

GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT

RAJYA SABHA
UNSTARRED QUESTION NO. 2536
TO BE ANSWERED ON 13/03/2026

CONSULTATIONS FOR VB-G RAM-G ACT

2536 Shri Mallikarjun Kharge:

Will the Minister of Rural Development be pleased to state:

- (a) whether consultation process was undertaken regarding the total number of days prior to its introduction of draft Viksit Bharat-Guarantee for Rozgar and Ajeevika Mission (Gramin) (VB-G RAM G) Act and its opening for public or stakeholders;
- (b) the categories of stakeholders consulted during the drafting process, including State Governments, rural worker organisations, civil society groups, experts, and industry or implementation partners, along with the number of consultation meetings held with each category; and
- (c) whether Government has assessed the fiscal implications of the VB-G RAM G Act for States, if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI KAMLESH PASWAN)

(a) & (b): In the past twenty years, Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS) has contributed in providing guaranteed wage-employment to rural households. However, further strengthening had become necessary in view of the significant socio-economic transformation witnessed in the rural landscape driven by widespread coverage of the social security interventions and saturation-oriented implementation of major Government schemes. Similarly, rural connectivity, rural housing, electrification, financial inclusion and digital access have deepened, the workforce has diversified, and aspirations have shifted towards better incomes, growth-oriented infrastructure, sustainable livelihoods and greater climate resilience.

Wide consultations were held with all important stakeholders like the States, MGNREGA workers, functionaries, Civil society Organizations, experts etc. to strengthen the implementation of the Mahatma Gandhi NREGS, resulting in notable improvements in participation, transparency and digital governance. A brainstorming session under the chairpersonship of the Union Minister of Rural Development was also held to seek suggestions and views of the stakeholders to improve the effectiveness of MGNREGA. A range of administrative and technological reforms have been introduced by the Ministry based on consultations and feedback obtained from the States.

However, deeper structural issues persisted. Monitoring in several states revealed gaps, including work not being done on the ground, expenditure not matching physical progress, the use of machines in labour-intensive work, and frequent bypassing of digital attendance systems. Since the overall architecture of Mahatma Gandhi NREGS had reached its limits, it warranted reassessment in light of evolving rural realities.

Against this backdrop and to cater to the changing aspirations, the need for stronger convergence was felt to establish an integrated, Whole-of-Government rural development framework covering several complementary Government schemes. Additionally, it was felt essential that rural infrastructure creation must transition from fragmented provisioning to a coherent and future-oriented approach which also necessitated that resources are distributed in a fair manner to reduce disparities and promote inclusive growth across all rural areas of the country based on objective parameters.

(c): Regarding the concerns about Centre–State financial sharing pattern under the Viksit Bharat G RAM G Act, it is stated that, historically, many major rural employment schemes in the country have operated on shared funding models between the Centre and the States. For example:

- I. The National Rural Employment Programme (NREP) followed a 75:25 sharing pattern.
- II. The Rural Landless Employment Guarantee Programme (RLEGP) adopted a 50:50 model.
- III. The Jawahar Rozgar Yojana (JRY) operated on an 80:20 basis.
- IV. Schemes such as SGRY, EAS, and JGSY were also implemented on a Centre–State sharing pattern, generally in the ratio of 75:25.

Presently, most of the Centrally Sponsored Schemes (CSS) across sectors are being implemented on the 60:40 sharing model. The 60:40 pattern adopted under this Act is therefore consistent with the broader framework of Centrally Sponsored Schemes.

Here it is also stated that for the financial year 2026–27, a Central share provision of ₹95,692.31 crore has been made for the Viksit Bharat-Guarantee for Rozgar and Aajeevika Mission (Gramin), representing the largest allocation ever, for rural employment programme at Budget Estimate Stage. With the inclusion of the corresponding estimated State share, the total programme outlay is likely to exceed ₹1.51 lakh crore, which is expected to significantly accelerate rural transformation, large-scale employment generation and income enhancement in rural areas.

This model promotes cooperative federalism by making States active partners in rural development.

Further, special provisions have been made for North-Eastern and Himalayan States and Union Territory (Himachal Pradesh, Uttarakhand and Jammu & Kashmir), where a 90:10 Centre–State sharing pattern applies.

In addition, the Act also provides that in the event of natural disasters, pandemics, or other extraordinary circumstances, State Governments may recommend special operational relaxations to the Centre. The Central Government is empowered to allow expansion of permissible works, relaxation in documentation procedures, and temporary enhancement of employment provisions in such situations. The framework is thus responsive, flexible, and sensitive to emerging needs.

Overall, the funding pattern is designed to balance fiscal responsibility, State participation, and national rural development priorities.
