Performance Evaluation of MGNREGS in Himachal Pradesh

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Abstract- MGNREGS is one of the schemes, which has attained considerable recognition among rural masses. It plays an important role in the upliftment of rural people. In this paper, an attempt has been made to evaluate the Performance of MGNREGS in Himachal Pradesh from 2015-20 in the last five years in terms of employment demanded by rural households and employment offered by Panchayati Raj Institution representatives, and hundred days assured work completed by beneficiaries. In addition, financial performance i.e. growth of fund utilization in the programme is also taken into consideration in the study. For accomplishing the objectives of the study, secondary data was collected and analyzed with help of statistical tools Mean and CAGR. The outcome of the study is summarized that growth has been found at every phase of the programme and it is playing a significant role in the socio-economic development of rural masses.

Index Terms- MGNREGS, Performance, and Employment

I. INTRODUCTION

Mahatma Gandhi Employment Guarantee Act 2005, is an Indian labour law and social security measure that aims to guarantee the 'Right to Work'. This act was passed on 23 August 2005 under the UPA government of Prime Minister Dr. Manmohan Singh. The NREGS came into force, on a pilot basis, on February 2, 2006 and was implemented in a phased manner. In first phase, it was introduced in 200 of the most economically backward districts of the country. In 2007, the second phase of implementation, it was extended to 130 additional districts and the remaining districts were covered in the third phase on April 1, 2008. The law was initially called the National Rural Employment Guarantee Act (NREGA) and was renamed with the prefix "Mahatma Gandhi" on 2 October 2009, Gandhi's birth anniversary.

The objective of MGNREGA is to ensure the livelihood security of rural people by guaranteeing at least 100 days of wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. Another aim of MGNREGA is to create durable assets (such as Pedestrians, Roads, Agri-Land, Canals, Ponds, and Wells etc). Employment is to be provided within 5 km of an applicant's residence, and minimum wages are to be paid. If work is not provided within 15 days of applying, applicants are entitled to an unemployment allowance. Therefore, employment under MGNREGA is a legal right.

MGNREGA in Himachal Pradesh

As per details from Census 2011, around 89.97 per cent of people of Himachal Pradesh lives in villages of rural areas, which is extremely backward. So, it is recognized as one of the backward states of the country. Therefore, the GOI implemented the MGNREGA in the state in a phased manner, keeping in notice the rural population and economic status of the people. In the first phase, it was introduced in two districts i.e. Chamba and Sirmour. During the second phase, two more districts were included namely Kangra and Mandi, and the remaining eight districts (Solan, Shimla, Bilaspur, Hamirpur, Kinnaur, Lahoul-Spiti, Una and Kullu) were covered in the third phase. At present, the MGNREGS is operating in all twelve districts of the state covering 78 blocks and 3326 Gram Panchayats. Since the inception of this scheme and to till the end of the year 2019-20, total number of 12.67 Lakhs households have been issued job cards.

I. LITERATURE REVIEW

Rengasamy and Kumar (2011) in their article, "State Level Performance of MGNREGA in India: A Comparative Study", have cleared that MGNREGA has immense potential to provide social security to rural masses, if its implementation is efficient and its synergies are optimally exploited. Further, they have stated that India should not miss another opportunity to demonstrate the world's largest democracy. It cares for its people, especially the deprived and the vulnerable and that it is truly marching ahead in its quest to become a welfare state.

Sharma and Didwania (2013) have noticed an improvement in the awareness of the beneficiaries and observed the positive effects of the programme, especially on beneficiaries. It can be identified in terms of its physical performance with respect to providing demand-based work and creating social community assets through full utilization of central and state government's financial and non-financial support. It indicates the positive sign of growth and development of rural areas as well as the nation.

Angamuthu (2017) has made an attempt to examine the physical performance of MGNREGS in India. The results of the analysis reveal that the number of employment demanded on an average has increased from the year 2012-13 to 2013-14 and gradually decreased thereafter. The study shows that the number of employment provided under the programme is falling continuously at a CAGR of 4.07 per cent on an average every year. The researcher has also found that the CAGR of women's participation remains higher than that of the SCs' and STs' participation for the respective given period.

Michael (2018) carried out a study on “MGNREGA-An Appraisal of Performance with reference to Bangalore District” and observed that MGNEGA is focused on the formation of capital assets rather than employment. The researcher also found that from 2009 onwards Gram Panchayats are maintaining their official records in electronic format and doing various payments through electronic fund transfer. Meanwhile, the researcher analyzed that the pace of completion of work under the scheme is declining and job cardholders are reluctant to work under the scheme due to underpaying than the wage rate in the open market.

II. RESEARCH GAP

The Retrospective Literature is an integral part of the research process and makes a valuable contribution at almost every operational step. As far as literature on MGNREGS of Himachal Pradesh is concerned it is quite scanty and inadequate. However, the present study makes an attempt to fill the existing gap in the review of literature by conducting a study on the performance of MNREGS in Himachal Pradesh.

VI. DATA ANALYSIS AND INTERPRETATION

1. Financial Performance of MGNREGS 2015-2020

Table No. 1
Funds Utilization under the MGNREGS: District-wise Analysis (Lakhs)

Sr. No.	District	2015	2016	2017	2018	2019	2020	Mean	CAGR
1	Bilaspur	2119.84	1792.26	2816.41	2820.61	3418.67	2340.68	2551.41	2.00%
2	Chamba	6543.27	6009.08	9005.63	8607.37	12942.9	14274.1	9563.72	16.88%
3	Hamirpur	1748.37	1718.08	2379.88	2319.31	3240.99	3145.05	2425.28	12.46%
4	Kangra	7070.2	7441.53	9743.98	10589.7	16151.7	11610.2	10434.56	10.43%
5	Kinnaur	686.34	1113.67	1041.43	1193.48	2171.42	2170.17	1396.09	25.89%
6	Kullu	2772.88	2444.75	4316.14	4414	5743.47	4654.69	4057.66	10.92%
7	Lahaul-Spiti	251.14	270.68	351.67	359.86	292.64	328.25	309.04	5.50%
8	Mandi	10381.95	10157.39	13938.4	12435.9	18442.3	16571.4	13654.56	9.80%
9	Shimla	3342.42	3192.98	4609.25	5049.86	6029.25	5039.77	4543.92	8.56%
10.	Sirmaur	3026.74	2328.99	3989.67	4305.5	7152.99	4654.56	4243.08	8.99%
11.	Solan	1242.12	1225.04	1816.94	2042.2	2911.01	2133.46	1895.13	11.43%
12.	Una	1301.6	1456.1	2262.82	2605.42	4903.11	4024.65	2758.95	25.33%
Total (HP)		40486.87	39150.55	56272.2	56743.2	83400.5	70947	57833.38	11.87%

Source: HP RDD Annual reports 2015, 2016, 2017, 2018, 2019 and 2020.

The table reveals the district-wise analysis of funds utilized under the MGNREGS during the period from 2015 to 2020. It is found from the table that on average the highest mean value of fund utilization is 13654.56 in lakhs from the year 2015 to 2020 in Mandi district and the lowest average mean value of fund utilization is 309.04 in lakhs for the last six years (2015-2020) in Lahaul-Spiti district. The overall average mean value of fund utilization from 2015 to 2020 is 57833.38 in lakhs. Likewise, CAGR, as seen from the table that the highest per cent i.e. 25.89

III. OBJECTIVES OF THE STUDY

1. To examine the financial performance of MGNREGS with respect to fund utilization.
2. To evaluate the performance of MGNREGS in terms of employment demanded, employment provided, and employment completed.

IV. RESEARCH METHODOLOGY

The present study is purely based on secondary data. For accomplishing the objectives of the study, data was collected from the website of Rural Development Department of Himachal Pradesh, India (<https://rural.hp.gov.in/?q=annual-report> accessed on 10/08/2021) for the period of 2015-2020 of last five years.

V. TOOLS AND TECHNIQUES

The statistical tools like Mean and CAGR are used for the analysis and interpretation of data.

per cent on average increases the fund utilization in Kinnaur district and it is followed by Una by 25.33 per cent each and the lowest 2 per cent of average declining of Bilaspur district during the same period of time. Thus it can be summarized that overall fund utilization is increased by an average of 11.87 per cent for the given period of time in Himachal Pradesh.

2. Employment Demanded under MGNREGS 2015-2020

Table No. 2
District-wise Allocation: Employment Demanded by Households

Sr. No.	District	2015	2016	2017	2018	2019	2020	Mean	CAGR
1	Bilaspur	24216	21973	29056	28048	26925	23882	25683.33	-0.28%
2	Chamba	66543	61085	76728	72957	81775	91667	75125.83	6.62%

3	Hamirpur	23217	20718	26853	26134	28729	29966	25936.17	5.24%
4	Kangra	90243	86440	103626	104322	109257	99869	98959.50	2.05%
5	Kinnaur	9474	9259	10058	9702	11683	11774	10325.00	4.44%
6	Kullu	43251	38684	47659	48004	48397	46038	45338.83	1.26%
7	Lahaul-Spiti	3739	3937	3463	2953	3270	3498	3476.67	-1.32%
8	Mandi	126532	125458	143356	133330	144657	142555	135981.33	2.41%
9	Shimla	47203	43391	51105	50919	51467	53940	49670.83	2.70%
10.	Sirmaur	33980	24712	36379	34027	40194	34242	33922.33	0.15%
11.	Solan	16860	15354	19955	19916	22060	19469	18935.67	2.92%
12.	Una	14160	15761	21382	20452	23956	23674	19897.50	10.83%
Total (HP)		499418	466772	569620	550764	592370	580574	543253.00	3.06%

Source: HP RDD Annual reports 2015, 2016, 2017, 2018, 2019 and 2020.

The table exhibits district-wise bifurcation of employment demanded by households from 2015 to 2020. It is quite clear from the above table that the highest average mean score of 135981.33 has been attained by Mandi district and the lowest 3476.67 has been attained by Lahaul-Spiti district for employment demanded during the above mentioned period. The overall mean score of employment demanded in Himachal Pradesh is 543253.00 for the same period of time. After evaluation of the CAGR, it is clear that the Una district has been growing by

the highest per cent i.e. 10.83 per cent for the period of 2015 to 2020 and the lowest Sirmaur district by 0.15 per cent for the above said period. So it can be concluded that overall employment demand has increased positively in Himachal Pradesh by 3.06 per cent for the period of 2015 to 2020.

3. Employment Provided under MGNREGS 2015-2020

Table No. 3
District-wise Distribution: Employment Provided to Rural Households

Sr. No.	District	2015	2016	2017	2018	2019	2020	Mean	CAGR
1	Bilaspur	21495	19703	26586	25013	24585	20449	22971.83	-0.99%
2	Chamba	60250	54808	71580	68367	76835	86479	69719.83	7.50%
3	Hamirpur	21029	18714	24508	23853	26543	26991	23606.33	5.12%
4	Kangra	78345	75968	93133	95255	99662	89075	88573.00	2.60%
5	Kinnaur	8982	8719	9605	9179	11329	11367	9863.50	4.82%
6	Kullu	40842	36214	45250	45878	45906	43367	42909.50	1.21%
7	Lahaul-Spiti	3502	3355	3336	2779	3068	3293	3222.17	-1.22%
8	Mandi	117051	116300	136568	125792	137200	133300	127701.83	2.63%
9	Shimla	44122	40553	48082	47419	48604	50111	46481.83	2.58%
10.	Sirmaur	30634	21767	33144	31076	37379	30833	30805.50	0.13%
11.	Solan	13946	12867	17782	17919	20213	16814	16590.17	3.81%
12.	Una	12190	13911	19255	18837	22317	21840	18058.33	12.37%
Total (HP)		452388	422879	528829	511367	553641	533919	500503.83	3.37%

Source: HP RDD Annual reports 2015, 2016, 2017, 2018, 2019 and 2020.

The table depicts the figure related to employment offered by the district rural development agency for rural households. It is quite clear from the table that CAGR for Chamba, Hamirpur, Kangra, Kinnaur, Kullu, Mandi, Shimla, Solan and Una districts has continuously grown for the period of 2015 to 2020 by 7.50, 5.12, 2.60, 4.82, 1.21, 2.63, 2.58, 3.81 and 12.37 per cent respectively. On the other side, Bilaspur and Lahaul-Spiti districts'

growth have been declined for the same period. Thus, it can be summarized that the overall growth of employment provided by a district development agency to rural households has grown by 3.37 per cent for the aforesaid period.

4. Employment Completed under MGNREGS 2015-2020

Table No. 4
Employment Completed under MGNREGS: District-wise Bifurcation

Sr. No.	District	2015	2016	2017	2018	2019	2020	Mean	CAGR
1	Bilaspur	1472	956	683	606	2346	1594	1276.17	1.61%
2	Chamba	4174	3828	1500	3026	17237	24930	9115.83	42.97%
3	Hamirpur	853	682	359	429	1826	1700	974.83	14.79%
4	Kangra	2244	3020	707	1207	9908	5281	3727.83	18.67%
5	Kinnaur	343	502	374	162	2003	1818	867.00	39.59%
6	Kullu	1027	627	960	1402	3601	3131	1791.33	24.97%
7	Lahaul-Spiti	196	74	113	42	74	95	99.00	-13.48%
8	Mandi	6427	6785	3413	3838	16648	10696	7967.83	10.72%
9	Shimla	821	835	547	745	3085	3363	1566.00	32.58%
10.	Sirmaur	2451	1169	1107	1512	7109	3854	2867.00	9.47%
11.	Solan	682	559	354	486	2203	1256	923.33	12.99%
12.	Una	843	1215	1009	639	4281	2888	1812.50	27.92%
Total (HP)		21533	20252	11126	14094	70321	60606	32988.67	22.99%

Source: HP RDD Annual reports 2015, 2016, 2017, 2018, 2019 and 2020.

The above table shows the figures related to the offered employment completed by rural households under the MGNREGS during the years 2015 to 2020. It is quite clear from the table that all districts have continuously increasing trends of growth during the period from 2015 to 2020 except the Lahaul-Spiti district. It has a negative growth rate i.e. 13.48 per cent for the same period. The overall state-level growth of employment completion by a household has increased by 22.99 per cent for the period from 2015 to 2020. So, it can be inferred that offered employment completion has grown up by 28 per cent for the above-mentioned period.

VII. THE MAJOR FINDINGS OF THE STUDY

- The Double-digit positive value of fund utilization approves the significant performance of MGNREGS in Himachal Pradesh.
- Employment Demand is grown in all districts except two districts i.e. Bilaspur and Lahaul-Spiti. The overall growth has been seen 3.67 per cent for 2015-20.
- Rural Development Department offered employment on demand average 5 Lakhs people per year for the period of 2015-20 and it (employment offer) is grown by 3 per cent approx. for the said period.
- Approximate 33000 households per year accomplishing hundred days of assured work under the programme during 2015-20. The overall growth has been found 22.99 per cent from 2015 to 2020.

VIII. CONCLUSION

The above findings lead to the conclusion that MGNREGS is playing a significant role in hammering on rural poverty by

making available guaranteed hundred days of employment in a financial year to every household. Since its inception, the growth has been noticed in every phase of the programme, whether it is in the progress of the expenditure of the allocated budget or the demand for employment by the rural people. Apart from this, representatives of Panchayati Raj Institutions and rural households are also playing their positive role in this, by offering employment and completing that employment with full determination.

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