



# Impact of The Viksit Bharat-Guarantee for Rozgar and Ajeevika Mission (Gramin) Bill, 2025 (commonly VB-G RAM G Bill, 2025) on Employment Generation in rural india

Ranjeet kumar<sup>1</sup>

<sup>1</sup>Assistant professor, Department of Management MMHA & PU, Patna, India

Email ID: ranjeetcan1978@gmail.com<sup>1</sup>

Orchid ID:0009-0000-1028-4156<sup>1</sup>

## Abstract

The Viksit Bharat–Guarantee for Rozgar and Ajeevika Mission (Gramin) Act, 2025 (VB-G RAM G Act) represents a major reform in India's rural employment and livelihood framework. Enacted with the objective of aligning rural employment policy with the national vision of Viksit Bharat @2047, the Act seeks to strengthen income security, create durable rural assets, and promote sustainable livelihoods. It replaces the Mahatma Gandhi National Rural Employment Guarantee Act, 2005, while expanding the statutory guarantee of wage employment from 100 to 125 days per eligible rural household per financial year. The Act introduces a revised fiscal architecture based on Centre–State cost sharing, enhanced planning through Viksit Gram Panchayat Plans, and increased use of digital tools for transparency, monitoring, and timely wage payments. It also provides flexibility to states to temporarily suspend work during peak agricultural seasons to avoid labour shortages in farming activities. By integrating employment generation with rural infrastructure creation and livelihood promotion, the VB-G RAM G Act aims to ensure inclusive growth, reduce distress migration, and improve the socio-economic conditions of rural households. Overall, the legislation marks a shift from a purely demand-driven employment scheme to a more structured, outcome-oriented rural development mission.

**Keywords:** Viksit Bharat, VB-G RAM G Act, 2025, Rural Employment Guarantee, Livelihood Security, Rural Development, Wage Employment, Centre–State Cost Sharing, Gram Panchayat Planning, Digital Governance, Inclusive Growth

## 1. Introduction

The VBG RAM G bill 2025 — officially known as the Viksit Bharat — Guarantee for Rozgar and Ajeevika Mission (Gramin) Act, 2025 marks a significant transformation in India's approach to rural employment and livelihood support. The Act, replaces the long-standing Mahatma Gandhi National Rural Employment Guarantee Act [MGNREGA], which for nearly two decades served as a statutory work guarantee program for rural households.

The new bill seeks to modernize rural employment, improve the quality of public assets, and align the programme with India's development goal of achieving a "Viksit Bharat" [Developed India] by 2047.

## 2. Administrative Structure

The Act provides a multi-level implementation system:

- Central Government: Policy forming, funding support, national monitoring.
- State Governments: Planning, execution, and co-funding of works.
- Gram Panchayats: Identification of works, registration of workers, supervision.
- Greater role of local self-governments in planning village-level employment.

## 3. Registration and Eligibility

- do unskilled manual work are eligible.
- Existing job cards continue during the transition phase.
- Aadhaar-linked registration to reduce duplication and leakages.
- Emphasis on voluntary demand for work, similar to the earlier system.



#### 4. Background & Rationale

The Viksit Bharat-Guarantee for Rozgar and Aajeevika Mission (Gramin) Bill, 2025 (commonly VB-G RAM G Bill, 2025) is a rural employment and livelihood law introduced by the Parliament of India to provide statutory employment guarantee and strengthen rural development mechanisms.

##### 4.1 Full Title & Nature

The Viksit Bharat-Guarantee for Rozgar and Aajeevika Mission (Gramin) Bill, 2025 (commonly VB-G RAM G Bill, 2025) is a rural employment and livelihood law introduced by the Parliament of India to provide statutory employment guarantee and strengthen rural development mechanisms.

##### 4.2 Purpose & Replacement of MGNREGA

It aims to replace the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (MGNREGA) — a two-decade old law that guaranteed 100 days of work — with a new framework aligned to the national vision of Viksit Bharat @2047

##### 4.3 Employment Guarantee

Under the new law, every eligible rural household whose adult member volunteers for unskilled manual work is guaranteed 125 days of wage employment per financial year, increased from the 100 days under MGNREGA.

##### 4.4 Funding & Cost Sharing

The scheme's financial model is now a centrally sponsored scheme with a 60:40 cost-sharing ratio between Centre and States for most states, and 90:10 for north-eastern and Himalayan states/UTs with legislature. Any excess expenditure beyond nominal allocation must be borne by the states.

##### 4.5 Planning & Implementation

Rural works will be planned through Viksit Gram Panchayat Plans (VGPPs) using geospatial and digital tools. These plans will be aggregated under a Viksit Bharat National Rural Infrastructure Stack for coordinated national planning.

##### 4.6 Seasonal Flexibility

States can notify a suspension of work for up to 60 days during peak agricultural seasons (sowing/harvesting) to ensure labour availability for farming activities.

#### 4.7 Wage Payments & Transparency

The bill includes provisions for weekly wage payments, mandatory digital authentication, and mechanisms for social audit and grievance redressal to improve transparency and accountability.

##### 4.8 Enactment Status

The bill was passed by the Parliament in December 2025 and received Presidential assent to become law (VB-G RAM G Act, 2025).

##### 4.9 Unemployment Allowance

If Employment is not given to the Unemployed labour within a stipulated period there is a provision to provide Unemployment Allowance after 15 days. MGNREGA was a landmark social security initiative that provided a legal guarantee of 100 days of wage employment to rural households, contributing immensely to poverty alleviation, women's participation in the workforce, and local infrastructure development. However, over the years, the programme faced challenges such as administrative delays, misuse of funds, lack of durable assets, and operational inefficiencies. The government introduced the VBG RAMG bill as a reform-oriented solution designed to retain the core objective of employment guarantee while strengthening system accountability mechanisms, and development outcomes.

#### 5. Key Provisions of the Bill

A standout provision of VBG RAM G is the increase in guaranteed wage employment from 100 to 125 days per rural household. This change aims to provide additional income stability, especially during seasons with limited agricultural opportunities. Another structural change is the focus on creation of durable assets. The programme prioritizes infrastructure that strengthens rural livelihood—such as roads, water conservation systems, local markets and climate-resilience projects—shifting the emphasis from short-term tasks to long-term development dividends. These assets are recorded in a national digital platform to improve planning and monitoring. A critical shift under the bill is the new funding structure. Unlike MGNREGA, which was fully funded by the Central Government for most components, VBG RAM G introduces a cost-sharing



model, commonly 60:40 between the Centre and states. Special category states receive more favourable ratios, recognizing their economic constraints. This change is intended to promote federal collaboration but also increases state fiscal responsibility. The bill incorporates digital governance tools, including biometric attendance, asset geo-tagging, public dashboards, and real-time monitoring. These provisions are aimed at reducing leakages, improving transparency, and ensuring accountability issues that historically weakened programme credibility. Table 1 shows Features

**Table 1 Features**

Feature	MANREGA(2005)	VB-G RAM G Act(2025)
Job Days	At least 100 days/year	At least 125 days/year
Funding	Mostly Central funding	60:40 Centre-State 90:10 (NE/Himalayan)
Legal Basis	Strong right to work	Strongly guarantee with budget pause
Seasonal Rules	No formal pause	Up to 60days possible pause
Focus	Work availability	Work linked to development assets

## 6. Critical Perspectives

Despite its intentions, the VBG RAM G Bill has triggered debate. Critics argue that moving from a demand-driven employment right to a budget-capped model could dilute the enforceability of guarantees. Concerns include whether limited state finances may restrict actual work availability and whether reliance on technology might exclude the poorest or least digitally literate rural workers. There are also symbolic concerns. The removal of Mahatma Gandhi's name has been perceived by some as undermining the historical legacy of rights-based labour empowerment. Local governance bodies such as Gram Sabhas may also feel disempowered due to more centralized planning mandates. Below is a tabular presentation of current unemployment statistics in India, based on the latest available official and credible sources (PLFS & Reuters, 2025–early 2026).

## Current Unemployment Statistics in India

Indicator	Source	Statistics	Period
Overall Unemployment Rate (15+ years)	Reuters	4.8 %	December 2025
Overall Unemployment Rate (Quarterly)	Reuters / PLFS	5.2 %	July–September 2025
Rural Unemployment Rate (Annual PLFS)	Ministry of Statistics & Programme Implementation (MoSPI)	3.4 %	2024–25

### Programme Implementation (MoSPI)

Urban Unemployment Rate (Annual PLFS)	MoSPI	6.6 %	2024–25
Youth Unemployment (15–29 years, overall)	PLFS	13.8 %	2025

## Current Unemployment Statistics in India

Indicator	Period	Statistics	Source
Youth Unemployment – Rural Females (15–29)	August 2025	14.3 %	Indian Express
Youth Unemployment – Urban Females (15–29)	August 2025	25.7 %	Indian Express
Labour Force Participation Rate (LFPR) 2025		55.8 %	PIB / PLFS
Worker Population Ratio (WPR) 2025		52.6 %	PIB
Share of Informal Employment	Latest Estimates	~90 %	ILO / Govt. of India



## 7. Key Observations

- Rural unemployment remains lower than urban unemployment, but rural underemployment is significant.
- Youth and female unemployment, especially in urban areas, remains a major concern.
- Rising Labour Force Participation Rate indicates more people entering the job market.
- Informal employment continues to dominate India's labour market.

### Sources (APA Style)

Impact of the Viksit Bharat–Guarantee for Rozgar and Ajeevika Mission (Gramin) Act, 2025 on Employment Generation in Rural India The Viksit Bharat–Guarantee for Rozgar and Ajeevika Mission (Gramin) Act, 2025 (VB-G RAM G Act) has a significant potential impact on employment generation in rural India by strengthening income security, expanding work opportunities, and linking employment with long-term rural development. As a successor to the MGNREGA, the Act reflects the evolving needs of the rural economy while aligning employment policy with the national vision of Viksit Bharat @2047. One of the most important impacts of the Act is the increase in guaranteed employment from 100 to 125 days per rural household per year. This expansion directly enhances the availability of wage employment, especially for landless labourers, marginal farmers, women, and socially disadvantaged groups who largely depend on public works during periods of agricultural distress or lean seasons. Increased employment days contribute to improved household income, reduced vulnerability to poverty, and better food security in rural areas. The Act also promotes planned and structured employment generation through Viksit Gram Panchayat Plans. By emphasizing decentralized planning at the village level, employment creation becomes more responsive to local needs such as water conservation, rural connectivity, soil improvement, and community infrastructure. This approach ensures that employment generation is not merely temporary wage support but also contributes to the creation of durable and productive rural assets, which can stimulate future economic activities.

Another significant impact lies in the integration of digital governance and transparency mechanisms. Timely wage payments, digital monitoring of works, and social audits help build trust in the system and encourage higher participation of rural workers. Reduced delays in wage disbursement increase the effectiveness of employment generation, as workers are more willing to demand and engage in work when payment systems are reliable. The Act also introduces flexibility in employment provision, allowing states to temporarily suspend public works during peak agricultural seasons. This provision helps balance farm and non-farm employment, ensuring that public employment schemes do not disrupt agricultural productivity while still providing alternative livelihood options during off-season periods. Overall, the VB-G RAM G Act has the potential to reduce rural unemployment, curb distress migration to urban areas, and strengthen the rural labour market. By combining wage employment with livelihood creation and infrastructure development, the Act moves beyond short-term relief towards sustainable rural employment generation. If effectively implemented with adequate funding and strong institutional support, the Act can play a crucial role in fostering inclusive growth and economic stability in rural India

### Conclusion

The VBG RAM G Bill 2025 represents a major evolution in India's rural employment and livelihood policy framework. By expanding guaranteed workdays, prioritizing durable asset creation, and introducing technology-enabled monitoring, the Act seeks to transform rural wage schemes into engines of sustainable development.

However, its effectiveness will depend on adequate funding, smooth coordination between Centre and state, and the ability to ensure inclusion rather than exclusion. If executed efficiently and equitably, VBG RAM G could become a cornerstone in India's long-term pursuit of rural transformation and economic resilience.

### References

- [1]. Government of India. (2025). The Viksit Bharat–Guarantee for Rozgar and Ajeevika



- Mission (Gramin) Act, 2025. New Delhi: Ministry of Rural Development.
- [2]. Wikipedia contributors. (2025). Viksit Bharat–Guarantee for Rozgar and Ajeevika Mission (Gramin) Act, 2025. Wikipedia, The Free Encyclopedia.
- [3]. [https://en.wikipedia.org/wiki/Viksit\\_Bharat–Guarantee\\_for\\_Rozgar\\_and\\_Ajeevika\\_Mission\\_\(Gramin\)\\_Act,\\_2025](https://en.wikipedia.org/wiki/Viksit_Bharat–Guarantee_for_Rozgar_and_Ajeevika_Mission_(Gramin)_Act,_2025)
- [4]. Economic Times. (2025, December). VB-G RAM G Bill 2025 explained: What changes for rural employment after MGNREGA. <https://economictimes.indiatimes.com>
- [5]. The Week. (2025). Explained: What is VB-G RAM G, the new rural employment law to replace MGNREGA. <https://www.theweek.in>
- [6]. Drishti IAS. (2025). Viksit Bharat Guarantee for Rozgar and Ajeevika Mission (Gramin) Bill, 2025. <https://www.drishtiias.com>
- [7]. Ministry of Statistics and Programme Implementation. (2025). Periodic Labour Force Survey (PLFS). Government of India.
- [8]. Reuters. (2026). India's unemployment rate rises to 4.8% in December.
- [9]. Press Information Bureau. (2025). Labour Force Participation Rate and Worker Population Ratio. Government of India.
- [10]. Indian Express. (2025). Unemployment rate falls, but female youth joblessness remains high.
- [11]. International Labour Organization. (2024). India employment and labour market overview.