

From Guarantee to Uncertainty: MGNREGA in AP

MGNREGA Tracker for Andhra Pradesh (FY 2025-26)

LibTech India

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Email: contactus@libtech.in | +91 9121180496



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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. LibTech India is a centre based in CORD.

About this report

This report is situated in the context of a major policy transition. The Mahatma Gandhi National Rural Employment Guarantee Act was repealed in December 2025, and a new framework (VB-GRAMG) is being rolled out. As a result, the period from January to March 2026 represents a transition phase, and trends during these months need to be interpreted with care.

At present, there is considerable uncertainty around how this transition will unfold on the ground. The Government of India has made an interim allocation of around Rs. [30000](#) crore at the national level for this period, but clarity on the design and implementation of the new framework remains limited. At the same time, the Andhra Pradesh state government has indicated that the shift is expected to strengthen employment provision.

It may also be noted that although district reorganisation in Andhra Pradesh in January 2026 increased the number of districts from 26 to 28, this report continues to use the earlier 26-district structure to ensure consistency and ease of comparison across years.

Against this backdrop, this report analyses the implementation of MGNREGA in Andhra Pradesh during FY 2025–26, with reference to data from the previous financial year, 2024–25. For 2024–25, the analysis relies on data from [LibTech India's previously published report](#), allowing for consistent year-on-year comparison with 2025–26 trends. The data, sourced from <https://nrega.nic.in/> as of 7th April 2026, provides insights into the status of the programme in the state. We also draw on national-level trends to contextualise Andhra Pradesh's performance. The objective is to inform citizens and stakeholders about key trends and developments during this critical period.

1. Key Findings

- Weakest performance across key indicators:** FY 2025–26 marks the weakest performance of MGNREGA in Andhra Pradesh since the early post-bifurcation period (from 2015–16 onwards), based on key indicators such as persondays generated and average employment per household, with household participation also falling to its lowest level in the post-2020 period. (derived from Annexure 3 and Section 2.2).
- 23.2% decline in persondays:** Total employment generation in Andhra Pradesh fell sharply compared to the previous year, indicating a systemic pattern in work provision (Section 2.2).
- 57.6% decline in households completing 100 days:** Access to sustained employment weakened considerably, with the share of households completing 100 days falling from 10.9% to 5.0% (Section 2.2).
- 16% decline in average employment per household:** Average persondays declined from 51.62 to 43.37 days, marking a sharper fall than the national trend (Section 2.2)
- Decline in household participation and workforce:** Registered households declined by 6.1%, worked households by 8.6%, and total workers employed by 10.1% (Section 2.1)
- Widespread district-level contraction:** All 26 districts recorded a decline in persondays, with NTR district showing the steepest decline (46.5%) (Section 2.3)
- Sharpest proportional decline mid-year; largest absolute decline post-repeal:** The steepest percentage decline occurred in October–December (59.9%), while the largest absolute reduction—around 170 lakh persondays—was recorded in January–March, coinciding with the post-repeal transition period (Section 2.4)
- Large-scale workforce contraction due to deletions:** A net reduction of 4.58 lakh jobcards and 12.33 lakh workers indicates a significant shrinking of the active workforce (Section 3)
- ₹1,210 crore decline in wage expenditure:** Despite higher notified wages, total wage payments fell sharply compared to FY 2024–25 (Section 4.1)
- Decline in household income despite higher wages:** Average MGNREGA household income fell by ₹1,574 due to reduced employment, despite an increase in realised wages (Section 4.2)
- SC/ST workers bear a substantial share of income loss:** Scheduled Caste and Scheduled Tribe households account for approximately 40% of the total wage shortfall (Section 4.3)

2. Employment at State Level

2.1 Trends in MGNREGA Employment: Andhra Pradesh in National Context

As a demand-driven employment programme, the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is designed to respond to the demand for wage employment from rural households. However, in recent years, tighter control over budget allocations by the Union government—combined with uneven political will and administrative capacity across states—has significantly influenced programme implementation. These factors, in turn, shape how effectively MGNREGA functions on the ground.

It is important to note that FY 2025–26, particularly the period from January to March 2026, coincides with the immediate aftermath of the repeal of MGNREGA and the transition to a new framework. As such, trends during this period may reflect transition-related disruptions rather than routine programme performance. During this time, certain administrative, policy, and technological changes may also have influenced programme implementation. For instance, restrictions on the number of works that can be operational at a given time within a Gram Panchayat, along with constraints on the opening of new works—particularly during the post-repeal transition period—may have affected the scale and pace of employment generation.

In addition, technological requirements were tightened during the year. These included eKYC processes, the use of digital attendance systems such as NMMS, and changes in implementation protocols, including facial recognition and app-level modifications. While this report does not attempt to isolate the impact of these factors, they form an important part of the broader implementation context.

In this context, analysing employment-related data becomes essential to assess how the programme is functioning in Andhra Pradesh. The following section examines key employment indicators for FY 2025–26 in comparison with FY 2024–25, while also situating the state's performance within broader national trends. Indicators such as household participation, employment generation, and workforce engagement are used to assess both the scale and depth of programme performance.

2.1.1 Household and Worker Trends Under MGNREGA

- ***Decline in household participation and workforce size: Registrations, worked households, and workers employed all fell during the year.***

In FY 2025–26, Andhra Pradesh recorded a decline in the number of households registering under MGNREGA (Table 1), with registrations falling by about 6.1%. This decline is also reflected in employment outcomes, as the number of unique households that secured work fell by 8.6%. Household participation has declined below the levels observed in the post-2020 period. Similarly, the total number of workers employed declined by 10.1%, indicating a contraction in overall programme participation. National-level

values are provided in Annexure 1 for reference. This decline in workforce size can be largely attributed to the significant scale of deletions recorded during the year, where deletions substantially exceeded additions (see Section 3).

	FY 2024-25	FY 2025-26	Change (%) ¹ in the State	Change (%) in the Country
Households Registered (in Lakhs)	70.10	65.80	-6.1	3.6
Unique Households worked (in Lakhs)	46.94	42.88	-8.6	-7.7
Workers employed (in Lakhs)	75.23	67.65	-10.1	-8.7

Table 1: Households and worker trends for FY 2024-25 and 2025-26.

2.2 Persondays Generated: FY 2024-25 Vs FY 2025-26

- **Sharp decline in employment indicators:** Persondays, average days of work, and access to 100 days all reduced significantly.

MGNREGA employment indicators in Andhra Pradesh show a broad-based decline in FY 2025–26, reflecting reductions in both the scale and intensity of employment.

Total persondays generated in the state declined from 2,422.84 lakh in FY 2024–25 to 1,859.77 lakh in FY 2025–26, marking a drop of 23.2%. This suggests a substantial contraction in overall employment generation during the year.

Alongside this, the average number of persondays per household also declined from 51.62 to 43.37 days—a reduction of about 16%. While this decline is slightly sharper than the national trend (14%), Andhra Pradesh is now only marginally above the national average of 43.18 days. This narrowing gap is notable, as Andhra Pradesh has historically performed above the national average on this indicator; this convergence towards the national average suggests a relative weakening of Andhra Pradesh’s performance. (Refer to Annexure 2)

Taken together with historical trends (Annexure 3), this indicates that FY 2025–26 represents the weakest performance of MGNREGA in Andhra Pradesh since 2015–16, both in terms of total persondays generated and average employment provided per household.

¹ [0: ((FY 2025–26 – FY 2024–25) / FY 2024–25) × 100]

This decline reflects two simultaneous shifts: a reduction in the number of households accessing work and a decline in the average number of days of employment provided per household. This reflects a dual contraction: both participation (households accessing work) and work intensity (days per household) declined simultaneously. This indicates that the decline reflects both reduced participation and lower work provision.

The most significant change is observed in access to sustained employment. The number of households completing 100 days of work fell sharply from 5.1 lakh to 2.16 lakh, representing a decline of 57.6%. In percentage terms, this translates to a drop from 10.9% to 5.0% of households completing 100 days of employment.

Compared to national trends, Andhra Pradesh recorded a steeper decline across key indicators, particularly in persondays and 100-day employment. This suggests that Andhra Pradesh experienced a sharper contraction in employment outcomes than the national trend. National-level values are provided in Annexure 1 for reference.

	FY 2024-25	FY 2025-26	Change (%) in the State	Change (%) in the Country
Unique Households worked (in Lakhs)	46.94	42.88	-8.6	-7.7
Persondays² Generated (in Lakhs)	2422.84	1859.77	-23.2	-20.6
Average persondays³	51.62	43.37	-16.0	-14.0
Households completed 100 days of employment (in Lakhs)	5.1	2.16	-57.6	-42.5
Percentage of households completed 100 days of employment⁴	10.9	5.0	-	-

Table 2: Employment trends for FY 2024-25 and 2025-26.

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

2.3 Employment at District Level

- **Universal district-level decline:** All 26 districts recorded a fall in persondays, indicating a widespread contraction.

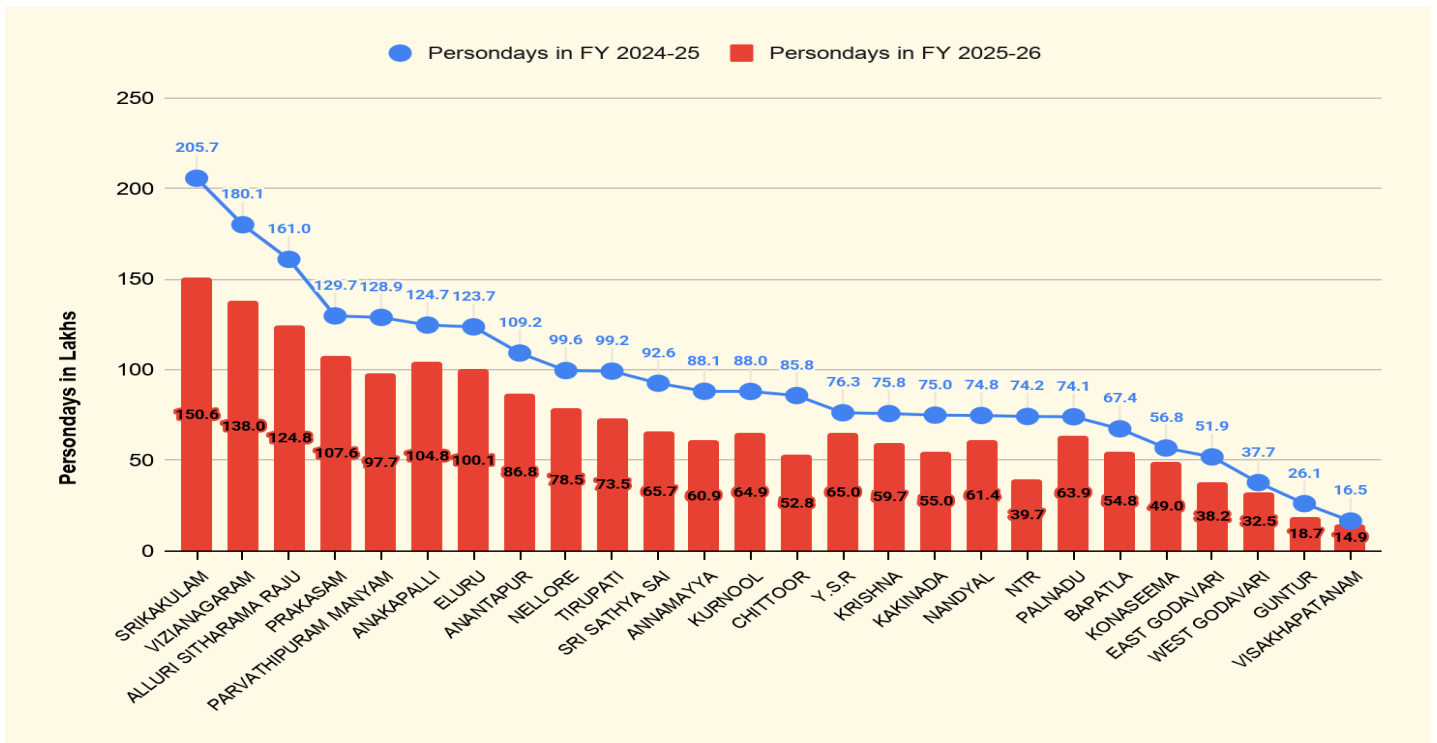


Figure 1: District-wise persondays⁵ comparison for FY 2024-25 and 2025-26.

MGNREGA employment trends in FY 2025–26 indicate a widespread decline across districts in Andhra Pradesh, suggesting that the contraction in employment was not confined to specific regions but was systemic in nature.

All 26 districts recorded a decline in total persondays generated compared to FY 2024–25 (Figure 1). The extent of decline varies across districts, with some experiencing particularly sharp reductions. NTR district recorded the steepest drop (46.5%), followed by Chittoor (38.5%) and Annamayya (30.9%), indicating significant reductions in employment generation in these regions.

The universal decline across all districts suggests that the reduction in employment is not driven by localized factors alone, but reflects broader changes affecting programme implementation across the state. At the same time, variation in the magnitude of decline across districts indicates uneven intensity of impact, pointing to differences in how these broader changes are playing out at the local level. The absence of any district-level exception further strengthens the conclusion that the decline is systemic rather than localized.

⁵ A 0.01% difference is observed between the summed district persondays and Table 2 values for FY 2025–26, owing to rounded values in Figure 1

2.4 Quarter-wise Persondays Generated in Andhra Pradesh

- **Sustained decline across all quarters:** Employment fell throughout the year, with the largest absolute drop in the January–March quarter.

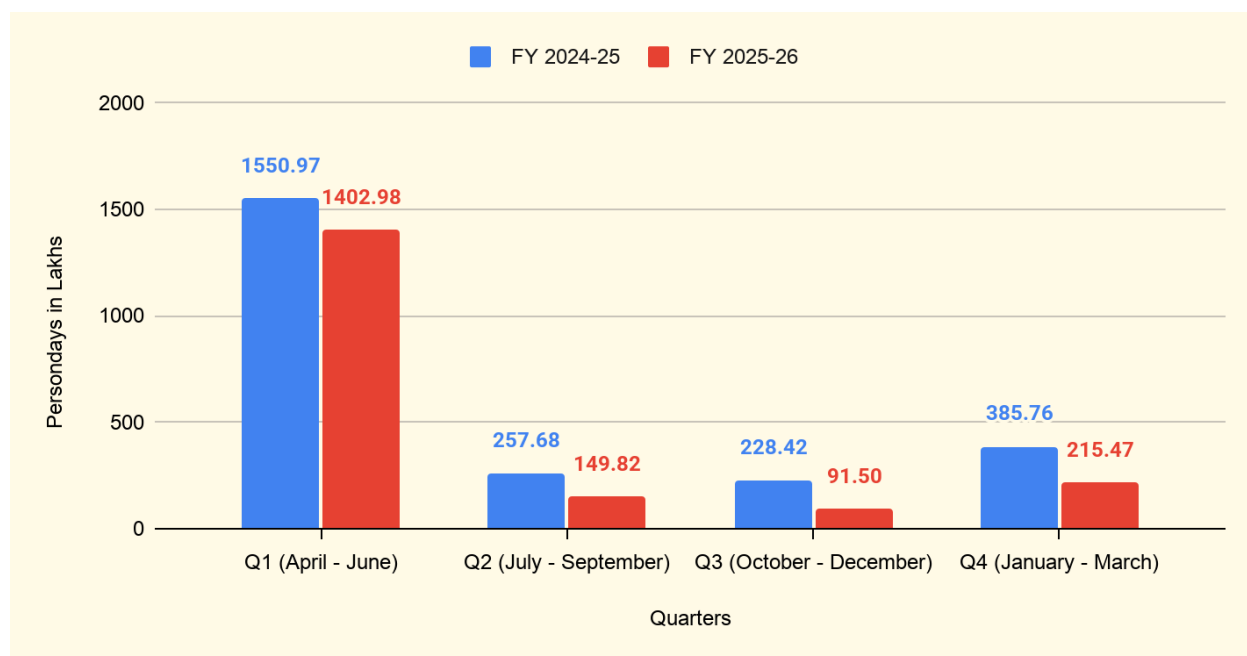


Figure 2: Quarter-wise comparison of persondays generated in FY 2024-25 and 2025-26

Quarter-wise analysis of persondays generated in Andhra Pradesh during FY 2025–26 reveals a sustained decline across the year, with clear differences between proportional reductions and absolute employment loss. (See figure 2)

In the first quarter (April–June), the decline in persondays compared to FY 2024–25 appears relatively modest at 9.5%, but this still represents a reduction of roughly 150 lakh persondays, reflecting the high base of employment during this period.

In the second quarter (July–September), persondays declined sharply by 41.9%, translating into a reduction of just over 100 lakh persondays, consistent with the seasonal dip in employment.

The third quarter (October–December) records the steepest proportional decline at 59.9%, corresponding to a reduction of around 135 lakh persondays, though smaller than the losses observed in the January–March quarter.

In the fourth quarter (January–March), the decline moderates to 44.1%, but results in the largest absolute reduction of the year—around 170 lakh persondays. This period coincides with the immediate aftermath of the repeal of MGNREGA and the transition to a new framework. While the data does not permit causal attribution, the scale and timing of the decline during this phase suggest that the

transition likely contributed to disruption. Given that this period typically sees a resurgence in employment, particularly in February and March, the magnitude of the decline is especially significant.

Overall, while percentage declines vary across quarters, the absolute reduction in employment remains consistently high throughout the year, with the most severe loss occurring in the final quarter. Thus, while Q3 saw the sharpest proportional contraction, Q4 accounted for the largest loss in absolute employment. This indicates a persistent shortfall in employment generation across the year, with particularly severe disruption observed during the post-repeal transition period.

3. Net Deletions of workers

- *Large-scale deletions reduced the workforce: Jobcard and worker deletions significantly outnumbered additions.*

Changes in the number of jobcards and workers provide an important indicator of how participation in MGNREGA is evolving over time.

In FY 2025–26, Andhra Pradesh recorded a net decline in both jobcards and workers, as deletions significantly exceeded additions. A total of 7.20 lakh jobcards were deleted, compared to 2.62 lakh additions, resulting in a net decline of 4.58 lakh jobcards. Similarly, worker deletions stood at 18.02 lakh, while additions were 5.69 lakh, leading to a net decline of 12.33 lakh workers. This reflects a contraction in the programme’s active workforce in the state.

In contrast, at the national level, additions exceeded deletions for both jobcards and workers. As a result, India recorded a net increase of 46.97 lakh jobcards and 23.72 lakh workers during the same period.

This divergence suggests that while MGNREGA coverage expanded at the national level, Andhra Pradesh experienced a reduction in its active workforce, pointing to differing trends in programme participation.

	Jobcards Deleted (Lakhs)	Jobcards Added (Lakhs)	Net Jobcard Deletions ⁶ (Lakhs)	Workers Deleted (Lakhs)	Workers Added (Lakhs)	Net Worker Deletions ⁷ (Lakhs)
Andhra Pradesh	7.20	2.62	-4.58	18.02	5.69	-12.33
India	46.84	93.81	46.97	134.17	157.89	23.72

Table 3 : Status of worker deletions for FY 2025-26: Andhra Pradesh vs India

⁶ Deleted Jobcards - Added Jobcards

⁷ Deleted Workers - Added Workers

4. AP's MGNREGA Wage Expenditure Trends

4.1 Wage Expenditure Trends under MGNREGA

- **Decline in total wages despite higher wage rates:** Reduced employment led to a sharp fall in overall wage payments.

Wage expenditure is a central indicator of MGNREGA's performance, as it reflects both the scale of employment generated and the flow of income to rural households. Changes in wage expenditure are determined by two key factors: the notified wage rate and the total persondays of work generated.

In Andhra Pradesh, wage expenditure declined sharply in FY 2025–26 despite an increase in wage rates. The notified wage rate was revised upward from ₹300 in FY 2024–25 to ₹307 in FY 2025–26. Under normal circumstances, such an increase would be expected to push total wage expenditure upward.

However, actual wage expenditure fell from ₹6,191 crore in FY 2024–25 to ₹4,981 crore in FY 2025–26—a steep decline of over ₹1,210 crore.

This trend indicates that the reduction in employment generation, as reflected in lower persondays, more than offset the impact of higher wage rates. In effect, even though workers were entitled to higher wages per day, the overall volume of work available declined sufficiently to reduce total earnings at the aggregate level.

	Notified wage rate	Wage expenditure (in Crores)
FY 2024-25	300	6191
FY 2025-26	307	4981
Fall in Wage Expenditure ⁸	-	1210

Table 4 : Wage Expenditure⁹ Trends under MGNREGA

4.2 Decline in Household Income Despite Higher Wages

- **Household income declined despite higher wages:** Fewer workdays outweighed gains from increased wage rates.

Household income under MGNREGA is determined by two key factors: the wage rate and the number of persondays of employment generated. In FY 2025–26, these two factors moved in opposite directions.

⁸ (Wage expenditure in FY 2024-25) - (Wage expenditure in FY 2025-26)

⁹ Persondays * Wage earned

The notified wage rate increased from ₹300 in FY 2024–25 to ₹307 in FY 2025–26, while the average realised wage rose from ₹255.52 to ₹267.83—an increase of about 4.8%. Under normal circumstances, this would be expected to increase household income.

However, this gain was offset by a decline in employment. The average number of persondays per household fell from 51.62 to 43.37 days, representing a reduction of about 16%.

As a result, average household income from MGNREGA declined from ₹13,190 in FY 2024–25 to ₹11,616 in FY 2025–26.

A counterfactual scenario helps illustrate the magnitude of this loss. If persondays had remained at the previous year’s level (51.62 days), the higher wage rate would have resulted in an average household income of ₹13,825. This implies that the decline in employment led to a loss of about ₹2,200 per household on average.

At the aggregate level, a similar pattern is observed. If the same level of employment had been maintained as in FY 2024–25, total wage expenditure in FY 2025–26 would have reached ₹6,489 crore. Instead, it stood at ₹4,981 crore—indicating a shortfall of about ₹1,508 crore due to reduced employment.

Taken together, these findings highlight a consistent pattern: reductions in employment availability have a far greater impact on worker earnings than increases in wage rates.

	Notified wage rate	Wage earned (Rs) ¹⁰	Average Persondays	MGNREGA Household Income (Rs) ¹¹
FY 2024-25	300	255.52	51.62	13190
FY 2025-26	307	267.83	43.37	11616
FY 2025–26 (Assuming FY 2024–25 level of persondays)	307	267.83	51.62 ¹²	13825

Table 5 : Comparison of MGNREGA Wages and Household Income for FY 2024-25 and 2025-26.

Note: Household income = Wage earned × Average persondays per household.

¹⁰ Average wage rate per day per person

¹¹ MGNREGA Household Income = Received wages * Average Persondays

¹² Difference between estimated wage income (if FY 2024–25 level of persondays were maintained) and actual wage income in FY 2025–26.

4.3 Vulnerable Group Wage Income in FY 2025–26

- *Significant share of income drop borne by SC/ST workers: They account for 40% of the total wage shortfall.*

	FY 2024-25	FY 2025-26	Change ¹³
SC wage income (Crores) ¹⁴	1337.14	1017.92	319.22
ST wage income (Crores) ¹⁵	773.87	608.89	164.98
Total	2111.01	1626.81	484.2

Table 6 : Estimated Decline in Wage Income for SC and ST Workers due to Reduction in Persondays (FY 2025–26)

This estimate is based on the actual observed decline in wage expenditure (₹1,210 crore), rather than the counterfactual estimate discussed earlier. Table 6 shows that SC and ST workers account for ₹484.2 crores, which is approximately 40% of the total decline of ₹1,210 crore between FY 2024–25 and FY 2025–26. This indicates that a significant share of the reduction in wage expenditure during FY 2025–26 is borne by SC and ST workers.

5. Conclusion

The analysis indicates a clear contraction in both the scale and consistency of employment provided under MGNREGA in Andhra Pradesh during FY 2025–26. Compared to the previous year, the state recorded a decline in household participation, total persondays generated, and average days of employment per household. The sharp reduction in the number of households completing 100 days of work further points to a weakening in access to sustained employment.

Viewed in a longer-term perspective, the trends observed in FY 2025–26 indicate that this is **the weakest year for MGNREGA performance in Andhra Pradesh since 2015-16**, marking a departure from the state's earlier position as a relatively strong performer.

This contraction is also reflected in the significant scale of deletions during the year, with a net reduction of 4.58 lakh jobcards and 12.33 lakh workers. This indicates a shrinking active workforce and suggests that the decline in employment is not only a result of reduced work availability but also a contraction in programme participation.

¹³ Difference between actual wage incomes in FY 2024-25 and FY 2025-26

¹⁴ SC persondays * wage earned

¹⁵ ST persondays * wage earned

The decline in employment is not limited to specific regions but is observed across nearly all districts, indicating a consistent downward trend rather than localized variation. At the same time, Andhra Pradesh's performance relative to national trends has weakened across key indicators, particularly in terms of average employment per household and workforce participation.

The temporal pattern of employment reveals a sustained decline across all quarters of the year, with the largest absolute reduction occurring in the January–March period. This period coincides with the immediate aftermath of the repeal of MGNREGA and the transition to a new framework. While the data does not permit causal attribution, the scale and timing of this decline suggest that the transition may have significantly disrupted employment generation, particularly during a period that typically sees high demand for work.

Despite an increase in notified and realised wage rates, average household income from MGNREGA declined during the year. This reflects the extent to which reduced employment availability can offset gains from higher wages. At the aggregate level, this is reflected in a substantial gap between actual and potential wage expenditure, indicating a significant loss of income to workers. A considerable share of this loss is borne by Scheduled Caste and Scheduled Tribe households, who account for a large proportion of the wage shortfall.

Taken together, the simultaneous decline in employment generation, workforce participation, and wage earnings points to a systemic weakening of the programme during FY 2025–26. These trends should be viewed in the context of broader administrative, technological, and policy changes, including the transition following the repeal of MGNREGA. Ensuring adequate and consistent availability of work will be critical to sustaining its role as a source of income security, particularly for vulnerable rural households during this period of transition.

Team Behind This Report:
Diwakar Mantri | Chakradhar Buddha

Annexure 1

	FY 2024-25	FY 2025-26
Households Registered (in Lakhs)	1597.78	1655.16
Workers employed (in Lakhs)	788.09	719.57
Unique Households worked (in Lakhs)	578.42	533.73
Persondays Generated (in Lakhs)	29042	23048.17
Average persondays	50.21	43.18
Households completed 100 days of employment (in Lakhs)	40.67	23.40
Percentage of households completed 100 days of employment	7	4.4

Annexure 2

	FY 2023-24	FY 2022-23	FY 2021-22
Persondays generated (in Lakhs)	2554.92	2395.34	2414.74
Wage Expenditure (in Crores)	6277.14	5100.84	5178.61

Annexure 3

FY	Household Worked (In Lakhs)	Total Persondays (In Lakhs)	Average Persondays
2015-16	36.21	1991.02	54.98
2016-17	39.90	2054.41	51.49
2017-18	39.93	2119.67	53.09
2018-19	42.27	2465.08	58.32
2019-20	40.36	2001.73	49.59
2020-21	47.52	2585.84	54.41
2021-22	46.74	2414.79	51.66
2022-23	45.83	2395.36	52.27
2023-24	46.55	2554.92	54.89
2024-25	46.94	2422.84	51.62
2025-26	42.88	1859.77	43.37