MGNREGA in Andhra Pradesh: A Data-Driven Assessment for FY 2024–25

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About LibTech

We are a team of engineers, social workers, and social scientists who are interested in improving public service delivery in India. We have been working as a team in multiple states of the country, including Andhra Pradesh, for more than 10 years—though individually, some of us have been involved for even longer.

Over the years, we have been consistently releasing reports on the implementation of MGNREGA in Andhra Pradesh, along with a few reports at the national level and for other states as well. Some of our reports have been quoted, and our policy recommendations have been engaged with and, in some cases, acted upon by state governments and the Ministry of Rural Development (MoRD), reflecting the impact of our work on shaping conversations around welfare governance.

About this report

This report analyses the implementation of MGNREGA in Andhra Pradesh during FY 2024-25, with reference to data from the previous financial year, 2023-24. The data, sourced from <u>https://nrega.nic.in/</u> as of 7 April 2024, provides valuable insights into the current status of the program in the state. We also draw on national-level trends to contextualize Andhra Pradesh's performance. The objective is to inform citizens and stakeholders about key trends and developments in the program's execution.

1. Key Findings

- 3.1% more households registered under MGNREGA in FY 2024–25 compared to the previous year, but this did not translate into proportionate employment, as unique households that worked increased by 0.8% only, and total workers employed declined by 0.3% Section 2.1
- 5.2% drop in total persondays generated in Andhra Pradesh(AP) during FY 2024–25, in comparison with FY 2023-24 despite household participation remaining stable Section 2.2
- □ 6% decline in average persondays per household (from 54.89 to 51.62), higher than the national decline of 3.6%, indicating erosion in work availability in AP. However, despite the sharper decline, AP's average persondays (51.62) remains slightly higher than the national average of 50.21. *Section 2.2*
- 14.8% to 10.9% decline in percentage of households completing 100 days of employment, compared to a 7.5% to 7% drop at the national level. This sharp fall points to significant constraints in ensuring full-year employment - Section 2.2
- 17 districts in AP recorded a decline in persondays while only 9 districts recorded more persondays when compared with FY 2023-24. Vizianagaram recorded the highest drop of 17.8%, while Sri Sathya Sai district saw the highest increase(18.2%) in persondays generated - Section 2.3
- □ **52.3% more persondays were generated in April 2024** compared to April 2023, but employment dropped sharply thereafter—July 2024 saw a 56.4% fall in persondays compared to the previous year. This slump followed an MoRD advisory to the state government on May 7, 2024 *Section 2.4*
- □ SC participation slightly declined(0.8%), while ST participation slightly increased(1.1%) in the persondays generated, both groups remaining above their population share. This indicates a divergence in access trends among vulnerable communities *Section 2.5*
- Net additions of 1.95 lakh Jobcards and 2.72 lakh workers were recorded in FY 2024–25—the first time after FY 2021-22 that additions outnumbered deletions. This marks a shift from exclusion to re-inclusion *Section 3*

- ₹294 drop in average MGNREGA income per household this year, compared to the previous year, from ₹13,484 to ₹13,190, reflects the reduced wage realization. ₹1,531 potential loss in household income if the earlier wage realization rate had been maintained, which would have brought the income to ₹14,721 Section 4
- 14% gap between notified and received wages in FY 2024–25, up from 9.7% the previous year. This wage realization shortfall led to an estimated ₹661 crore less being paid to workers than they were entitled to Section 4.1

2. Employment at State Level

2.1 Trends in MGNREGA Employment: Andhra Pradesh in National Context

As a demand-driven employment program, MGNREGA is intended to respond to the needs of workers seeking wage employment. However, in recent years, the Union government's tight control over budget allocations—combined with uneven political will and administrative capacity across states—has significantly influenced the program's implementation. These constraints directly affect how effectively MGNREGA operates on the ground.

Given this context, it becomes essential to analyse employment-related data to assess how the program is functioning in Andhra Pradesh. In the following section, we examine key employment metrics for the financial year 2024–25, comparing them with data from 2023–24. We also refer to national-level trends to situate Andhra Pradesh's performance in a broader context. Metrics related to employment generation, participation of vulnerable communities, and budget utilization serve as key indicators to evaluate the program's performance

2.1.1 Household and Worker Trends Under MGNREGA

- In 2024–25, while more households registered and worked under MGNREGA in Andhra Pradesh, the number of individual workers employed slightly declined compared to the previous year.

In 2024–25, Andhra Pradesh saw a modest increase in the number of households registering under MGNREGA(Table 1), reflecting a continued demand for employment. Registrations rose by around 3%, indicating that more households are looking to access the program. However,

this rise in registrations did not translate into a proportionate increase in actual employment. The number of unique households that worked showed a marginal increase of 0.8%, suggesting stagnation in work provision. Interestingly, while the number of workers employed slightly dipped by 0.3%.

| | FY 2023-24 | FY 2024-25 | Drop (%) ¹ |
|--|------------|------------|-----------------------|
| Households Registered (in Lakhs) | 67.98 | 70.10 | -3.1 |
| Unique Households worked (in Lakhs) | 46.55 | 46.94 | -0.8 |
| Workers employed (in Lakhs) | 75.43 | 75.23 | 0.3 |

 Table 1: Households and worker trends for FY 2023-24 and 2024-25.

2.2 Persondays Generated: FY 2023-24 Vs FY 2024-25

- While the unique households worked increased marginally, other employment indicators saw a dip with percentage of households completing 100 days witnessed a significant drop

In FY 2024–25, while the number of *Unique Households worked* in Andhra Pradesh remained stable, the overall employment under MGNREGA declined. There was a noticeable reduction in *Persondays Generated*, and the *Average persondays* per household also dropped, indicating that although participation stayed consistent, the quantum of work provided fell. However, despite the sharper decline, AP's average persondays (51.62) remains slightly higher than the national average of 50.21.

The most significant decline was seen in *Households completing 100 days of employment*, both in absolute numbers and as a *Percentage of households completed 100 days of employment*. When compared to national trends, Andhra Pradesh saw a steeper fall in most indicators. The decline in *Average persondays* and the *Percentage of households completed 100 days of employment* was much higher than the all-India average, reflecting a greater erosion of work availability in the state. Refer to Annexure 1 for National level values

¹ Calculates the drop in FY 2024-25 compared with FY 2023-24 for the mentioned variables. A negative value represents an improved trend while the positive value represents the drop in the performance.

| | FY 2023-24 | FY 2024-25 | % Drop in the State | % Drop in the Country |
|---|---------------|---------------|---------------------|--------------------------|
| Unique Households worked (in Lakhs) | 46.55 | 46.94 | -0.8 | 3.5 |
| Persondays ² Generated (in Lakhs) | 2554.92 | 2422.84 | 5.2 | 7.0 |
| Average persondays ³ | 54.89 | 51.62 | 6.0 | 3.6 |
| Households completed 100 days of employment (in Lakhs) | 6.87 | 5.1 | 25.8 | 9.5 |
| Percentage of households completed 100 days of employment ⁴ | 14.8 | 10.9 | - | - |

Table 2: Employment trends for FY 2023-24 and 2024-25.

2.3 Employment at District Level

- 17 districts observed decline while only 9 districts observed an incline in the number of persondays generated in FY 2024-25. Vizianagaram recorded the highest drop of 17.8% whereas Sri Sathya Sai district recorded the highest increase at 18.2% in persondays.

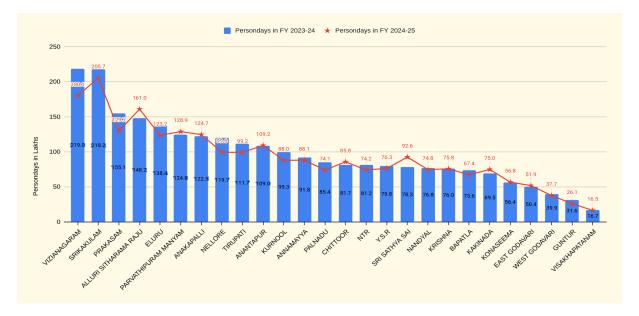


Figure 1: District-wise persondays comparison for FY 2023-24 and 2024-25.

² Number of work days completed under MGNREGS by the Job card holders

³ Persondays Generated / Unique Households worked

⁴ (Households completed 100 days of employment / Unique Households worked)*100

In FY 2024–25, out of 26 districts in Andhra Pradesh, 17 districts experienced declines in MGNREGA persondays generated, with Vizianagaram, Guntur, and Nellore recording the sharpest drops of 17.8%, 17.3%, and 16.9%, respectively. However, amidst this overall negative trend, three districts—Sri Sathya Sai (18.2%), Alluri Sitharama Raju (8.6%), and Kakinada (7.8%)—recorded increases in persondays. Refer to Figure 1 for more details.

The Government of Andhra Pradesh, through **G.O.MS.No.3, dated 31st March 2025**, has declared 51 mandals across six districts — Sri Sathya Sai, Anantapur, Kurnool, Nandyal, Prakasam, and YSR Kadapa — as drought-affected. Of these, **37 mandals have been classified as** *severely* drought-affected.

What's worrying is that in **all districts except Sri Sathya Sai and Anantapur**, there has been a **decline in MGNREGA employment**, even in areas officially recognised as severely drought-hit. This points to a failure to respond adequately to rural distress.

It's worth noting that drought is declared at the **mandal level**, not the district level, so the district level analysis is indicative. LibTech India is currently preparing a detailed report on MGNREGA implementation in drought-affected mandals of Andhra Pradesh.

2.4 Month-wise Persondays Generated in Andhra Pradesh

- A strong start in April was overshadowed by a decline due to compliance issues.

Figure 2 compares month-wise persondays generated under MGNREGA in FY 2023-24 and 2024-25, capturing shifts in employment trends across the two years. FY 2024-25 began on a stronger note, with April registering over a 52% increase in persondays compared to the same month in the previous year. May remained the peak month in both years, though the previous year maintained a slight edge.

From June to August, however, FY 2024-25 saw a sharper and more prolonged decline. The gap was most pronounced in July, when persondays dropped by more than 56% compared to the same month in FY 2023-24. August marked the lowest point of the year, although the difference with the previous year narrowed slightly.

This mid-year slump closely followed administrative action. On 7th May 2024, the Ministry of Rural Development issued an <u>advisory</u> to the Andhra Pradesh government, pointing to violations in MGNREGA implementation—particularly the failure to meet the mandatory 60% expenditure on agriculture and allied activities. The unusually early timing of this advisory, within just five weeks of the financial year's start, likely contributed to a slowdown in employment generation during a crucial work period.

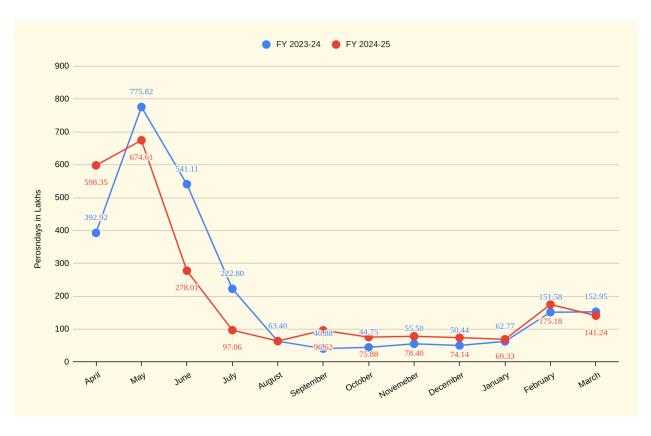


Figure 2: Month-wise comparison of persondays generated in FY 2023-24 and 2024-25

While persondays rebounded in the second half of FY 2024-25—with September to February consistently outperforming the previous year—this late recovery could not fully compensate for the sharp fall in the first half. Also we have observed on the field that the decline in persondays during March 2025 may be linked to the Union Government halting fund releases to states towards the end of the financial year — leading to fears among workers about wage delays, which likely discouraged them from seeking work. As noted earlier, the overall persondays generated in FY 2024-25 remained lower than in FY 2023-24 due to this early setback.

2.5 Vulnerable Group Participation Fluctuations

- Scheduled Castes saw declines, while Scheduled Tribes had slight increase

Figure 3 presents a comparative view of the SC/ST share in total persondays generated under MGNREGA in Andhra Pradesh across FY 2023–24 and 2024–25. In FY 2024–25, while the share of Scheduled Castes (SCs) in total persondays saw a slight decline compared to the previous year, participation by Scheduled Tribes (STs) increased, indicating a relative improvement in access to employment for ST households. Notably, both SCs and STs continue to be represented

above their population proportions—17.08% for SCs and 5.53% for STs⁵—but their employment trends diverged between the two years.

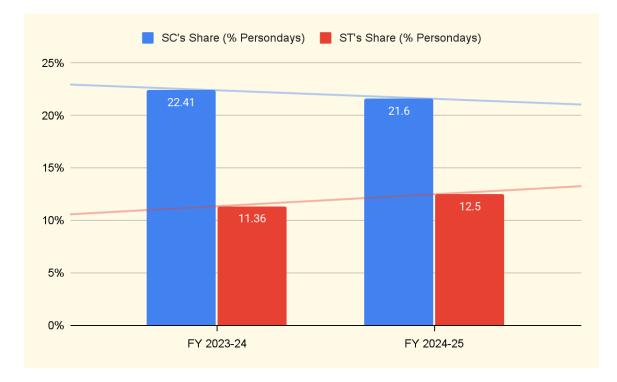


Figure 3: SC/ST employment trend for FY 2023-24 and 2024-25.

3.Net Deletions of workers

- Inclusions of Jobcards⁶ and workers outnumbered deletions at both the state and national levels.

Following the national trend, Andhra Pradesh witnessed large-scale deletions of workers over the past two years, as documented in LibTech India's earlier reports. However, recent efforts by both the state and union governments to reinstate wrongfully deleted workers appear to be yielding results. For the first time since FY 2021–22, FY 2024–25 has recorded a net increase in both job card and worker registrations, reversing the earlier trend of consistent decline (refer to Table 3).

This marks a shift from a phase of exclusion to one of re-inclusion and correction. As this transition unfolds, it is important to monitor these trends to ensure that genuine workers are

⁵ Andhra Pradesh Socio-Economic Survey 2024-25

⁶ Jobcards and households are used interchangeably in this report

being brought back into the system and that access to MGNREGA is being meaningfully restored.

| | Jobcards Deleted (Lakhs) | Jobcards Added (Lakhs) | Net Jobcard Deletions ⁷ (Lakhs) | Workers Deleted (Lakhs) | Workers Added (Lakhs) | Net Worker Deletions ⁸ (Lakhs) |
|-------------------|--------------------------------|------------------------------|---|-------------------------------|-----------------------------|---|
| Andhra Pradesh | 1.49 | 3.44 | -1.95 | 4.63 | 7.35 | -2.72 |
| India | 39.32 | 153.71 | -114.39 | 113.16 | 232.19 | -119.03 |

Table 3 : Status of worker deletions for FY 2024-25.: Andhra Pradesh vs India

4. AP's MGNREGA Wage Expenditure Trends

- Despite an increase in notified wages, a growing gap in wage realization has led to lower-than-expected household incomes under MGNREGA in 2024–25.

Table 4 highlights a growing concern: the widening gap between the wages notified under MGNREGA and the actual wages received by workers. Although notified wages increased in 2024–25, the proportion of wages actually reaching workers declined — and the shortfall has worsened compared to the previous year. This erosion has effectively offset the benefits of the wage hike, leading to lower-than-expected household earnings.

In FY 2024–25, the **average household income from MGNREGA was ₹13,190**, marking a **drop of ₹294** from the previous year's average of ₹13,484. If the wage realization rate had remained at earlier levels, households would have earned ₹14,721 — indicating a **loss of ₹1,531** this year due to the growing wage gap.

This clearly shows that unless the state proactively educates both workers and frontline staff about work measurement practices, and ensures greater transparency and accountability in implementation, even increased wage rates will fail to translate into better incomes for rural households.

⁷ Deleted Jobcards - Added Jobcards

⁸ Deleted Workers - Added Workers

| | Notified wages (Rs) | Received wages (Rs) ⁹ | Drop(%) ¹⁰ | Average Persondays | MGNREGA Household Income (Rs) ¹¹ |
|---------------------------|------------------------|-------------------------------------|-----------------------|-----------------------|---|
| FY 2023-24 | 272 | 245.65 | 9.7 | 54.89 | 13484 |
| FY 2024-25 | 297 | 255.52 | 14 | 51.62 | 13190 |
| FY 2024-25 (Scaled up) | 297 | 268.19 ¹² | 9.7 | 54.89 ¹³ | 14721 |

 Table 4 : Comparison of MGNREGA Wages and Household Income for FY 2023-24 and 2024-25.

4.1 Actual vs Potential Wage Expenditure in FY 2024–25

- A significant gap between notified and received wages led to ₹661 crore less in actual wage payments.

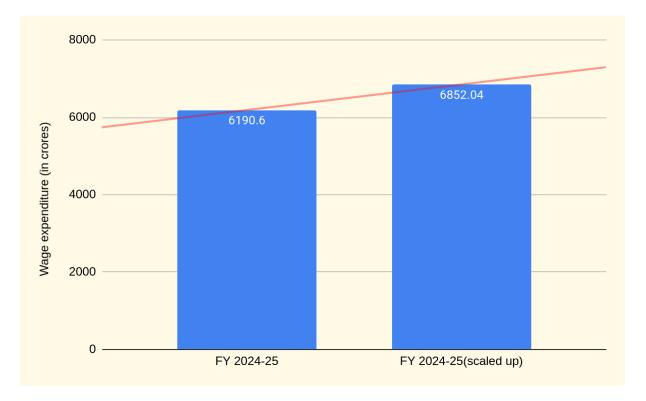


Figure 4: Comparison of Actual Wage Expenditure and Scaled up Wage Expenditure for FY 2023-24 and FY 2024-25

⁹ Average wage rate per day per person

¹⁰ ((Notified wages - Received wages) / Notified wages)*100

¹¹ MGNREGA Household Income = Received wages * Average Persondays

¹² Scaled to represent the proportion of wage realization of FY 2023-24 against the notified wage in FY 2024-25

¹³ Assuming same Average Persondays as generated in FY 2023-24 in order to calculate the potential household income

The comparison between actual and scaled-up wage expenditure in FY 2024–25 highlights a significant shortfall in current spending. The scaled-up estimate reflects what the expenditure *could* have been if workers had received the full notified wage (assuming consistent person days). This shortfall points to systemic issues in wage realization—likely linked to work measurement practices or under-reporting of actual work done. Addressing this gap is critical not only for ensuring fair compensation to workers but also for maximizing the impact of budgetary allocations under MGNREGA.

5.Conclusion

The performance of MGNREGA in Andhra Pradesh during FY 2024–25 presents a mixed picture. On one hand, the state has shown signs of recovery with improved inclusion—particularly the reversal of earlier trends of mass deletions. These positive developments reflect administrative efforts to restore access to entitlements and correct exclusionary practices.

At the same time, key structural challenges persist. Employment levels, particularly sustained work through the year, remain inadequate. Although there is a slight incline in the households registered and worked, decline in persondays generated, average persondays and the reduced share of households completing 100 days suggest that many workers are not receiving the full benefits promised under the Act. Moreover, the widening gap between notified and realized wages has had a direct impact on rural incomes, undermining the gains from official wage hikes.

Employment volatility during the year—especially a sharp mid-year dip following administrative advisories—highlights the vulnerability of the program to governance disruptions. District-level disparities and the decline in employment in districts where some mandals are officially recognised as severely drought-affected raise serious concerns about the responsiveness of MGNREGA implementation to local distress. Additionally, the divergent trends in participation among marginalized communities underscore the need for more targeted and equitable outreach.

To ensure that MGNREGA serves as a dependable safety net, the state must now focus on improving work availability, ensuring timely and fair wage payments, and strengthening transparency and accountability at all levels of implementation.

Team Behind This Report: Diwakar Mantri | Chakradhar Buddha

Annexure 1

| | FY 2023-24 | FY 2024-25 |
|---|------------|------------|
| Unique Households worked (in Lakhs) | 599.46 | 578.42 |
| Persondays Generated (in Lakhs) | 31217.56 | 29042 |
| Average persondays | 52.08 | 50.21 |
| Households completed 100 days of employment (in Lakhs) | 44.94 | 40.67 |
| Percentage of households completed 100 days of employment | 7.5 | 7 |