

## PRESS RELEASE

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### From Guarantee to Uncertainty: MGNREGA in AP

LibTech India's latest MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) Tracker for Andhra Pradesh reveals a systemic contraction in employment generation during FY 2025–26 in comparison with 2024-25. The decline begins well before the repeal of MGNREGA in December 2025, but intensifies sharply in the final quarter during the transition to the new VB-GRAMG(Viksit Bharat—Guarantee for Rozgar and Ajeevika Mission (Gramin)) framework, suggesting possible structural weakening and policy disruption.

All comparisons in this analysis are based on year-on-year changes between FY 2024–25 and FY 2025–26, unless stated otherwise.

*Section references correspond to the full report for readers who wish to explore detailed analysis.*

#### Major Findings

##### 1. Weakest performance in the post-bifurcation period (since 2015–16)

FY 2025–26 marks the weakest performance of MGNREGA in Andhra Pradesh since state bifurcation, based on key indicators such as total persondays generated and average employment per household, with household participation also falling below levels observed in the post-2020 period (derived from Annexure 3 and Section 2.2).

##### 2. Sharp contraction in employment across the state

Andhra Pradesh recorded a **23.2% decline in total persondays**, falling from 2,422.84 lakh to 1,859.77 lakh (*Section 2.2*) from 2024-25 to 2025-26.

The contraction is visible across key indicators:

- Registered households declined by **6.1%** (*Section 2.1*)
- Households receiving work declined by **8.6%** (*Section 2.1*)
- Workers employed declined by **10.1%** (*Section 2.1*)
- Average workdays per household fell by **16%** (*Section 2.2*)

Access to sustained employment weakened sharply:

- Households completing 100 days of work fell by **57.6%** (*Section 2.2*)

District-level data confirms the depth of the decline:

- **All Andhra Pradesh's 26 districts recorded a fall in persondays** (*Section 2.3*)
- Steepest declines observed in:
  - NTR (–46.5%)
  - Chittoor (–38.5%)
  - Annamayya (–30.9%)

**“The contraction is not isolated — it is visible across the entire state.”**

### **3. Employment fell throughout the year — disruption peaked after repeal**

Quarter-wise trends show a **sustained decline across all four quarters** (*Section 2.4*).

- Largest proportional decline: **October–December (–59.9%)**
- Largest absolute decline: **January–March (~170 lakh persondays)**

The final quarter coincides with the **post-repeal transition period**, suggesting that the shift to the new framework may have significantly disrupted employment generation (*Section 2.4*).

**“Even the peak employment months did not recover — the system weakened through the year.”**

### **4. Workers earned less because work was not provided**

The notified wage increased from **₹300 to ₹307 per day** (*Section 4.1*).

However, reduced employment led to lower earnings:

- Average household income fell from **₹13,190 to ₹11,616** (*Section 4.2*)
- A decline of **₹1,574 per household**

If previous year's persondays generated had been maintained, households could have earned **about ₹2,200 more on average** (*Section 4.2*).

At the aggregate level:

- Wage expenditure fell by **₹1,210 crore** (*Section 4.1*)

**Higher wages did not translate into higher incomes — because work was not available.**

### **5. Large-scale deletions shrank the workforce**

The decline in employment is accompanied by a **sharp reduction in workers** (*Section 3*).

- **4.58 lakh jobcards** lost (net)
- **12.33 lakh workers** lost (net)

In contrast, at the national level, **additions exceeded deletions**, indicating expansion rather than contraction (*Section 3*).

**The workforce itself is shrinking — not just the work available.**

## 6. SC/ST households bear a large share of income loss

Scheduled Caste and Scheduled Tribe households account for:

- **₹484 crore of wage loss**
- About **40% of total income shortfall** (*Section 4.3*)

This highlights that the decline disproportionately affects **vulnerable communities**.

### **LibTech India: Key Concerns**

- Employment contraction is **state-wide and persistent** (*Sections 2.2, 2.3*)
- Decline is driven by both **reduced work availability and worker deletions** (*Sections 2, 3*)
- Transition to the new framework has created **uncertainty and disruption** (*Sections 2.4, Conclusion*)
- Income losses are **substantial despite higher wages** (*Section 4*)
- Vulnerable communities bear a **disproportionate burden of decline** (*Section 4.3*)

### **About the Tracker**

The LibTech India MGNREGA Tracker provides evidence-based analysis of employment trends, workforce participation, and exclusion patterns. It is widely used by **journalists, civil society organisations, and policymakers** to understand ground realities of welfare implementation.

**Access full report:** [Click Here](#)