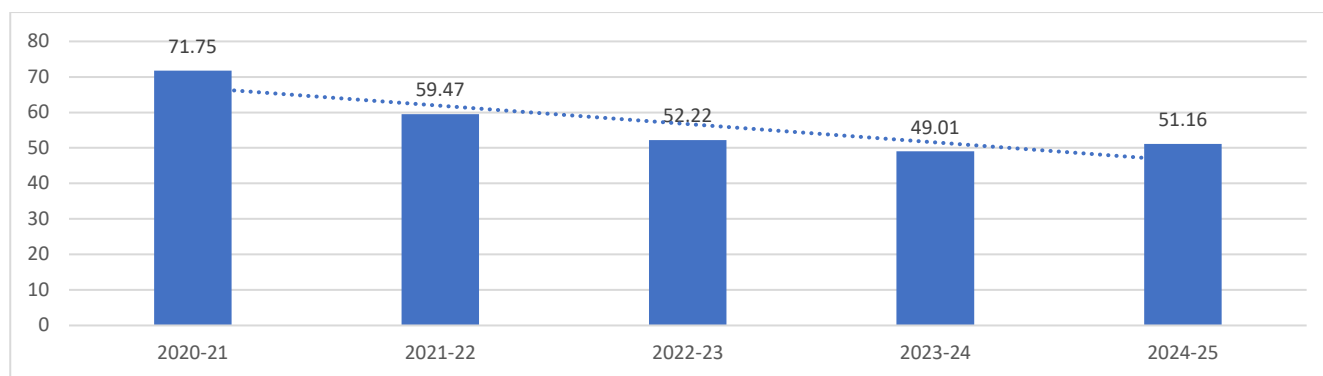


Fig 5.3.5: Percentage of Expenditure on Agriculture and Allied Works

Source: Author's computation based on MIS NREGA data.

Figure 5. 3.5. illustrates the percentage of expenditure allocated to agriculture and allied works from 2020–21 to 2024–25, revealing a general downward trend with some fluctuations. In 2020–21, the highest proportion of expenditure 71.75% was directed toward agriculture and allied activities. This percentage decreased to 59.47% in the following year, followed by a further decline to 52.22% in 2022–23. The downward trend continued in 2023–24, reaching 49.01%, the lowest share during the period. However, in 2024–25, there was a modest rebound, with the expenditure share rising slightly to 51.16%. This pattern suggests changing priorities or resource allocation strategies within the scheme over the five years.

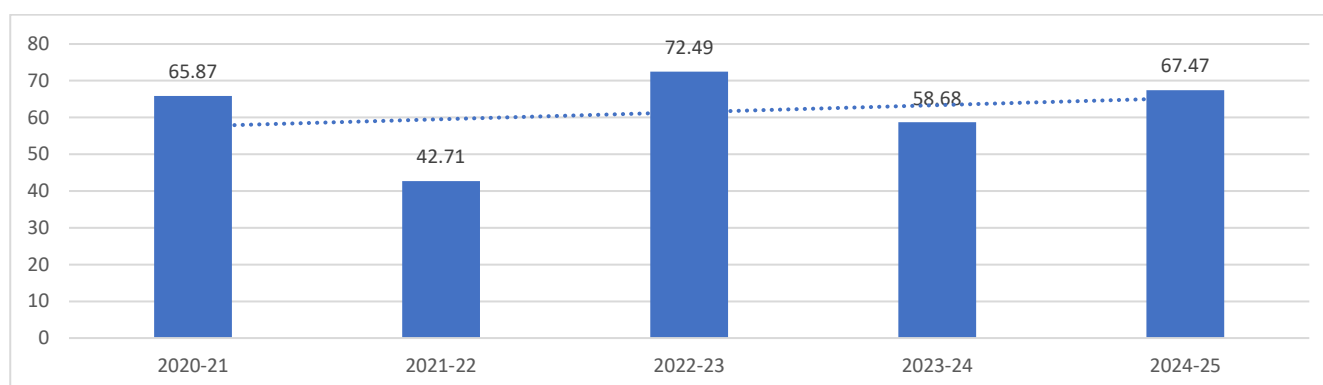


Fig 5.3.6: Percentage of NRM Expenditure in MWC Block

Source: Author's computation based on MIS NREGA data.

Figure 5.3.6. analyses the percentage of expenditure on Natural Resource Management (NRM) in the MWC block over the period from 2020–21 to 2024–25, showing notable fluctuations. In 2020–21, NRM expenditure accounted for 65.87% of the total, which then declined significantly to 42.71% in 2021–22. The share rebounded sharply in 2022–23, reaching its peak at 72.49%. This was followed by a decline to 58.68% in 2023–24, before rising again to 67.47% in 2024–25. These changes reflect varying levels of focus and investment in natural resource management activities within the block during this timeframe.

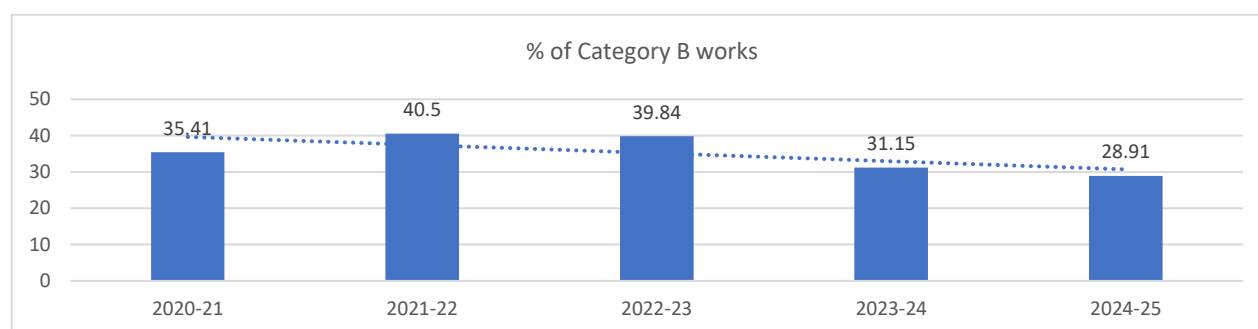


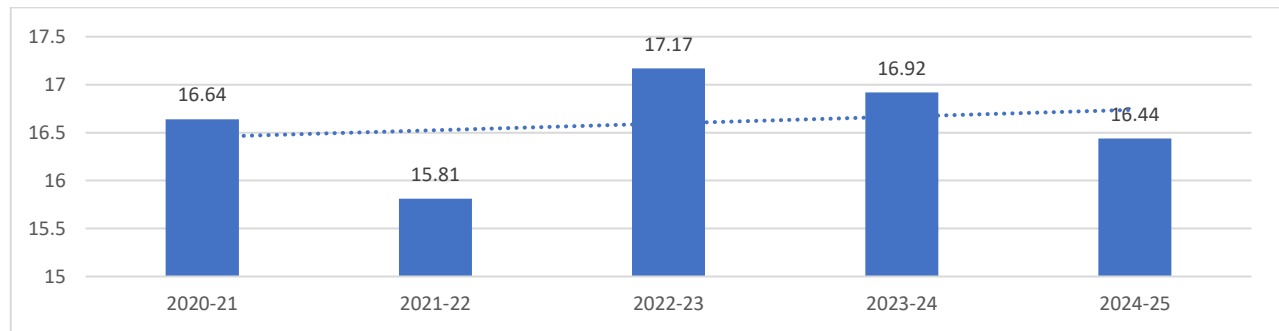
Fig 5.3.7: Percentage of Category B Works

Source: Author's computation based on MIS NREGA data.

Figure 5.3.7. examines the percentage of Category B works undertaken from 2020–21 to 2024–25, showing an initial increase followed by a steady decline over the period. In 2020–21, Category B works constituted 35.41% of the total, rising to 40.5% in 2021–22. However, this share slightly dropped to 39.84% in 2022–23 and then experienced a more pronounced decrease to 31.15% in 2023–24. The downward trend continued into 2024–25, with Category B works comprising 28.91% of the total. This pattern indicates a gradual shift away from Category B projects during the latter years of the period.

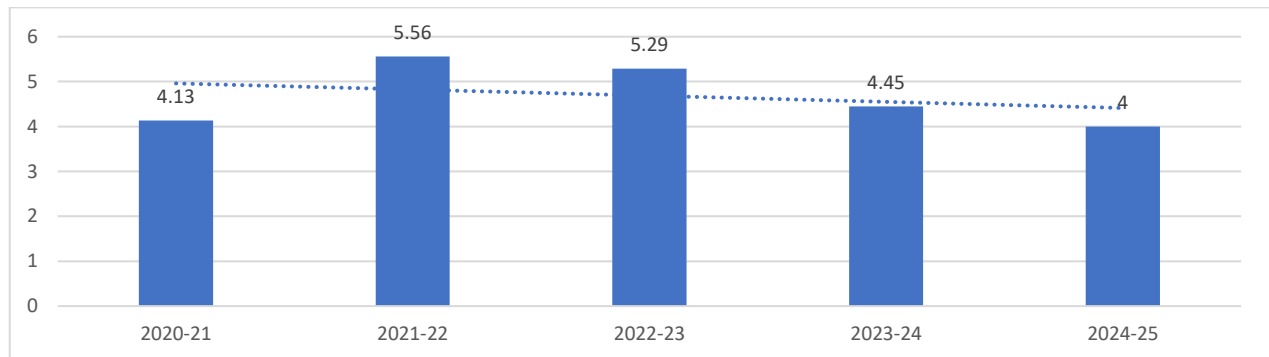
Table 6: Inclusiveness of the MGNREGS

Year	SC person-days % as of total person-days	ST person-days % as of total person-days	Women Person days out of Total (%)	Average days of employment provided per Household	Average Wage rate per day per person (Rs.)
2020-21	16.64	4.13	55.06	15.41	251.82
2021-22	15.81	5.56	55.93	43.96	236.89
2022-23	17.17	5.29	56.85	41.75	229.85
2023-24	16.92	4.45	56.77	41.2	212.96
2024-25	16.44	4	55.51	42.42	203.98

Source: <https://nrega.nic.in>.**Fig 5.4.1:** SC Person-Days % as of Total Person-Days

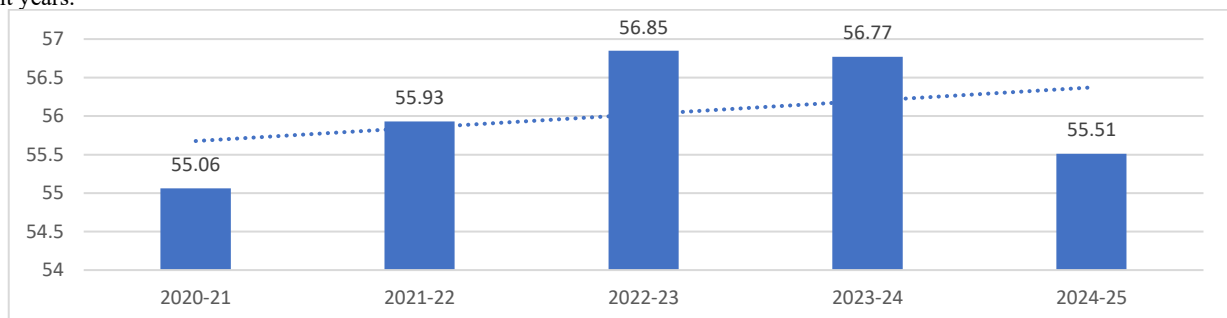
Source: Author's computation based on MIS NREGA data.

Figure 5.4.1. presents the percentage of scheduled caste (SC) person-days as a share of total person-days generated under the programme from 2020–21 to 2024–25. In 2020–21, SC person-days accounted for 16.64% of the total, a slight decrease to 15.81% in 2021–22. The highest proportion was recorded in 2022–23 at 17.17%. This was followed by a small decline to 16.92% in 2023–24 and a further decrease to 16.44% in 2024–25. These figures suggest a relatively stable participation of scheduled caste workers throughout the period, with minor fluctuations year to year.

**Fig 5.4.2:** ST Person-Days % as of Total Person-Days

Source: Author's computation based on MIS NREGA data.

Figure 5.4.2. analyses the percentage of scheduled tribes (ST) person-days as a share of the total person-days generated from 2020–21 to 2024–25. In 2020–21, ST person-days accounted for 4.13% of the total, increasing to 5.56% in 2021–22. This share then experienced a slight decline to 5.29% in 2022–23, followed by a further drop to 4.45% in 2023–24. In 2024–25, the percentage decreased again, reaching 4%. Overall, the data indicate modest fluctuations in ST participation with a peak in 2021–22, before settling at lower levels in the subsequent years.

**Fig 5.4.3:** Women Person-Days out of Total (%)

Source: Author's computation based on MIS NREGA data.

Figure 5.4.3. analyses the percentage of women's person-days out of the total person-days generated under the programme from 2020–21 to 2024–25. In 2020–21, women accounted for 55.06% of the total person-days, which increased to 55.93% in 2021–22. This upward trend continued, reaching 56.85% in the 2022–23 fiscal year. However, there was a slight decline in the following years, with women's participation at 56.77% in 2023–24 and further decreasing to 55.51% in 2024–25. Overall, women consistently represented over half of the person-days throughout the period, highlighting their significant involvement in the scheme.

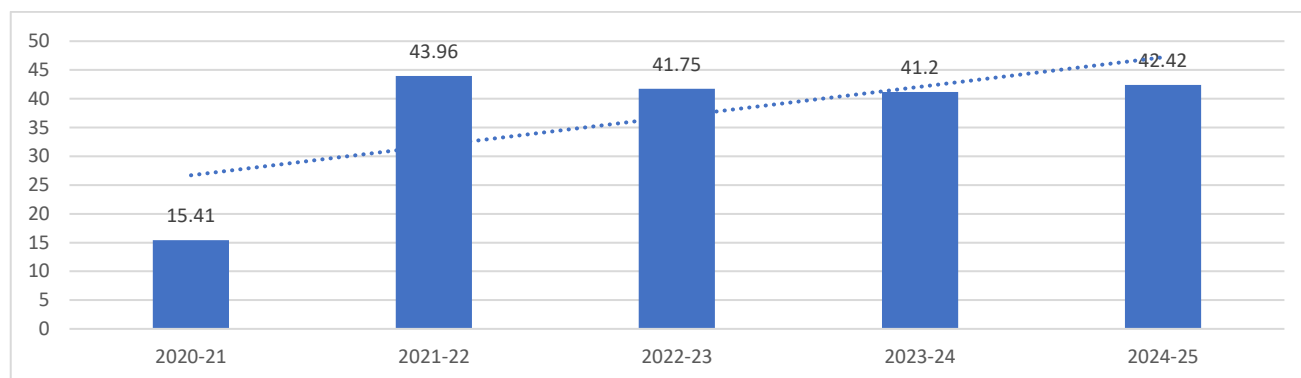


Fig 5.4.4: Average days of Employment Provided Per Household

Source: Author's computation based on MIS NREGA data.

Figure 5.4.4. analyses the average number of employment days provided per household from 2020–21 to 2024–25. In 2020–21, households received an average of 15.41 days of employment. This figure increased substantially to 43.96 days in 2021–22, followed by a slight decline to 41.75 days in 2022–23. The downward trend continued marginally with 41.2 days in 2023–24, before rising again to 42.42 days in 2024–25. This pattern reflects an overall improvement in employment opportunities per household over the period, despite minor fluctuations from year to year.

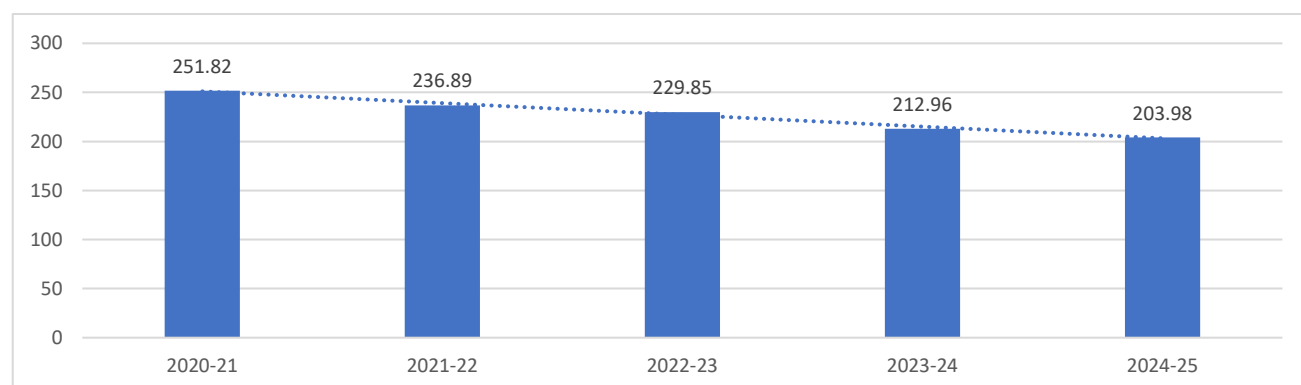


Fig 5.4.5: Average Wage Rate Per Day Per Person (Rs)

Source: Author's computation based on MIS NREGA data.

Figure 5.4.5. analyses the average wage rate per day per person over the periods from 2020-21-2024-25 and shows that the average wage rate is 251.82 rupees per day per person in 2020-21, slightly declining to 236.89 rupees in 2021-22, further declining to 229.85 rupees in 2022-23 again decline to 212.96 rupees in 2023-24 again declined to 203.98 rupees in 2024-25.

6. Discussion

The examination of financial and operational data from 2020–21 to 2024–25 shows that the MGNREGS programme has undergone a significant expansion in terms of both magnitude and scope. The strong government commitment and effective fund deployment are evident in the high utilisation rates and increasing budget allocations, particularly evident in the peak utilisation of nearly 120% in 2022–23. Though the decline in the final year may be indicative of resource constraints or shifting priorities, the consistent increase in expenditure on materials and qualified wages indicates a greater emphasis on sustainability and quality in project execution. The generation of timely payments, exceeding 99.8%, underscores the scheme's administrative efficiency, which is crucial for maintaining worker trust and motivation. The increase in infrastructure projects and the average number of employment days per household indicate that MGNREGS is progressively achieving its goal of delivering rural employment. Nonetheless, variations in completed projects and declining average daily earnings highlight persistent issues such as wage stagnation and delays in project completion. The steady predominance of women in person-days highlights the initiative's significance in fostering gender inclusivity and enhancing economic empowerment. In a similar vein, consistent involvement from scheduled castes alongside variable participation from scheduled tribes highlights the complex social dynamics and regional differences in execution. Decreasing spending on agriculture and related activities, coupled with inconsistent investment in natural resource management, may signal a shift in focus areas within the program, potentially impacting long-term sustainability objectives. The decline observed in Category B indicates a shift in project priorities. In summary, although MGNREGS has achieved notable advancements in enhancing rural employment and infrastructure, it is crucial to focus on wage levels, work completion rates, and targeted expenditure to maintain its effectiveness and guarantee equal opportunity among various social groups. Scheduled Tribes (STs) in Uttarakhand often face lower wages and intermittent participation in MGNREGS due to both structural and contextual factors. Labour market segmentation and social exclusion limit their bargaining power and access to information, while seasonal agricultural work or migration affects engagement. Contextual issues such as delayed payments, regional disparities in implementation, and variable asset quality further reduce real wages

and sustained participation. Understanding these factors provides a critical perspective on ST engagement, highlighting equity and effectiveness challenges in MGNREGS implementation. Building on these insights, the following section examines budget allocation, expenditure patterns, and fund utilisation efficiency under MGNREGA in Uttarakhand, assessing how financial management influences program outcomes for marginalised communities.

7. Conclusion and Policy Recommendation

MGNREGS played a significant role in providing guaranteed wage employment to rural people and reducing the poverty level since its implementation in the country. The scheme is empowering the underprivileged and marginalised communities and is becoming a prominent social welfare programme in terms of budget allocation and coverage. The scheme has improved the livelihood security of rural households by providing additional wages to beneficiaries and empowering them through participatory institutions. This study analysed the financial, physical, and inclusive progress trends of the MGNREGS scheme in Uttarakhand, from 2020-21 to 2024-25. It also explores the inclusiveness of the MGNREGS scheme in terms of employment benefits provided to the marginalised section of people, especially the scheduled caste (SCs), the scheduled tribes (STs), and women. Between 2020–21 and 2024–25, the MGNREGS showed significant growth in budget allocation and fund utilisation, with expenditure peaking in 2022–23. Spending on materials, skilled wages, and administration rose before declining slightly in the last year. Payment timeliness remained excellent throughout. Infrastructure projects and employment days per household increased overall, while the number of completed works fluctuated. Women consistently contributed over half of the person-days, and participation from Scheduled Castes remained stable, with Scheduled Tribes showing minor variations. Despite a steady drop in average daily wages, the scheme expanded rural employment and supported sustainable development, adapting to changing economic conditions and priorities. The study finds that while MGNREGA has faced challenges such as difficult terrain, administrative delays, limited awareness, and occasional corruption, strengthening local governance, monitoring, and skill development has improved its effectiveness. It recommends aligning the programme with marginalised groups, prioritising climate-resilient and sustainable infrastructure projects, and focusing on agriculture and allied sectors to enhance rural livelihood security.

Declaration of Conflicting Interest

The author declared no potential conflict of interest with respect to research authorship and publication of this article.

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