

From MGNREGA to VB-G RAM G: Rural Employment Security, Asset Creation and the Path to Viksit Bharat 2047–A Systematic Review

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Abstract

India's rural employment policy has undergone an important institutional transition with the emergence of the Viksit Bharat–Guarantee for Rozgar and Aajeevika Mission (Gramin) (VB-G RAM G). This paper systematically reviews the transition from the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) to the revised rural employment framework, with particular emphasis on employment security, productive asset creation and the broader objective of Viksit Bharat 2047. The review examines the expansion of the statutory employment guarantee from 100 to 125 days, the proposed seasonal alignment of public employment with agricultural activities, decentralized planning through Viksit Gram Panchayat Plans, geospatial integration, digital monitoring and Direct Benefit Transfer.

Keywords: MGNREGA, VB-G RAM G, rural employment, asset creation, Viksit Bharat 2047.

Introduction

India's Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), which began in 2006, is the largest public works employment project in the world. Rural poverty reduction is an explicit objective of the MGNREGA. The Employment Guarantee Act can also help to empower women, by giving them independent income earning opportunities. MGNREGA insists that 30 percent of the employment provided, should be given to women. Implementation of MGNREGA has initiated certain strategies at women empowerment, particularly in the following aspects the work is to be organized by women's groups, the gender perspective gets built in automatically, and for the first time equal wages are paid to both men and women, which boosted the earnings of the women. The uniqueness of this act is that, it carries emphasis on issues like equality of wages for men and women, elimination of work contracting/middlemen/payment of wages only through bank and post office accounts to prevent corruption, creating transparency in workers' muster rolls, etc. (Kurinjimalar, 2018). The MGNREGA is possibly the most ambitious income security programme for India's rural poor. Initially it was introduced in 200 districts of the country and later extended to another 130 districts in 2007-08. By 1st April 2008, it was further extended to 593 districts covering 4,49,40,870 rural households. Now, it is applicable in all the 615 districts of the country. It is not restricted by gender, geography, age, skill and caste. MGNREGP not only provides employment but also focuses on inclusive growth, rejuvenation of natural resources, generating productive assets, protecting the environment, empowering the rural women and reducing rural-urban migration with the multiple objectives of sustaining income and consumption through wage works, creating durable assets (Kurinjimalar and Chinnaraj, 2013). Adult members of a rural household may apply for employment if they are willing to do unskilled manual work. At least 100 days work will be provided per household per annum. Such a household will have to apply for registration to the local Gram Panchayat, in writing or orally. The Gram Panchayat after due verification will issue a job card to the household. The job card will bear the photograph of all the adult members of the household willing to work under MGNREGA. All adults who have completed 18 years of age are eligible to work. Employment will be provided within 15 days of application for work. Men and women will be paid equal wages and preference will be given to women.

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If employment is not provided within 15 days, daily unemployment allowance in cash has to be paid. Liability of payment of unemployment allowance is of the concerned States. At least one-third of persons to whom work is allotted have to be women. Disbursement of wages has to be done on weekly basis and not beyond a fortnight and wages are credited directly to their bank/post office account. Panchayat Raj Institutions have a principal role in planning and implementation. Each district has to prepare a shelf of projects (Kurinjimalar and Prasanna, 2017). The selected works to provide employment are to be selected from the list of permissible works. The different categories of permissible works are as follows: water conservation and harvesting, drought proofing, afforestation and tree plantation, irrigation canals, irrigation facility to land owned by households of Scheduled Castes and Scheduled Tribes or to land beneficiaries of land reforms or land of the beneficiaries under the Indira Awas Yojana, renovation of traditional water bodies such as desilting of tanks, land development, flood control and protection such as drainage, rural connectivity to provide all-weather access. The shelf of projects has to be prepared on the basis of priority assigned by Gram Sabha. At least 50 percent of the works have to be allotted to Gram Panchayats for execution. A 60:40 wage and material ratio has to be maintained. Contractors and use of labour displacing machinery are prohibited. Work should be provided within 5 km radius of the village or else extra wages of 10 percent is payable Kurinjimalar (2012a, b). Work site facilities such as crèche, drinking water, shade have to be provided. Social Audit has to be done by the Gram Sabha at least once in six months. Grievance Redressal mechanisms have to be put in place for ensuring a responsive implementation process. All accounts and records relating to the scheme are to be made available for public scrutiny and to any person desirous of obtaining a copy of such records, on demand and after paying a specified fee. Those who violate the MGNREGA Act will be penalized with a penalty of up to Rs. 1,000. The Act stipulates that priority shall be given to women. In terms of implementation in mandates a minimum of one-third of the beneficiaries are women who have registered and have requested for work.

Rural employment programmes have occupied a central position in India's strategy for reducing livelihood insecurity and improving the economic resilience of vulnerable households. The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) represented a major institutional intervention by providing a statutory framework for rural wage employment (Kurinjimalar and Buvaneswari, 2011; Kurinjimalar, 2017). Its significance extended beyond employment generation because wage payments could support household consumption, reduce dependence on informal borrowing and provide a degree of protection against seasonal unemployment. The emergence of the Viksit Bharat–Guarantee for Rozgar and Ajeevika Mission (Gramin) (VB-G RAM G) represents a proposed transformation of this rural employment architecture towards a broader development-oriented framework. The central emphasis of the revised approach is not limited to short-term wage employment. It places greater attention on durable asset creation, decentralized planning, digital monitoring, livelihood promotion and alignment with India's long-term development vision. A particularly important feature discussed in the literature is the expansion of the employment guarantee from 100 to 125 days. The additional employment opportunity can strengthen rural household income security and improve the ability of vulnerable households to maintain consumption during periods of limited employment opportunities. At the same time, the seasonal alignment of public employment with agricultural operations is intended to ensure that public works do not adversely affect the availability of labour during peak agricultural seasons. The revised framework also gives greater importance to village-level planning and productive asset creation. Viksit Gram Panchayat Plans, geospatial mapping and infrastructure planning can potentially transform rural employment expenditure into community assets such as water conservation structures, roads, livelihood infrastructure and climate-resilient facilities. In this sense, the employment programme can be viewed not only as a social protection mechanism but also as an instrument of rural capital formation. Another important dimension is digital governance. e-KYC, biometric authentication, GPS-based monitoring, electronic procurement and Direct Benefit Transfer can improve the traceability of public expenditure. However, the increasing dependence on digital systems also creates risks for workers who face connectivity constraints, authentication failures, documentation problems or limited digital literacy. The fiscal dimension is equally significant. A Centre-State cost-sharing arrangement places greater financial responsibility on state governments. Although such an arrangement may strengthen accountability, it may also create difficulties for states with weaker fiscal capacity, particularly during periods of drought, natural disasters or sudden increases in demand for rural employment.

Against this background, the present paper reviews the transition from MGNREGA to VB-G RAM G through four interconnected perspectives: employment security, productive asset creation, digital and institutional governance, and the contribution of rural development to the Viksit Bharat 2047 vision.

Evolution from MGNREGA to VB-G RAM G

The transition from MGNREGA to VB-G RAM G can be understood as a movement from an employment-centered social protection approach towards an integrated rural development framework. The earlier employment guarantee primarily provided a safety net against rural unemployment and underemployment. The revised framework seeks to connect employment generation with productive infrastructure and long-term livelihood development (Kurinjimalar, and Prasanna, 2013). The proposed increase from 100 to 125 days is particularly important from the perspective of rural income security. The additional 25 days of employment can increase the potential annual wage income of participating households and provide greater protection against seasonal unemployment. Sinha (2026) argues that the expanded employment guarantee can strengthen the rural consumption floor by providing additional employment opportunities to vulnerable households. The importance of the employment guarantee is particularly high in areas characterized by seasonal agriculture, limited non-farm employment and recurrent periods of underemployment. A predictable employment opportunity can reduce household dependence on distress migration and informal borrowing. However, employment generation should not be considered independently from agricultural labour markets. Mukherjee (2025) highlights the importance of aligning public employment with peak agricultural activities. A planned seasonal pause in public works can potentially release labour for sowing and harvesting activities and reduce conflicts between public employment and agricultural labour demand. Thus, the transition should be evaluated through a dual perspective: employment protection for workers and labour availability for agriculture.

Rural Employment Security and Household Livelihoods

Employment security constitutes the foundation of the revised framework. Rural households often face fluctuations in employment because agricultural work is highly seasonal. In such circumstances, public employment can provide a supplementary source of income during periods when private employment opportunities are limited. The expansion to 125 days can potentially increase household purchasing power and improve the stability of consumption. Sinha (2026) associates the additional employment days with strengthening the income security of vulnerable households. The employment guarantee may also reduce the need for emergency borrowing from informal sources. The literature further suggests that predictable wage payments can influence household investment decisions. Das and Sen (2026) emphasize the importance of efficient electronic payment mechanisms in ensuring timely financial support to rural households. Faster payment systems can reduce the period during which workers remain without income after completing public employment. The broader significance of employment security therefore extends beyond wages. It can influence food consumption, children's education, health-related expenditure, savings and small livelihood investments.

Seasonal Employment and Agricultural Labour Markets

One of the important policy dimensions of the revised framework is the relationship between public employment and agriculture. Rural economies frequently experience labour shortages during sowing and harvesting seasons, while experiencing unemployment or underemployment during lean agricultural periods. Mukherjee (2025) argues that a coordinated seasonal employment pause can help resolve this tension by allowing workers to participate in agricultural operations during peak periods. Such coordination could benefit both wage workers and agricultural producers. However, the effectiveness of this approach depends on the local agricultural calendar. India has considerable regional variation in cropping patterns, rainfall, irrigation and labour demand. Therefore, a uniform employment calendar may not produce identical outcomes across all states and districts. The policy implication is that seasonal employment planning should retain sufficient local flexibility. Gram Panchayats and local administrative institutions should have an important role in determining the timing of employment activities according to local agricultural conditions.

Productive Asset Creation and Rural Transformation

A major conceptual shift in the revised framework is the stronger emphasis on durable rural assets. Chawla (2025) highlights the role of Viksit Gram Panchayat Plans and geospatial integration in linking village-level employment with broader infrastructure priorities with reference to water conservation structures, rural roads and connectivity, livelihood infrastructure, climate adaptation assets, rural housing, common land development, community infrastructure, agricultural and livestock-supporting assets. The economic importance of such assets lies in their potential to generate benefits beyond the period of employment. A properly designed water conservation structure, for example, can support agricultural production for several years. Similarly, rural roads can reduce transport costs and improve access to markets, schools and health facilities. Patel (2026) emphasizes the potential role of geospatial planning in aligning water conservation interventions with local watersheds. Such planning can improve the effectiveness of community ponds, check dams and other water-related infrastructure. Thus, productive asset creation represents an important bridge between short-term employment protection and long-term rural economic development.

Digital Governance and Transparency

Digital governance is another major feature of the revised rural employment architecture. Devan (2025) highlights the use of digital monitoring, GPS-based asset tracking and electronic information systems for improving transparency in rural public works. Digital systems can provide several advantages such as improved worker identification, greater transparency in attendance records, faster payment processing, and geographical verification of assets, better monitoring of expenditure, reduction in opportunities for fraudulent reporting and improved public access to project information. Electronic procurement systems can also improve accountability. Sharma and Mukherjee (2026) discuss the potential of digitized procurement systems to improve the monitoring of construction materials and reduce opportunities for manipulation. However, digitalization should not automatically be equated with inclusion. Verma (2026) and Imbert and Papp (2026) draw attention to authentication failures, data synchronization problems, connectivity constraints and difficulties experienced by vulnerable workers. Therefore, digital governance should be designed according to the principle of “digital inclusion with human support” rather than complete dependence on automated systems.

Conclusion

The transition from MGNREGA to the VB-G RAM G framework represents an important development in the evolution of India's rural employment policy. The reviewed literature suggests that the revised framework has the potential to move beyond the traditional objective of providing short-term employment towards a broader model of rural transformation based on employment security, productive asset creation, digital governance and livelihood development. The proposed expansion of employment opportunities from 100 to 125 days can strengthen the income and consumption security of vulnerable rural households. At the same time, seasonal coordination with agricultural activities can help balance public employment with the labour requirements of farming. The emphasis on Viksit Gram Panchayat Plans and geospatial planning provides an opportunity to convert wage expenditure into durable rural infrastructure. Digital governance can improve transparency, payment efficiency and public accountability, but digital systems must be designed to prevent exclusion. Authentication failures, inadequate connectivity and limited digital literacy can otherwise create new barriers for the very workers whom the employment guarantee is intended to protect. The central argument of this review is that rural employment security and rural economic transformation should be treated as complementary objectives. If employment guarantees are effectively linked with productive assets, climate resilience, digital inclusion, women's empowerment, skill development and livelihood diversification, the rural employment framework can make a meaningful contribution to the broader objective of building an inclusive and economically resilient Viksit Bharat 2047.

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