

Journey from MGNREGA to VB-G-RAM-G: An Overview

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Submitted: 28.02.2026

Revised: 07.05.2026

Accepted: 11.06.2026

Abstract: *Indian polity is in the midst of making India a Viksit Bharat¹ by 2047. A vision that will take her to her final destination of becoming the viswaguru. We are living in an era where governments across the world are in the run for not only fulfilling their domestic requirements but their dream beyond the territorial compulsion. This is so due to the growing inter-connectedness and dependency by the nations throughout. India is no exception to this act. Any kind of development initiative has to come from within. Indian government time and again has stressed the need for empowerment and social protection in a decentralized manner through a bottom-up approach. A major portion of human capital resides in the rural belt and any kind of inclusive and balanced development has to include the same. The present essay will try to focus on -How Viksit Bharat- Guarantee for Rozgar and Aajeevika Mission (Gramin) or VB-G-RAM-G (2025) as a rural development policy and employment initiative shall provide a ground for the fulfilment of Viksit Bharat? How the scheme replaces Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)? What are the pros and cons of the new scheme? Is it a political commitment or compulsion on the part of the ruling? Is it just an “old wine in a new bottle”?*

Key Words: *Viksit Bharat, Empowerment, Social protection, Decentralized, Development.*

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I

Often, we here in the words of Thomas Dye “public policy is whatever governments choose to do or not to do”² but the fact remains that the policy making as a matter is much more complex. With the changing context and requirements of the day, newer styles of governance³ have made the art of policy making a dialogical affair involving varied players bargaining across all stages of policy formulation. In fact, the process of policy making entails the following five stages- a) identification /agenda setting (identifying the problem), b) policy articulation (identifying solutions through consultations), c) policy adoption (adoption of law or framework through legislative process), d) policy implementation (administrative machinery build up for assigning work to appropriate authorities) and e) policy evaluation (analyzing and recommending revisions in the agenda, formulation or implementation).⁴ The first three together constitutes the formulation part. The interesting story behind the policy formulation lies with the processes and players (actors) that continuously lobby with the ruling faction of the government getting their interest represented or heard. On the other hand, the opposition as usual come together against the tide (ruling side). That is the reason why a particular welfare scheme gets replaced with the change in the government. It is true that a particular scheme becomes ineffective over the years due to innumerable factors. But more importantly, political will and ideological zeal acts as the main deciding factor in a particular scheme being modified or scrapped for another. One such, scheme is the Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (MGNREGA). Recently, it was replaced by another initiative that is- Viksit Bharat- Guarantee for Rozgar and Ajeevika Mission (Gramin) or VB-G-RAM-G (2025).

II

Since Independence, rural development policies in India have centered around issues like poverty alleviation, employment generation for unskilled labour, establishment of rural livelihoods, building and strengthening of basic infrastructure, food security, eradication of malnutrition and the like. Out of all the above stated issues, India’s employment generation strategies progressed through multiple phases, beginning with early programmes such as the Rural Manpower Programme (1960s) and the Crash Scheme for Rural Employment (1971). These were followed by more structured undertaking in the 1980s and 1990s, including the National Rural Employment Programme, Rural Landless Employment Guarantee Programme that was later merged into Jawahar Rozgar Yojana (1993), which was again consolidated into Sampoorna Grameen Rozgar Yojana in 1999. Parallely, schemes such as the Employment Assurance Scheme and the Food for Work Programme addressed seasonal unemployment and food security. A significant move came with the passage of Maharashtra Employment Guarantee Act of 1977, which introduced the concept of statutory right to work. These experiments further culminated in the enactment of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2005, that provided a holistic and national legal framework for rural employment generation. However, very recently it was replaced by Viksit Bharat- Guarantee for Rozgar and Ajeevika Mission (Gramin) or VB-G-RAM-G.⁵

III

At the very outset, the newer or upgraded version of the much-criticized VB-G-RAM-G began its journey amidst politics of name-game and intentional accusations across all party colours. Here, the acronym say *Viksit Bharat* (VB) delves round the Prime Minister Narendra Modi's vision of a "Developed India" by 2047 with a *Guarantee* (G) upholding the statutory nature of the promise, *Rozgar and Ajeevika Mission* (RAM) highlighting the operational part of the scheme and *Gramin* (G) denoting rural coverage. Apparently, the resulting acronym, VB-G RAM-G, invokes the name of Lord Ram ("Ram-ji"), a central deity in Hinduism and a focal point of the ruling Bharatiya Janata Party's (BJP) cultural-political agenda bearing an ideological conflict: Ram vs. Gandhi. The renaming removed "Mahatma Gandhi" from the title whose name was aligned with MNREGA as a symbolism of his ideals of *Gram Swaraj* (village self-rule) and the dignity of rural labour. The point of departure arose as the opposition argued that the removal of Gandhi's name was a deliberate act of historical revisionism and ideological politicism. Even the Congress MP Shashi Tharoor described the controversy as "unfortunate" and that the concepts of *Gram Swaraj* and *Ram Rajya* (the ideal kingdom of Ram) were "twin pillars of Gandhiji's consciousness" that never competed with each other. By mere removal and renaming, the ruling government was disrespecting 'the Father of the Nation' and creating divisions within the nation. On the defensive side the government defended the Act, stating that the government wanted to uphold Gandhi's vision of *Ram Rajya* through the use of 'Ram'.⁶

IV

The National Rural Employment Guarantee Act (NREGA) launched in 2005 created a decentralized flagship programme, with the aim of guaranteeing at least 100 days of wage employment each year to rural households willing to undertake unskilled manual work. Gradually, it was rolled out in three phases. Introduced in 200 rural districts in its first phase (2 February 2006), in its second phase, 2007-08, it was extended to an additional 130 rural districts. The remaining districts were notified under MGNREGA (renamed on 2nd October, 2009) with effect from 1 April 2008. The programme aimed at strengthening decentralised, participatory planning and panchayati raj institutions (PRIs) for deepening democracy at the grassroots (with active participation from the Gram panchayats, especially Gram Sabha and their functionaries like Gram Rozgar Sahayak / Field Assistant, a Technical Assistant and a Computer Assistant), while fostering greater transparency and accountability in Governance (through real time data capture and geo-tagged photography). However, in 2009 itself, the programme was largely criticized by the World Bank as "barrier to development" and question arose regarding its relevance.⁷ By the year 2014, with the coming of the new government at the centre, fate of MGNREGA became dismal. The then Prime Minister and also the present the Prime Minister, Narendra Modi signaled the phasing out of the programme. Initially, due to severe criticism from the Chief Ministers from different states, the MGNREGA continued with a range of administrative and technological reforms. These changes strengthened its implementation that led to notable improvements in participation, transparency, and digital governance. Over the years women's participation rose steadily, Aadhaar seeding expanded

sharply, the Aadhaar-Based Payment System was widely adopted, and electronic wage payments became nearly universal in between FY 2013-14 and FY 2025-26.

Even then, the pace and success rate of the so-called and popularly known for 100 days guarantee programme faltered due to issues that increased over the years. Going by the changing situation and wage rate, critics pointed out that in many states it fell below the minimum agricultural wage rates. As the programme was 'demand-driven', budgetary allocation at times fell short, due to lack of funding from the Central government. Often, delays take place due to late processing of signed Fund Transfer Order (FTO) and the calculation for compensation through Management Information System (MIS). Again, many states fail to meet administrative requirements within the stipulated time period (say, due to late or non-submission of the previous financial year's audited fund statements, utilisation certificates, bank reconciliation certificates etc) leading to delay in payment of workers. The banks located in the rural belt often due to poor infrastructure fail to meet the expectations of the beneficiaries (say, non-updation of passbooks for credit related information/data). The faulty MIS allows data to be uploaded post real time hours. Moreover, unemployment allowances are also not credited in due time. In the name of Direct Benefit Transfer (DBT) and targeted implementation genuine job cards are deleted and subsequently, the people with authentic needs are deprived from the much-needed job guarantee. Over-centralisation in payment system and at times neglect of local initiative made the programme slow. Above all the limited administrative resources and staffing, lack of monitoring mechanism across several states, expenditure not matching physical progress, use of machines in labour-intensive works, and frequent bypassing of digital attendance systems indicates that while delivery systems improved, but overall architecture of MGNREGA had reached its limits.

V

Against the limitations and saturation point reached by the MGNREGA, the Central government came out with a rescue option of overcoming the shortcomings. The Viksit Bharat- Guarantee for Rozgar and Aajeevika Mission (Gramin) Act or VB-G-RAM-G guarantees 125 days of wage employment per rural household in each financial year to such rural households whose adult members volunteer to undertake unskilled manual work, contributing to income security beyond the earlier 100-day entitlement (as laid down by MGNREGA). A quick view of the Act (received the assent of the Honourable President of India on 20th December 2025) suggest that keeping pace with the vision of *Viksit Bharat*, the programme will be made functional along with integration with the PM Gati Shakti and delivery via Viksit Gram Panchayat Plans across four thematic areas- a) water security through water-related works, b) core-rural infrastructure c) livelihood- related infrastructure, and d) special works to mitigate extreme weather events. It projects a supply-driven mechanism in favour of normative allocation fixed for each financial year to be determined by the government beforehand. It proposes for a "paused period" of 60-day no-work period to ensure the availability of agricultural labour during peak sowing and harvesting season. The beneficiaries of this scheme will continue to receive 125 guaranteed days of employment within the remaining 305 days, ensuring that both

farmers and labourers benefit. Unlike the earlier venture, the new model introduces newer dimension in the funding pattern. Under MGNREGA, the Central government paid 100 per cent of wages for the unskilled labour and the material costs were shared in the 75:25 ratio between centre and the states.⁸ But the newer model under VB-G-RAM-G speaks for funding in two categories- General category states where sharing will be in the 60:40 ratio and for Special category states (of North-east or Himalayan) the sharing will be in the 90:10 ratio between the Centre and state. Therefore, the burden shifts towards the states. If we go by the 125-days scheme, all the works undertaken will be subsumed under the four verticals like water security, core rural infrastructure, livelihood infrastructure, and disaster mitigation and aligned with “Viksit Bharat National Rural Infrastructure Stack”. The disbursement of daily wages shall be made on a weekly basis or, in any case, not later than a fortnight after the date on which such work was done. The most interesting and significant thing appears to be the government’s rationale and oversight for strong and enhanced oversight for transparency is the use of Artificial Intelligence (AI) based monitoring, real time dashboards, mandatory social audits through proactive public disclosures.⁹

VI

After going through a glimpse of what VB-G-RAM-G speaks for, it is always a tough call for any student of social science to judge the relevance of a public policy that has been laid down theoretically. The scheme is yet to become functional from a stipulated date, only to be decided or declared by the Central government through notification. On paper, the effort shown by the government seems to be an urge for modification that tested time. A national employment guarantee programme that ran for over two decades across two ideologically polarized governments (under Congress and Bharatiya Janata Party), only points that it served the populist expectations of both the government and the governed. The replacement, though ideologically and politically motivated, loudly points to the darker side of our vision of *vikshit bharat*. Even after the completion of seventy-six years of the Indian Republic, we the people of India and our representatives (ruling and opposition) still fight for a so-called employment guarantee and compensation scheme that calls for ‘security of livelihood’ against a narrower interest for ‘vote bank’. Are we not struggling for ‘old wine in a new bottle’?

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