

Ministry of Rural Development



President gives assent to Viksit Bharat— Guarantee for Rozgar and Ajeevika Mission (Gramin) (VB—G RAM G) Bill, 2025

The Act Enhances Statutory Employment Guarantee to 125 Days

Panchayats to lead the future –planning power to be with Gram Sabha and Panchayats

Viksit Bharat-G RAM G aligned with the Vision of Viksit Bharat@2047

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The President of India has given assent to the *Viksit Bharat—Guarantee for Rozgar and Ajeevika Mission (Gramin) (VB—G RAM G) Bill, 2025* marking a significant milestone in the transformation of rural employment policy. The Act enhances the statutory wage employment guarantee to **125 days per financial year** for rural households and seeks to advance empowerment, inclusive growth, convergence of development initiatives and saturation-based delivery, thereby strengthening the foundation for a prosperous, resilient and self-reliant Rural Bharat.

Earlier, Parliament passed the *Viksit Bharat – Guarantee for Rozgar and Ajeevika Mission (Gramin) Bill, 2025*, marking a decisive reform in India’s rural employment and development framework. The Act replaces the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), 2005 with a modern statutory framework that enhances livelihood security and is aligned with the national vision of *Viksit Bharat @2047*.

Anchored in the principles of empowerment, growth, convergence and saturation, the Act seeks to transform rural employment from a standalone welfare intervention into an integrated instrument of development. It strengthens income security for rural households, modernises governance and accountability, and links wage employment with the creation of durable and productive rural assets, thereby laying the foundation for a prosperous and resilient Rural Bharat.

Salient Features of the Act

Enhanced Statutory Employment Guarantee

- The Act provides a statutory guarantee of not less than 125 days of wage employment per rural household in each financial year to households whose adult members volunteer to undertake unskilled manual work (Section 5(1)).
- This enhancement over the earlier 100-day entitlement significantly strengthens livelihood security, predictability of work, and income stability for rural households, while also enabling them to contribute more effectively and meaningfully to national development.

Balanced Provision for Agriculture and Rural Labour

- To facilitate adequate availability of agricultural labour during peak sowing and harvesting seasons, the Act empowers States to notify an aggregated pause period aggregating to sixty days in a financial year (Section 6).
- The full 125-day employment guarantee remains intact, to be provided during the remaining period, ensuring a calibrated balance that supports both agricultural productivity and worker security.

Timely Wage Payments

- The Act mandates payment of wages on a weekly basis or, in any case, within fifteen days of completion of work (Section 5(3)). In cases of delay beyond the stipulated period, delay compensation shall be payable in accordance with the provisions laid down in Schedule II, reinforcing wage security and protecting workers from delays.

Employment Linked with Productive Rural Infrastructure

Wage employment under the Act is explicitly aligned with the creation of durable public assets across four priority thematic domains (Section 4(2) read with Schedule I):

1. Water security and water-related works
2. Core rural infrastructure
3. Livelihood-related infrastructure
4. Works to mitigate extreme weather events

All works are planned through a bottom-up process, and all assets created are aggregated into the Viksit Bharat National Rural Infrastructure Stack, ensuring convergence of public investments, avoidance of fragmentation, and outcome-based planning aimed at saturation of critical rural infrastructure, based on varying local needs.

Decentralised Planning with National Convergence

- All works originate from Viksit Gram Panchayat Plans (VGPPs), prepared at the Gram Panchayat level through participatory processes and approved by the Gram Sabha (Sections 4(1)–4(3)).
- These plans are digitally and spatially integrated with national platforms, including PM Gati Shakti, enabling whole-of-government convergence while fully retaining decentralised decision-making.
- This integrated planning framework will enable Ministries and Departments to plan and implement works more effectively, avoid duplication and wastage of public resources, and accelerate development through saturation-based outcomes.

Reformed Financial Architecture

- The Act is implemented as a Centrally Sponsored Scheme, to be notified and operationalised by the State Governments in accordance with the provisions of the Act.
- The cost-sharing pattern is 60:40 between the Centre and States, 90:10 for North Eastern and Himalayan States, and 100% central funding for Union Territories without legislatures.
- Funding is provided through State-wise normative allocations based on objective parameters prescribed in the Rules (Sections 4(5) and 22(4)), ensuring predictability, fiscal discipline, and sound planning, while fully preserving statutory entitlements to employment and unemployment allowance.

Strengthened Administrative Capacity

- The administrative expenditure ceiling has been enhanced from 6% to 9%, enabling improved staffing, training, technical capacity and field-level support, and strengthening the ability of institutions to deliver outcomes effectively.

The *Viksit Bharat – Guarantee for Rozgar and Ajeevika Mission (Gramin) Act, 2025* represents a decisive step towards renewing and strengthening India's rural employment framework in line with the vision of *Viksit Bharat @2047*. By enhancing the statutory wage employment guarantee to **125 days per financial year**, the Act reinforces the right to demand employment while deepening decentralised, participatory governance. It integrates transparent, rule-based funding, accountability mechanisms, technology-enabled inclusion and convergence-driven development to ensure that rural employment not only provides income security but also contributes to sustainable livelihoods, resilient assets and long-term rural prosperity.

Employment Guarantee and Right to Demand

The Act does not dilute the right to demand employment. On the contrary, Section 5(1) places a clear statutory obligation on the Government to provide not less than 125 days of guaranteed wage employment to eligible rural households. The expansion of guaranteed days, together with strengthened accountability and grievance redressal mechanisms, reinforces the enforceability of this right.

Normative Funding and Employment Provision

The shift to normative allocations pertains to budgeting and fund-flow mechanisms and does not affect the legal entitlement to employment. Sections 4(5) and 22(4) ensure rule-based, predictable allocations while retaining the statutory obligation to provide employment or unemployment allowance.

Decentralisation and Role of Panchayats

The Act does not centralise planning or execution. Sections 16 to 19 vest planning, implementation and monitoring authority in Panchayats, Programme Officers and District authorities at appropriate tiers. What is integrated at the national level is visibility, coordination and convergence, not local decision-making.

Employment and Asset Creation

The Act enshrines an enhanced statutory livelihood guarantee of 125 days, while ensuring that employment contributes to productive, durable and climate-resilient assets. Employment generation and asset creation are designed as mutually reinforcing objectives, supporting long-term rural growth and resilience (Section 4(2) and Schedule I).

Technology and Inclusion

Technology under the Act is intended as an enabling mechanism, not a barrier. Sections 23 and 24 provide for technology-enabled transparency through biometric authentication, geo-tagging and real-time dashboards, while Section 20 strengthens social audits by Gram Sabhas, ensuring community oversight, transparency and inclusion.

Unemployment Allowance

The Act removes earlier dis-entitlement provisions and restores unemployment allowance as a meaningful statutory safeguard. Where employment is not provided within the stipulated period, unemployment allowance becomes payable after fifteen days.

Conclusion

The passage of the Viksit Bharat – Guarantee for Rozgar and Ajeevika Mission (Gramin) Act, 2025 represents a significant renewal of India's rural employment guarantee. By expanding statutory employment to 125 days, embedding decentralised and participatory planning, strengthening accountability, and institutionalising convergence and saturation-based development, the Act repositions rural employment as a strategic instrument for empowerment, inclusive growth and the creation of a prosperous and resilient Rural Bharat, fully aligned with the vision of Viksit Bharat @2047.

RC/MS

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