



Kurukshetra

A JOURNAL ON RURAL DEVELOPMENT

Vol. 69

No.5

Pages 52

March 2021

₹ 22



BUDGET FOR RURAL INDIA 2021-22



Budget carries a vision of AatmaNirbharta and inclusion of every citizen: PM

The Prime Minister, Shri Narendra Modi has said, the Budget this year has feel of reality and confidence of development and showcases India's self-belief. He also said that it will infuse a new confidence in the world in these difficult times. In his remarks after the Union Budget was tabled in the Lok Sabha, the Prime Minister said that the Budget carries a vision of AatmaNirbharta and inclusion of every citizen and section. Shri Modi explained that the principles behind the Budget include – expansion of new opportunities for growth; new opportunities for the youth; giving new dimension to human resource; infrastructure development and helping new sectors grow.



Prime Minister, Shri Narendra Modi delivering the statement after the Union Budget 2021-22, in New Delhi on February 01, 2021.

The Prime Minister said, the Budget will enhance 'ease of living' for the common man by simplifying procedures and rules. The Budget will bring positive changes for individuals, investors, industry and infrastructure sector. The early response that the Budget received within hours of its presentation was positive. He said, the Government gave proper attention to its responsibility towards fiscal sustainability while increasing the size of the budget. He expressed happiness that transparency factor of the budget has been appreciated by the experts.

Stressing the proactive approach of the Government, whether during Corona pandemic or campaign for Aatmanirbharta, the Prime Minister noted that the budget doesn't have an iota of reactive approach. "We have gone beyond active and have given a pro-active budget", said the Prime Minister.

Appreciating the all-round development emphasis of the Budget, Shri Modi said that it is focused on wealth and wellness, MSME and infrastructure. He also noted unprecedented focus on healthcare.

Mentioning the impact of the Budget on the various segments of society, Shri Modi said its emphasis on research and innovation will help the youth. Common men and women will be benefitted by stress on health, swachhta, nutrition, clean water and equality of opportunities. Similarly, enhanced allocation in infrastructure and procedural reforms will lead to job creation and growth.

The Prime Minister said, the Budget has many provisions for agriculture sector and increasing farmers' income. Farmers will get easy and more credit. Provisions have been made for strengthening APMC and Agriculture Infrastructure Fund. "This shows that villages and our farmers are at the heart of this Budget" said the Prime Minister.

(Source: Press Information Bureau)



The Monthly Journal
Kurukshetra

MINISTRY OF RURAL DEVELOPMENT

Vol. 69 No. 5 Pages 52

March 2021

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* Revised from April 2016
Issue Onwards



CONTENT

✓ Accelerating Investment, Job Creation and Income Growth Dr. Neelam Patel, Sakshi Gupta Ranveer Nagaich	5	✓ AatmaNirbhar Women Banasree P	29
✓ Healthy People Healthy Nation Urvashi Prasad	10	✓ Infrastructure Development Sameera Saurabh	35
		✓ Inclusive Marksmanship with Rural Prosperity Dr. Amiya Kumar Mohapatra	41



✓ Towards Realisation of a Five Trillion Dollar Economy Dr. Ishita G. Tripathy	17
✓ Boosting the Education Sector Rashi Sharma	23



✓ Boosting Agri Sector through Investment in Infrastructure and Processing Sandip Das	46
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The Union Budget is always an important exercise for the government. This year, it is all the more important as India, and the rest of the world, attempts to minimise the damage the COVID-19 pandemic has caused to the economy. Throughout 2020, the government provided stimuli to the economy in the form of AatmaNirbhar Bharat packages. While the government swung into action in May 2020 itself with the first of the five-phase AatmaNirbhar Bharat Abhiyan to revive the Indian economy and help the citizens and different segments of the economy emerge stronger and more self-reliant; the Union Budget 2021-22 is in a way the final step in the road to self-reliance.

The Budget has reiterated the government's commitment to the agriculture sector. It sent a strong signal to the nation on its commitment towards the upliftment of rural India. The Budget reflected the government's enthusiasm in stimulating investment and diversification, leading to higher incomes for farmers. Measures announced in the Budget by the Finance Minister clearly give a thrust on increasing investment in agriculture and allied sector, infrastructure development and promotion of value addition or processing for ensuring higher farmers' income. The Finance Minister highlighted the government's commitment on procurement through MSP by announcing the achievements attained through support price.

Infrastructure development is crucial with strong forward and backward linkages, particularly with the core sectors of the economy, such as steel, cement and other building materials. It directly or indirectly impacts 270 different industries, besides the agriculture and allied sectors. Apart from real economy, an upswing in infrastructure has strong implications for other sectors as well, especially the financial and housing sector. Budget 21-22 is a landmark for its clear insights and bold steps for rebuilding and reviving the Indian economy through a big push to infrastructure and asset creation.

Coming to the Budget announcements for the social sector, the proposed Budget initiatives and investments across sectors and schemes have the potential to re-orient the lives of millions of women and rural youth, make nutrition and healthcare more accessible to them even as their job prospects brighten through relevant skill training, new employment opportunities and access to cheaper credit. The Budget has touched upon the core foundation of school education and paves way to achieve the objectives of NEP 2020. The Budget announcements for school education can be categorised into core themes of access to quality education, teachers, technology, innovative pedagogies, equity and inclusivity, transformation of assessment, and reinforcement on adult education, all of which are of particular relevance to rural India.

The allocation for health and well-being in the Budget has been enhanced from Rs. 94,452 crore (2020-21 BE) to Rs. 2,23,846 crore, an increase of 137 percent. Investing in health makes sound economic sense. It saves lives, enhances wellness and happiness, raises productivity and generates jobs. The health sector has found a prominent place in the Indian government's agenda over the last few years, leading to the implementation of a series of reforms and initiatives.

Thus, the prime target of the Union Budget 2021-22 is to drive economic recovery through higher spending on healthcare and infrastructure, boost spending on job creation and rural development, ensure generous allocations for development schemes and ease rules to attract foreign investments. The government's message is loud and clear: revive the economy, accelerate growth and generate employment.

Accelerating Investment, Job Creation and Income Growth

Dr. Neelam Patel, Sakshi Gupta and Ranveer Nagaich

The Budget 2021-22 has reiterated the government's commitment to the agriculture sector. This was a budget intended to revive and stimulate investment, growth, and job creation. The government's message was loud and clear; to revive the economy, accelerate growth and generate employment. It sent a strong signal to the nation on its commitment towards the upliftment of rural India. The Budget reflected the government's enthusiasm in stimulating investment, diversification, leading to higher incomes for farmers.

The Union Budget of 2021-22 was presented in extraordinary circumstances. The aim and intent of the budget was very coherent. The government's message was loud and clear; to revive the economy, accelerate growth and generate employment. It sent a strong signal to the nation on its commitment towards the upliftment of rural India. It reflected the government's enthusiasm in stimulating investment and diversification, leading to higher incomes for farmers. The global pandemic led to a strict lockdown, affecting all the sectors of the economy, and disrupting global as well as domestic supply chains. However, there was a silver lining in these gloomy times. When the whole economy contracted by 7.2 percent, the gross value added in agriculture sector grew by 3.4 percent. The government ensured sustained growth of the sector through slew of measures from time to time, in form of reforms or stimulus packages to boost

incomes, prices for the farmers and improve the value chain.

At first glance, it may seem that the allocations for the Ministry of Agriculture and Farmers Welfare have been reduced, when we compare budget estimates (BEs). However, given that 2020 was a year of exceptional disruptions, comparisons of budget estimates (BEs) of the past two years may not be prudent. However, when we compare the allocations in 2021-22, to the revised estimates (REs) of 2020-21, then we see an increase in allocation of about Rs. 7,000 crores. Table 1 shows the allocations, comparing both BEs and REs of the past year. As it can be seen, the major reduction can be explained by reductions in PM-KISAN allocations.


The difference in registered beneficiaries and actual beneficiaries in the latest round may be a reason for this lower allocation. On the PM-



KISAN portal, a total of 11.62 crore beneficiaries are registered, whereas in the latest instalment paid in December 2020, 9.44 crore farmers were covered. On average, the three instalments of PM-KISAN in FY 2020-21 covered 10.04 crore farmers. Against the 11.62 crore farmers registered, this means that there is a difference of 1.57 crore registered and actual beneficiaries. Under the scheme, the state machinery must verify farmer details before the instalments are made. The difference in registered beneficiaries vs actual beneficiaries explain the lower allocations for PM-KISAN. As more beneficiaries are on boarded the scheme, the allocations will reflect the same accordingly.

Incentivising Investment

The focus of agriculture budget was on developing the existing infrastructure and spurring the investments and credit in the allied sector. Role of infrastructure in agriculture is indispensable for taking the production dynamics to the next level. Development of infrastructure, especially at the farmgate and post-harvest stage minimises wastages and shortages. The post-harvest losses and wastages, due to lack of proper infrastructure facilities, accrues to 15-20 percent. The Agriculture Infrastructure Fund (AIF) announced by the government in May 2020 with the total corpus of Rs. one lakh crore is a huge step in the right direction. It will mobilise medium - long term debt finance facilities for investment in viable projects for post-harvest management. The allocation for



- SWAMITVA Scheme extended to cover all states/UTs
- 'Operation Green Scheme' extended to 22 perishable products
- Agricultural credit target enhanced to ₹16.5 lakh crore in FY22 with focus on credit flows to animal husbandry, dairy, and fisheries
- 1,000 more mandis will be integrated with e-NAM to bring transparency and competitiveness
- Agriculture Infrastructure Funds to APMCs for augmenting infrastructure facilities

the upcoming fiscal is pegged at Rs. 900 crore. It is expected to push entrepreneurs for innovation by leveraging new age technologies including Internet of Things, AI, etc; to reduce post-harvest losses and increase value realisation for farmers.

While the scheme is already available for entrepreneurs, farmer producer organisations (FPOs), cooperative societies and startups, the budget speech made an important announcement that even APMC market yards would be able to utilise this fund to upgrade their marketing infrastructure. This reiterates the government's commitment to strengthening the APMC system as well. At the same time, an expansion of e-NAM has also been announced. Since its launch, 1000 mandis have already been connected to e-NAM, providing the benefit of transparent price discovery to 1.68 crore farmers through electronic trading. Now, another 1000 mandis will be

Table 1: Budget Allocations across Agriculture and Allied Ministries

	2020-21		2021-22	Variation over 2020-21	
	BE	RE	BE	BE	RE
Department of Agriculture, Cooperation and Farmers Welfare	₹ 1,34,400	₹ 1,16,758	₹ 1,23,018	₹ (11,382)	₹ 6,260
Department of Agriculture Research & Education	₹ 8,363	₹ 7,762	₹ 8,514	₹ 151	₹ 751
Ministry of Agriculture and Farmers Welfare	₹ 1,42,762	₹ 1,24,520	₹ 1,31,531	₹ (11,231)	₹ 7,011
Department of Fisheries	₹ 825	₹ 910	₹ 1,221	₹ 396	₹ 310
Department of Animal Husbandry & Dairying	₹ 3,289	₹ 2,646	₹ 3,102	₹ (187)	₹ 456
Ministry of Fisheries, Animal Husbandry and Dairying	₹ 4,114	₹ 3,557	₹ 4,323	₹ 209	₹ 766
Ministry of Food Processing Industries	₹ 1,233	₹ 1,247	₹ 1,309	₹ 76	₹ 62

AGRICULTURE



Micro Irrigation Fund doubled by ₹ 5,000 crore

Payment to farmers is as under: (*in crore)

	2013-14	2019-20	2020-21
Wheat	₹ 33,874	₹ 62,802	₹ 75,060
Paddy	₹ 63,928	₹ 1,41,930	₹ 172,752
Pulses	₹ 236	₹ 8,285	₹ 10,530

connected to e-NAM, furthering competitiveness and transparency in the pricing of farm produce, benefiting farmers. The availability of credit is an important contributing factor to production and productivity. The target for agriculture credit has been increased by Rs. 1 lakh crores to stand at Rs. 16 lakh crores for 2021-22. This increased target is expected to be met by increased demand from allied sectors such as animal husbandry and fisheries; promoting diversification of farm incomes as well.

To further the adoption of more efficient irrigation systems, the Micro Irrigation Fund created under NABARD has now been doubled. More efficient irrigation systems in turn promote sustainability and conserve water, a precious natural resource, and are critical to the long-term health of not just the agriculture sector but the whole of India. Another step towards investment in agriculture is reflected in a 33 percent increase in the budgeted amount under Rural Infrastructure Development Fund (RIDF) of Rs. 10,000 crore. These enhanced expenditures on rural infrastructure are likely to benefit farmers in several ways, as there are 37 areas where the RIDF funds can be deployed, including not just agriculture infrastructure, but also social sector infrastructure such as public health institutions, sanitation, solid waste management amongst others.

Expenditure on Major Subsidies

The Pradhan Mantri Kisan Samman Nidhi (PM-Kisan), the Pradhan Mantri Fasal Bima Yojana

(Crop Insurance Scheme), the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), and the Interest Subvention Scheme (Interest Subsidy for Short Term Credit to Farmers) are the most critical government schemes in agriculture. The Pradhan Mantri Fasal Bima Yojana is budgeted at Rs. 16,000 crore for FY 2021-22, as against budgeted amount of Rs 15,695 crore for FY 2020-21. Similarly, the budgeted allocations of interest subsidy on short-term credit to farmers in FY 2021-22 are Rs. 19,468 crore. This is slightly lesser than previous year's budgeted amount of Rs. 21,175 crore (Table 2).

Table 2: Expenditure under Major Schemes (in crore)

	BE 2021-22 (in crore)
Pradhan Mantri Fasal Bima Yojana	16,000
Interest Subsidy for Short Term Credit to Farmers	19,468
Pradhan Mantri Kisan Samman Nidhi (PM-Kisan)	65,000
Pradhan Mantri Krishi Sinchai Yojana	1,00,468
Fertilizer Subsidy	79,530
Food Subsidy	2,42,836

Source: Union Budget 2021-22

The budget also deserves applause for bringing greater transparency in reporting of expenditures, especially for food and fertiliser sector. There were outstanding dues of food subsidy which was not reflected in the budget and was accounted as borrowings of Food Corporation of India. Over the years, these borrowing accumulated and crossed Rs. 3 lakh crore. The budget witnessed revision in the figure of food subsidy to Rs. 4,22,618 crore in revised estimates of FY 21 from a budgeted figure of Rs. 1,15,570 crore in the 2020-21 financial year, an increase of 3.6 times.

This year all the borrowings of FCI have been cleared and budget reflected the true picture of food subsidy. The budgeted amount for coming fiscal year is stands at Rs. 2,42,836 crore. Similarly, the arrears of fertiliser sector were also clear. The revised estimates are increased by 1.8 times from Rs. 71,309 crore for FY 2020-

#Budget2021
What's in it for Farmers?

- The SWAMITVA Scheme that provides a record of rights to property owners in villages will cover all states/UTs now
- Scope of the Operation Green scheme to be extended to 22 perishable products & 1,000 more mandis to be integrated with e-NAM
- Agricultural credit target to be enhanced to Rs 16.5 lakh crore with focus on increasing credit flows to animal husbandry, dairy, and fisheries
- Rural Infrastructure Development Fund will be enhanced to Rs 40,000 crore. Micro Irrigation Fund will be doubled to Rs 10,000 crore

situation can be found by bringing urea under the nutrient based subsidy and introducing direct cash transfer on per hectare basis urea and complex fertilisers.

Reiterated Commitment to MSP

The government through the Budget has also reiterated their commitment to the minimum support price (MSP) the public procurement system. The Finance Minister highlighted the government's commitment on procurement through MSP by announcing the achievements attained through support price. The number of farmers benefited increased from 35.57 lakh in 2019-20 to 43.36 lakh in 2020-21 in case of wheat and from 1.24 crores in 2019-20 to 1.54 crores in 2020-21 in rice. The Minimum Support Price (MSP) regime has undergone myriad revisions, increasing gradually to assure a reasonable price which is at least 1.5 times the cost of production across all the 23 commodities. The guaranteed price has resulted in assured income of Rs. 21 lakh

21 to Rs. 1,33,947 crore. For FY 2021-22, things are likely to smoothen with a budget provision of Rs. 79,530 crore.

The burden of these two subsidies has been burgeoning rapidly and is becoming unmanageably large. The Economic Survey of 2021-22 has also addressed the issue of rising bill of food subsidy in the country. FCI's economic cost of rice is Rs. 37/kg and of wheat about Rs. 27/kg and it is difficult to bring down the economic cost of food due to food security commitments. Hence, the Survey suggested a need to consider a revision of the central issue price (CIP)¹. The CIP of wheat, rice and coarse grains under NFSA, Mid-Day Meal Scheme, and Integrated Child Development Services (ICDS) are fixed rate of Rs. 3, 2 and 1 per kg respectively. This has remained unchanged since the introduction of NFSA 2013.

The massive subsidisation of fertiliser is also creating several distortions, one in terms of huge cost to the exchequer and other is imbalanced used of fertilisers. The biased use of urea fertiliser due to large amount of subsidy has inefficiency in the optimal usage ratio of NPK fertilisers. This imbalance has also reduced the crop response ratio. A systematic approach to tackle this

crore to wheat and rice growers in 2019-20. It has come a long way from achieving food security to attaining surplus of food grains. The MSP regime has been the backbone of the agriculture sector since the 1960s. The government seems to have made ample provisions to empower APMC mandis along with its commitment to MSP in the present budget. It is expected that this will put rest to large misconception in the country about dissolution of government owned APMC markets.

The Central Government through the Budget has also reiterated their commitment to the minimum support price (MSP) the public procurement system. The Finance Minister highlighted the government's commitment on procurement through MSP by announcing the achievements attained through support price.

Other Major Announcements

Diversification is an important pillar in the quest to double farmers' income. The Operation Green Scheme was launched to strengthen production clusters, FPOs, connecting them to terminal markets, invest in post-harvest infrastructure to reduce losses and increase food processing capabilities. Initially the scheme covered tomatoes, onions and potatoes. Now, the

scheme has been extended to cover 22 perishable commodities, which will further support diversification at the farm level.

The fisheries sector also carries with it potential to significantly increase farmers income. Substantial investment opportunities were highlighted to enhance the Blue Economy, specifically in modern fishing harbors and fish landing centers. Five major fishing harbours will be developed as hubs of economic activity; Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat. The budget allocation for department of Fisheries has increased by a whopping 48 percent from a budgeted estimate of Rs. 825 crore in 2020-21 to Rs. 1220.84 crore in 2021-22 (See Table 1). The major element in the fisheries sector is attributed to Pradhan Mantri Matsya Sampada Yojana (PMMSY) with the allocation of Rs. 1000 crore, contributing more than 80 percent of overall allocation to fisheries department.

Another major announcement was the extension of the Survey of Villages and Mapping with Improved Technology in Village Areas (SVAMITVA) scheme to the whole country. The SWAMITVA Scheme was piloted in 2020 to map rural residential land ownership and to create non-disputable records, leveraging advanced technologies, such as drones for measurement. The scheme has now been extended to all states and UTs. The scheme will be implemented in a phased manner over a period of four years (2020-2024) and would eventually cover around 6.62 lakh villages of the country. This will benefit farmers by providing them with non-disputable records of land ownership, facilitating access to bank credit and the inherent security of owning records of ownership; thus, reducing land disputes and litigation.

There was also introduction of an agriculture infra and development cess. The cess is expected to generate an additional amount of Rs. 30,000 crore and will be levied on items including gold, silver, alcoholic beverages, coal, and cotton, and basic customs duty will be reduced by an equal amount. Additionally, the cess will be levied on petrol and diesel at the rate of Rs. 2.5 and Rs. 4 per litre respectively, with equivalent cuts in excise duty. This announcement seems beneficial for both consumers and farmers, as it carries no real consumption impact and will also raise

funds for targeted investments in agriculture infrastructure.

The Budget 2021-22 deserves applause for bringing greater transparency in reporting of expenditures, especially for food and fertiliser sector. There were outstanding dues of food subsidy which was not reflected in the budget and was accounted as borrowings of Food Corporation of India.

The Budget 2021-22 has reiterated the government's commitment to the agriculture sector. Following the pathbreaking reforms announced in 2020, this Budget has built on those reforms. Through the AIF, more investments will flow to create farmgate infrastructure, enhance aggregation point infrastructure, amongst others. The commitment to the MSP and APMCs has also been reiterated by allowing APMC mandis to access funding from the Rs. one lakh crore AIF. Diversification has been given a further impetus by the extension of Operation Greens to 22 perishable commodities. Fisheries have also received a further thrust. The provisions for the food subsidy have been made more transparent.

The overall message from the Budget was loud and clear. This was a budget intended to revive and stimulate investment, growth, and job creation. The enhanced capital expenditures, increased by 34 percent, with record capex in roads and railways. Development of infrastructure carries with it multiplier effects that accrue from better connectivity. With record levels of capital expenditures for road transport and railways, this better connectivity will impact farmers as well. Terminal markets will come closer, facilitating market access.

Footnote:

- 1 Central issue price is the price at which the government makes available foodgrains for beneficiaries of the National Food Security Act, 2013 and other welfare schemes to the states from the central pool.

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Healthy People Healthy Nation

Urvashi Prasad

The allocation for health and well-being in Union Budget 2021-22 has been enhanced from Rs. 94,452 Crore (2020-21 BE) to Rs. 2,23,846 Crore, an increase of 137 percent. It is well known that investing in health makes sound economic sense. It saves lives, enhances wellness and happiness, raises productivity and generates jobs. The health sector has found a prominent place in the Indian Government's agenda over the last few years, leading to the implementation of a series of reforms and initiatives. It is important to note that while the Union Budget is an important instrument; a large part of the action, both in terms of increased spending on the health sector as well as quality implementation at scale, lies in States.

This year's Union Budget was presented amidst unprecedented circumstances with the COVID-19 pandemic having severely impacted lives and livelihoods across the globe. It is noteworthy that the total burden of confirmed cases and deaths in India is among the lowest in the world, despite our large population and a high population density. More than 12 months into the pandemic, India has around 10.9 million COVID cases and 155,653 deaths. In contrast, with almost an equivalent combined population, Europe (740 million) and North America (580 million) together have had 64 million COVID cases, and nearly 1.5 million deaths despite having stronger health systems. Since September, 2020, India's active COVID caseload has declined steadily, with only around 1.35 Lakh active cases as of 13th February, 2021. Further, from around 1,000 daily COVID deaths in September, 2020, the daily death toll is currently down to 85. India has, now, also embarked on an ambitious vaccination drive, with a special focus on those who are more vulnerable. Over 7 million doses have been delivered to healthcare and frontline workers, thus far.

Budget 2021-22 announcements must be viewed in the context of various AatmaNirbhar Bharat Abhiyaan packages announced by the Government of India, as part of which multiple short-term and longer-term measures are being taken for strengthening the health sector. Production Linked Incentive (PLI) schemes have been announced for promoting domestic manufacturing of Key Starting Materials, Drug Intermediaries (DIs) and APIs to boost domestic manufacturing of 53 bulk drugs. Further, the schemes for promotion of bulk drug parks and medical device parks have been announced for reducing the cost of indigenous manufacturing.



The COVID Suraksha Mission (financial outlay Rs. 900 Crore) was also launched for boosting indigenous vaccine testing and development. Thus far, India has been approached by at least 92 countries for the COVID-19 vaccine. Government of India also launched the Pradhan Mantri Garib Kalyan Package for providing free food grains to 800 Million people during the COVID crisis. At least 17 States have already implemented the 'One Nation One Card' scheme for enabling beneficiaries, especially 130 million migrant workers and their families, to access subsidised grains across the country.

The allocation for health and well-being in Union Budget 2021-22 has been enhanced from Rs. 94,452 Crore (2020-21 BE) to Rs. 2,23,846 Crore, an increase of 137 percent. It is well known that investing in health makes sound economic sense. It saves lives, enhances wellness and happiness, raises productivity and generates jobs.

Historically, India has spent a very low quantum of public finance on health. In fact, public expenditure on health has been disproportionately lower even when compared to countries that have similar levels of tax revenues. Only 30 percent of the total health spending has been derived from public sources, with around 70 percent being private expenditure. Globally, on the other hand, public spending¹ constitutes 60.1 percent, on average, of the total expenditure on health.

As a percentage of GDP, Government health spending in India has stagnated at around 1 percent over the last two decades. As highlighted in the Economic Survey, Government (Centre and State) spend on health as a percentage of GDP has increased from 1.2 in 2014-15 to 1.8 (2020-21 BE). It is important to note that States too have a critical role to play in ramping up Government spending on health. After all, as highlighted by National Health Accounts data for 2015-16, the share of the Union Government as a percentage of the Total Government Health Expenditure was 35.6 percent while that of State Governments was 64.4 percent.

PM AatmaNirbhar Swasth Bharat Yojana

The PM AatmaNirbhar Swasth Bharat Yojana (PMANSBY) was announced in Budget 2021 with a financial outlay of Rs. 64,180 Crore over a period of six years. The scheme aims to

strengthen the health system at every level - primary, secondary and tertiary. A core objective of the scheme is to invest in capital expenditure in health, including in Tier 2 and Tier 3 cities as well as rural areas. This also creates opportunities for public-private partnerships. Further, as recommended by experts the scheme aims to strengthen disease surveillance so that the country can be better prepared for disease outbreaks in the future. Some of the notable interventions proposed under PMANSBY include setting up of 4 regional National Institutes for Virology, 15 health emergency operation centres, 2 mobile hospitals

Figure 1: Health and Wellbeing Budget 2021-22 (Rs. Crore)

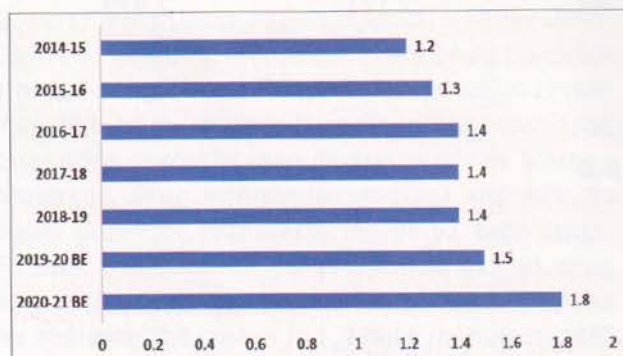
Ministry/Department	Actuals 2019-20	BE 2020-21	BE 2021-22
D/o Health & Family Welfare	62,397	65,012	71,269
D/o Health Research	1,934	2,100	2,663
M/o AYUSH	1,784	2,122	2,970
COVID related special provisions			
Vaccination			
D/o Drinking Water & Sanitation	18,264	21,518	60,030
Nutrition	1,880	3,700	2,700
Finance Commission Grants			
Water and Sanitation			
Health			
Total	86,259	94,452	2,23,846

and a National Institution for One Health. It is envisaged that 17 new public health units will be established as part of this scheme and 33 existing units will be strengthened. All public health laboratories will also be connected through the expanded Integrated Health Information Portal. Strengthening of the National Centre for Disease Control is also planned, including its 5 regional branches and 20 metropolitan health surveillance units. To expand the coverage of comprehensive primary health care, 17788 and 11024 Health and Wellness Centers (HWCs) will be set up in rural and urban areas respectively. Additionally, critical care hospital blocks will be established in 602 districts and 12 central institutions.

Ayushman Bharat - Health and Wellness Centres

At the core of any universal coverage system is the provision of primary care in an equitable and timely manner. For a patient, primary care is often the first point of contact with the health system. At this level, there is considerable uncertainty stemming from a range of factors including genetic, environmental and behavioural. It is also true that a majority of illnesses can be tackled at the primary care level before they advance to more complicated, challenging to treat and expensive diseases. Historically, primary care in India has

Figure 2: Government Expenditure on Health in India as a Percentage of GDP



VACCINES

UNION BUDGET 2021-22

- + Provision of **₹ 35,000 crore** for COVID-19 vaccine
- + **Pneumococcal Vaccine, a Made in India product,** will be rollout across the country which will **avert 50,000 child deaths annually**
- ₹↑ Increase of **137%** in budget outlay for Health and Wellbeing

been largely focused on reproductive and child health as well as ensuring institutional deliveries. However, there is a much broader package of services that should be delivered in primary care settings.

Therefore, a key pillar of Ayushman Bharat is to build a system that provides comprehensive primary health services to people on the foundation of 150,000 Health and Wellness Centres in a phased manner between 2018 and 2022. Till 1st February 2021, 1,04,860 Health and Wellness Centres had been approved and 57,747 had been operationalised². These include 28,320 SHC-HWCs, 18,972 PHC-HWCs and 3,635 UPHC-HWCs. These Centres will provide services related to reproductive and child health, communicable diseases, non-communicable diseases (hypertension, diabetes as well as cancers of the mouth, breast and cervix). They will also incrementally expand the basket of services to include mental health, ophthalmology, oral health, geriatric and palliative care, trauma care as well as health promotion and wellness activities like yoga. Drugs and diagnostics are provided free of cost at these Centres. Further, emphasis is placed on digitising health records at the community level and linking them with district hospitals.

Till 1st February, 2021, more than 3.27 Crore people had been screened for oral cancer

at HWCs. Additionally, 1.21 Crore women had been screened for cervical cancer and more than 1.78 Crore women had been screened for breast cancer. Further, 6,53,28,182 beneficiaries had been screened for hypertension and 5,32,12,517 beneficiaries had been screened for diabetes. As on 1st December, 2020, 33,07,951 Yoga and Wellness Sessions had been conducted across the operational HWCs in the country. Following the COVID-19 outbreak, 23,817 HWCs have initiated tele-consultations and at least 87,85,928 patients have availed telemedicine services thus far.

The Union Government has allocated funds for the continued expansion and strengthening of HWCs under Ayushman Bharat as well as under PMANSBY.

By consolidating multiple health insurance schemes under PM-JAY, the government has taken a major step towards 'One Nation One Scheme' ultimately ensuring that all citizens can access a common package of secondary and tertiary health services regardless of the State in which they reside.

Ayushman Bharat - Pradhan Mantri Jan Arogya Yojana (PM-JAY)

Irrespective of how effective our primary health system is, people will continue to need secondary and tertiary care. In the absence of a scheme like PM-JAY, the second pillar of the Ayushman Bharat programme, poor patients would often be left with no choice but to delay or avoid seeking treatment altogether. In fact, it is estimated that nearly 600 Lakh people in India fall below the poverty line due to catastrophic health expenditures.

PM-JAY endeavours to rectify this situation by providing approximately 10.74 Crore of the poorest and most vulnerable families with an annual health cover of Rs 5 Lakh for hospitalisation-related expenses. By consolidating multiple health insurance schemes under PM-JAY, the government has taken a major step towards 'One Nation One Scheme' i.e., ultimately ensuring that all citizens can access a common package of secondary and tertiary health services regardless of the State in which they reside.

Presently, 33 States/UTs are implementing PM-JAY. Till 12th February, 2021, over 13.73 Crore

e-cards had been issued under the scheme and over 1.6 Crore hospital admissions have been covered³. Majority of the beneficiary verification has been done through Aadhaar. The scheme has empanelled over 24,269 hospitals thus far, around 50 percent of which are in the private sector. This is encouraging because it was hitherto difficult for the poorest 40 percent of the country's population to afford health services at private facilities, even though the latter account for more than 80 percent of hospital beds. With considerably higher paying power on account of PM-JAY and government incentives, the supply of quality services by private facilities in Tier 2 and Tier 3 cities should ramp up. Of course, PM-JAY also focuses on increasing the utilisation levels and quality of public hospitals.

The allocation for PM-JAY in Union Budget 2021-22 is at the same level as the previous year's budgetary allocation. As per the Economic Survey, PM-JAY has had a positive impact on health outcomes⁴ even within a short span of time since its launch. In States which have implemented the scheme, the proportion of households with health insurance increased by 54 percent, compared to a 10 percent fall in the penetration of health insurance for States which did not implement PM-JAY. Further, the Survey notes that between 2015-16 and 2019-20, Infant Mortality Rates declined by 12 percent in States which did not adopt PM-JAY and by 20 percent in States which adopted it. Similarly, while the Under-5 Mortality Rate declined by 14 percent in States which did not adopt PM-JAY, it fell by 19 percent in States which implemented the scheme. Thus, it is important to persist with the scheme and expand its coverage as the governance and absorptive capacity of States increases.

AYUSH

After Swachh Bharat, there is a need to make Swasth Bharat, a Jan Andolan, through awareness about right nutrition, lifestyle and Yoga. India has a rich history of traditional medicine especially Ayurveda and Yoga, however AYUSH has not received due recognition since independence. Over the last few years, the Government has made concerted efforts to formally mainstream AYUSH and revitalise local traditions under the National Health Mission. NHP, 2017 has also recommended the mainstreaming of AYUSH.

Given that India is facing a double burden of disease (some estimates suggest that 1 in 4 Indians could die due to a non-communicable disease by the age of 70 years), modern medicine alone cannot provide the solutions. In recent years, Ayurveda and Yoga have evolved as integral components of a holistic wellness system. There is increasing awareness about the importance of adopting a healthy lifestyle as well the need to move away from chemical heavy products. The COVID-19 pandemic has further catalysed a shift towards preventive health and well-being. Ayurveda and Yoga have a crucial role to play in stress reduction as well as the prevention and management of chronic diseases.

By increasing the allocation of Ministry of AYUSH by 40 percent in BE 2021-22, compared to BE 2020-21, the Union Government has signalled the importance of leveraging AYUSH for promoting the health and well-being of citizens, in addition to treating diseases.

Nutrition, Drinking Water, Sanitation and Clean Air

In addition to several initiatives in the health sector, Budget 2021-22 has also focused on various programmes that directly or indirectly influence outcomes in health such as nutrition, drinking water, sanitation and clean air.

There is a serious problem of under-nutrition, stunting, wasting and anaemia in India. While significant strides have been made, the scourge of malnutrition persists. To address this challenge, the POSHAN Abhiyan was launched in 2018 to provide an appropriate governance structure reflecting the many overlapping factors that affect the nutritional status of an individual or household. In Union Budget 2021-22, Mission Poshan 2.0 has been launched for strengthening the nutritional content, delivery, outreach, and outcome of various programmes by merging the Supplementary Nutrition Programme and the Poshan Abhiyaan. An intensified strategy will also be adopted for improving nutritional outcomes across 112 Aspirational Districts.

MINISTRY OF FINANCE
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Budget 2021

Mission POSHAN 2.0 to be launched
by merging Supplementary Nutrition Programme & POSHAN Abhiyaan for strengthening of Nutritional content, delivery, outreach & outcome

The Central Government is implementing several programmes in nutrition which need to be further strengthened in partnership with States. These include the POSHAN Abhiyaan, Integrated Child Development Services, Anemia Mukh Bharat, Home-Based Care for Children, Pradhan Mantri Matru Vandana Yojana as well as the Rotavirus and Pneumococcal Conjugate Vaccines.

An adequate quantity of safe drinking water is essential for health, as is access to sanitation facilities with appropriate sewage disposal. Coupled with good hygiene practices, these two elements play a crucial role in reducing morbidity and mortality. While India has made considerable progress in ensuring access to drinking water and sanitation for its citizens, challenges, persist.

Water quality is problematic in many areas due to an excessively high content of fluoride, arsenic and iron. The issue of viral and bacteriological contamination also exists. The situation is exacerbated by 'slippage' in rural areas, where the predominant sources of water are tube wells and hand pumps. Moreover, the absence of adequate sewage disposal results in contamination of water sources. Urban India depends to a great extent on proximate surface water bodies or subsurface water. Some households depend on groundwater aquifers

which are polluted in many cities. In fact, as a result of over exploitation, groundwater quality has deteriorated considerably posing significant dangers to the health of people, especially in rural areas. In the monsoon season, water quality issues worsen due to flooding as well as mixing of sewage and sources of drinking water.

As a consequence of suboptimal access to drinking water and sanitation as well as limited adoption of good hygiene practices, water-borne ailments continue to be among the leading causes of illness and child deaths in India. The World Bank estimates that 21 percent of communicable ailments are water-borne. Diarrhoea is among the biggest killers of children under the age of 5, in addition to neonatal complications, pneumonia and sepsis. Metal contamination, coupled with the unavailability of adequately capacitated and maintained water treatment options, also impacts health adversely. For instance, levels of arsenic between 10 and 40 parts per billion in water have been linked to heart ailments, debilitated lung function, skin lesions like melanosis and cancer.

In this context the allocation of Rs. 2,87,000 Crore over 5 years for the Jal Jeevan Mission (Urban) is a crucial step. At least 2.86 crore household tap connections will be provided under this Mission. Universal water supply will be ensured in all 4,378 Urban Local Bodies alongside liquid waste management in 500 AMRUT cities. To sustain the gains made under the Swachh Bharat Mission, Rs. 1,41,678 Crore has been allocated over 5 years for the Urban Swachh Bharat Mission 2.0. The key interventions proposed

under the Mission include complete faecal sludge management and waste water treatment; source segregation of garbage; reduction in single-use plastic; bioremediation of all legacy dump sites as well as managing waste from construction and demolition activities. Given the challenges pertaining to air quality in many cities in India, the Budget has also made a provision to the tune of Rs. 2,217 Crore for tackling air pollution in 42 urban centers with million-plus population.


The health sector has found a prominent place in the Government's agenda over the last few years, leading to the implementation of a series of reforms and initiatives. It is important to note that while the Union Budget is an important instrument, a large part of the action, both in terms of increased spending on the health sector as well as quality implementation at scale, lies in States. Thus, if the NHP, 2017 goals of increased spending on health as well as improved outcomes are to be achieved, the Centre and States will need to work in tandem.

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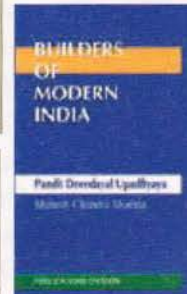
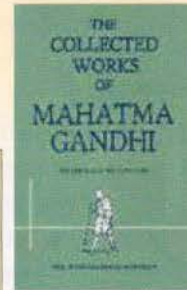
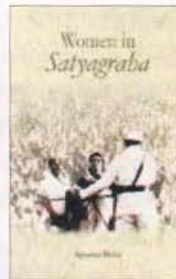
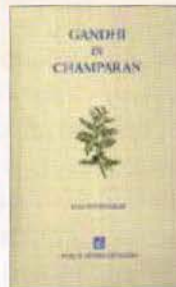
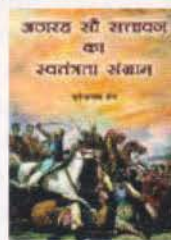
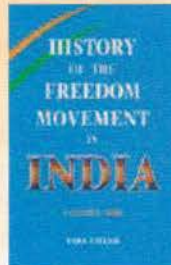
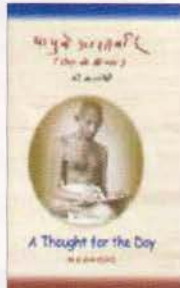
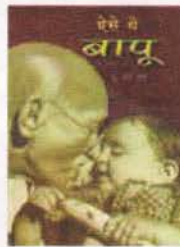
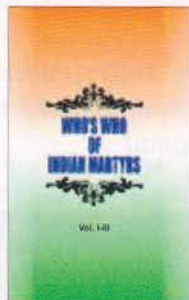
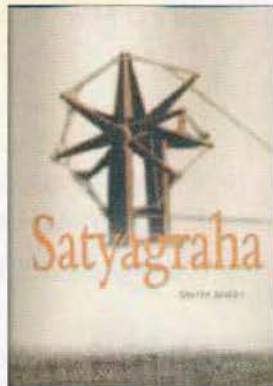
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Towards Realisation of a Five Trillion Dollar Economy

Dr. Ishita G. Tripathy

Throughout 2020, the Government of India (GoI) provided stimuli to the economy, in the form of AatmaNirbhar Bharat packages. These packages, together with the measures taken by the Reserve Bank of India (RBI), amounted to Rs. 27.1 lakh crores, i.e. around 13 percent of the GDP. The revival and the recovery of economic parameters hinge greatly on the performance of the external sector, given that supply chains have become more globally integrated than ever before. Disruptions in the chains, coupled with shrinking purchasing power, due to the pandemic and lockdowns, have resulted in India's trade with the rest of the world in April-December, 2020 being around 23 percent lower than the corresponding period in 2019.

The Indian economy has set an ambitious target of transforming itself into a US\$ five trillion economy by 2024-25. As evident from World Bank's data¹, India's Gross Domestic Product (GDP) at constant prices stood at US\$ 2.94 trillion in 2019. Considering the large geographic size, demographic strength and robust economic fundamentals, the country is well placed to aspire for this target. The country's progress towards achieving this ambition received a setback by the onset of the COVID-19 pandemic. In this context, this article assesses some of these challenges and the multi-pronged approach adopted to realise India's arduous but attainable objective of becoming a US\$ 5 trillion economy.

Immediate Challenges

An already slowing global economy got a

further blow by the global pandemic in 2020. The pandemic and its consequent stringent lockdowns inhibited economic growth and adversely impacted the health of the people along with causing unfavourable social and psychological consequences. The pandemic engulfed almost the entire world and was typically characterised by a recession: a fall in production, a slump in economic activity, accelerated unemployment and plummeting trade. The path to be tread by the Indian economy has, thus, become all the more challenging with the rapid spread of the pandemic.

In this backdrop, there was a dire need to follow a two-pronged approach to (a) mitigate the impact of the consequences of the pandemic and (b) ensure accelerated growth. Both liquidity injections and fiscal stimuli are being used to steer



the economy back on the growth trajectory. The approach of Union Budget 2021-22 has been timely and each announcement has addressed a practical issue currently being faced by the economy. Some of the cornerstones of achieving higher rate of growth are - facilitating agriculture, bolstering infrastructure, boosting trade and investment, guaranteeing employment and ensuring health.

Halting the Slow Down

India's Gross National Income (GNI) has always registered a positive growth except for a few exceptional years during the past seven decades after attaining Independence. In recent years, the rate of growth of GNI has slowed down since 2017-18 (Table 1). However, 2020-21 witnessed an unprecedented contraction of -7.9 percent. The challenge lies in not only reversing the deceleration into acceleration, but also ensuring that the rate of growth is higher than before and high enough to achieve the target of US\$ five trillion.

Table 1: Annual Growth Rate of GNI at Constant Prices

Year	GNI at Constant Prices (%)
2012-13	5.1
2013-14	6.3
2014-15	7.5
2015-16	8.0
2016-17	8.3
2017-18	7.1
2018-19	6.1
2019-20	4.2
2020-21	-7.9

Source: Economic Survey, 2020-21

Throughout 2020, the Government of India (GoI) provided stimuli to the economy, in the form of AatmaNirbhar Bharat packages. These packages, together with the measures taken by the Reserve Bank of India (RBI), amounted to Rs. 27.1 lakh crores, i.e. around 13 percent of the GDP². From 9.5 percent of GDP in 2020-21, the fiscal deficit is projected to become 6.8 percent in 2021-22 and further to 4.5 percent in 2025-26, for which the Budget envisages fiscal consolidation. Besides, as a part of the package, structural reforms in the past year have extended across various sectors, including new Acts for agriculture, new definition for MSMEs, enactment of labour codes, reforms in the power and mineral sectors, facilitating the

ease of doing business, etc. These measures have rightly underscored the importance of generating demand, along with boosting the supply. In this context, the Budget's estimate of Rs. 1,75,000 crores as receipts from disinvestment is of significance.

Health First

Unlike recent earlier crises faced by the Indian economy, i.e. foreign exchange reserve crisis of 1991 and global economic crisis of 2008, the trigger of the current economic crisis is a health crisis. This has adversely affected both the financial and real sectors. Further, this divulges the linkages between public health and economic well-being of the nation. Accordingly, the remedial approach will need to entail availability, accessibility and affordability of vaccines, in addition to fiscal stimulus and monetary easing.

An important take-away from the current health crisis has been the need for augmented health care infrastructure and preparedness for dealing with new and unknown diseases. Underscoring this need, the Budget augmented the health budget by 137 percent, besides announcing PM AatmaNirbhar Swasth Bharat Yojana, with an outlay of about Rs. 64,180 crores over six years to develop capacities of primary, secondary, and tertiary care Health Systems, strengthen existing national institutions, and create new institutions, to cater to detection and cure of new and emerging diseases. The launch of Jal Jeevan Mission (Urban) with an outlay of Rs. 2,87,000 crores and the Urban Swachh Bharat Mission 2.0 with an outlay of Rs. 1,41,678 crores will be added boosters for achieving universal health. The Budget announcements viz. allocation of Rs. 2,217 crores to 42 urban centres for dealing with air pollution; a voluntary vehicle scrapping policy; rolling out of pneumococcal vaccine across India; and provision for COVID-19 vaccine will directly or indirectly lead to better public health. The National Nursing and Midwifery Commission Bill which proposes to ensure transparency, efficiency and governance reforms in the nursing profession, is in the anvil indicating emergence of an integrated health management system in the country.

Harnessing Inherent Strength

AatmaNirbhar Bharat encompasses harnessing of inherent strengths for achieving

desired goals. The country has shown abundant resilience to counter the ill-effects of the pandemic and it is important that the strengths and opportunities are tapped appropriately to overcome the weaknesses and threats. An important component of doing so is to provide an enabling socio-economic or extra-economic environment by focusing on nutrition, education at all levels and skilling. This is more so, because growth of the economy does not rest solely on the Government's initiative, but also on the citizen's pro-active entrepreneurship.

In this context, there is an important need to improve nutritional requirements and the launch of Mission POSHAN 2.0 across 112 aspirational districts will be a definite step in this direction. More than 15,000 schools are proposed to be qualitatively strengthened; 100 new Sainik Schools; and 750 Eklavya schools in tribal areas are to be set up. A Central University is proposed in Leh and nine cities are going to get various research institutions, universities, and colleges supported by Government of India. The Post Matric Scholarship Scheme, for the welfare of Scheduled Castes would be revamped. Innovation and Research and Development are natural extensions of accumulated education and their effective usage. Accordingly, the Budget has announced an outlay of Rs. 50,000 crore for the National Research Foundation over five years. The importance of skill leading to a commensurate employment, cannot be reduced. Keeping this in mind, the Budget has proposed to realign the existing scheme of National Apprenticeship Training Scheme for providing post-education apprenticeship, training of graduates and diploma holders in Engineering. Besides, the Government is working in partnership with the United Arab Emirates and Japan to benchmark skill qualifications, assessment, certification, and deployment of certified workforce; and to facilitate transfer of Japanese industrial and vocational skills, technique, and knowledge, respectively. The Budget announcements are a positive indication towards realising universalisation of education as envisaged in the New Education Policy, 2020.

Handling External Sector

The revival and the recovery of economic parameters hinge greatly on the performance of the external sector, given that supply chains

have become more globally integrated than ever before. Disruptions in the chains, coupled with shrinking purchasing power, due to the pandemic and lockdowns, have resulted in India's trade with the rest of the world in April-December, 2020, baround 23 percent lower than the corresponding period in 2019. The components of trade registered decline: 16 percent lower exports and 28 percent lower imports during April-December, 2020, as compared to April-December, 2019 (Table 2). The trade balance continued to be in deficit, although the gap reduced to less than half in April-December, 2020, i.e. US\$ 60 billion. As evident from Table 2, the decline in imports and exports in 2020, from the levels attained in 2019, reduced in every quarter of April-December, 2020, which indicates the beginning of the revival of the economy.

The new Trade Policy 2021-26 is to be implemented on 1st April, 2021. A district-lead export growth is in line with the announcement of last year's Budget wherein the focus was on encouraging each district to tap its potential for exporting a product, thereby reaping economies of scale, along with honing specialisation. Budget 2021-22 has endeavoured to rationalise the customs duties, striking a difficult, yet necessary balance between the welfare of the domestic producers and domestic users. Some important proposals are reducing duty of copper scrap and naphtha to 2.5 percent and that on all nylon products to 5 percent: while raising duty on solar inverters; solar lanterns; cotton; raw silk and silk yarn; and some parts of mobiles from 5 percent to 20 percent; from 5 percent to 15 percent; 0 percent to 10 percent; 10 percent to 15 percent; and 0 percent to 2.5 percent, respectively. Further, to aid downstream Micro, Small and Medium Enterprises (MSME) users of stainless steel, customs duty has been proposed at a uniform 7.5 percent, while anti-dumping and countervailing duties have been revoked. To provide a competitive edge to the MSMEs, import duties on products produced by them have been proposed to be increased, e.g. steel screws, plastic builder wares, prawn feed, and synthetic gem stones. Besides, agriculture infrastructure and development cess has been proposed on certain items including urea, apples, crude soyabean and sunflower oil, crude palm oil, kabuli chana and peas. The proposed cess is

expected to help in providing the much-needed improvement in agriculture infrastructure.

Amidst high levels of uncertainty, coupled with the imposition of a lockdown, there was a dip of 60 percent in April-June, 2020 quarter, compared to April-June, 2019, with the foreign direct investments (FDI) reducing to US\$ 6.6 billion⁴ in the first quarter of 2020-21. This was followed by a period of revival. FDI flows in April-September, 2020 were US\$ 30 billion, i.e. around 15 percent higher than the corresponding period of 2019. To facilitate ease of investing in India, the Budget has revised the cap on FDI in the insurance sector from 49 percent to 74 percent, which is expected to enhance FDI into the sector, lead to greater insurance penetration and facilitate individual policy-holders to access health care.

Honing Facilities for Employment

The lockdown witnessed large-scale reverse migration from urban to rural areas, socio-economic hardships, followed by re-migration to urban areas. At such a juncture, an expansionary fiscal policy is required to counter the recession. Accordingly, the doubling of the outlay for MSMEs, which has created 11.10 crore jobs⁵ in the country, may prove to be a game-changer. Further, recycling of ships have a high employment potential and the Budget announcement of doubling recycling capacity of around 4.5 Million Light Displacement

Tonne (LDT) by 2024, is expected to generate an additional 1.5 lakh jobs. The Budget has proposed to provide Rs. 1,000 crores for a new scheme for the welfare of Tea workers, especially women and their children in Assam and West Bengal. For migrant workers in particular, the Budget made important announcements, viz. universal coverage under 'One Nation One Ration card' plan; launching a portal to collect relevant information; extending social security benefits to gig and platform workers; minimum wages to apply to all categories of workers; all workers to be covered by the Employees State Insurance Corporation; women to be allowed to work in all categories and also in the night-shifts with adequate protection; and reducing compliance burden on employers. Reducing the margin capital requirement for loans for agricultural allied activities via the Stand-up India scheme from 25 percent to 15 percent for SCs, STs and women will address credit bottlenecks. For start-ups, in particular, the Budget has proposed to extend the eligibility for claiming tax holiday for start-ups and capital gains exemption for investment in start-ups till 31st March, 2022.

Hoisting Infrastructure

Physical and financial infrastructure provides the requisite framework for development of all sectors, besides providing employment. The Budget has announced Rs. 1.97 lakh crore

Table 2: India's Trade (US\$ billion)

Exports/Imports/ Trade	Time Period	2019	2020	Change in 2020 over 2019
Exports	April-December	238	201	-16
Imports		364	261	-28
Balance of Trade		-126	-60	-52
Total Trade		602	463	-23
Exports	April-June	81	51	-36
Imports		130	61	-53
Balance of Trade		-49	-10	-80
Total Trade		211	113	-47
Exports	July-September	78	74	-5
Imports		118	91	-23
Balance of Trade		-40	-16	-59
Total Trade		196	165	-16
Exports	September-December	79	76	-4
Imports		116	110	-6
Balance of Trade		-37	-34	-8
Total Trade		195	185	-5

Source³: <https://commerce.gov.in/trade-statistics/>

for Production Linked Incentive schemes for 13 sectors, earmarked Rs. 20,000 crore for capitalising the Development Financial Institution for infrastructure financing, proposed to make access to Infrastructure Investment Trusts and Real Estate Investment Trusts easier and launched a National Monetisation Pipeline of brown field infrastructure assets. Specifically for the textiles sector, the launch of the Mega Investment Textiles Parks is of paramount significance. For different modes of transport, enhancements in outlays have been announced. For the road sector, the Budget has announced plans for economic corridors, launching of a new scheme on a PPP mode for public buses and a vehicle scrapping policy to phase out old and unfit vehicles. After roadways, the next most important means of transport in the country, especially for long-distance passenger travel and freight movement, is the railways. National Rail Plan has been prepared to bring a future ready Railway system by 2030. The relatively newer mode of transport, viz. metro rail, too received a boost in the Budget. An announcement has been made to deploy two new technologies for metro rail. For the shipping sector, the Budget announced the launch of a scheme to promote flagging of merchant ships in India. It is proposed to give affordable housing projects a tax holiday till 31st March, 2022.

In the power sector, to provide assistance to DISCOMS for infrastructure creation, including pre-paid smart metering and feeder separation, upgradation of systems, etc., tied to financial improvements; the Budget announced a revamped reforms-based result-linked power distribution sector scheme with an outlay of Rs. 3,05,984 crores over 5 years. This is aimed at ensuring viability of discoms. With regard to fuel supplies, Pradhan Mantri Ujjwala Yojana (LPG scheme) has been planned to cover 1 crore additional beneficiaries. The scheme aims at making the rural economy smoke-free by providing concessional LPG connections, while reducing health disorders, air pollution and deforestation. Besides, the Budget has announced adding 100 more districts to the City Gas Distribution network, a gas pipeline project for Jammu and Kashmir and an independent Gas Transport System Operator.

The use of technology in the past one year has been unprecedented, transcending over almost all sectors of the economy, and even the

forthcoming Census is likely to be the first digital census for India. An outlay of Rs. 1,500 crores has been proposed to provide financial incentive to promote digital modes of payment. To ensure that Sovereign Wealth Funds and Pension Funds invest in India, the Budget has relaxed conditions relating to prohibition on private funding, restriction on commercial activities, and direct investment in infrastructure.

Hailing Agriculture

Considering its ubiquitous importance and linkages, agriculture had not been subjected to lockdowns in 2020 and Advance Estimates⁶ published in Economic Survey 2020-21 indicate that this is the only sector which will record a positive growth of 0.9 percent in 2020-21. Accordingly, the Budget accorded priority to the agriculture. Some announcements for agriculture include enhancing agricultural credit target; raising the allocation for the Rural Infrastructure Development Fund from Rs. 30,000 crores to Rs. 40,000 crores; doubling of the corpus of the Micro Irrigation Fund to Rs. 10,000 crore; enlarging the scope of Operation Green Scheme to include 22 perishable products; enlarging the coverage of e-NAM by another 1,000 mandis; making Agriculture Infrastructure Fund available for APMCs; developing five major fishing hubs for economic activity; setting up of an Agriculture Infrastructure and Development Cess; and establishing a multi-purpose seaweed park. The steps towards creation of farm gate infrastructure are particularly relevant, given the growing importance of Farmer Producer Organisations, which effectively entail the fundamentals of both corporate and cooperatives.

Conclusion

The task of achieving a US\$ 5 trillion economy is daunting. This is definitely a tall order, especially considering that the achievement has to have two components now, i.e. firstly, recover from the overwhelming onslaught of the pandemic; and secondly, follow an accelerated growth trajectory. The impairment has been so deep and vast that recovery and revival cannot be expected in the short-run. However, it needs to be optimistically recognised that a beginning towards the insurmountable has already been made. The resilience of the economy is evident, especially from the revival in FDI and trade. Further, the RBI⁷ has projected a growth of 10.5 percent in 2021-22. The International Monetary Fund⁸ too

has projected India's growth in 2021 to be 11.5 percent, after recording a dismal-8 percent in 2020. Timely and effective implementation of the Budget announcements will have a multiplier effect across different sectors of the economy.

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FORM IV

(Statement about ownership and other particulars about newspaper Kurukshetra (English) to be published in the first issue every year after the last day of February.

- 1. Place of Publication : New Delhi
2. Periodicity of its Publication : Monthly
3. Printer's Name : Ms. Monideepa Mukerjee
Nationality & Address : Indian, Publications Division, Soochana Bhawan, C.G.O Complex, New Delhi - 110 003
4. Publisher's Name : Ms. Monideepa Mukerjee
Nationality & Address : Indian, Publications Division, Soochana Bhawan, C.G.O. Complex, New Delhi - 110 003
5. Editor's Name, Nationality & Address : Ms. Shiela Rani : Indian : Publications Division, Room No. 653 Soochana Bhawan, C.G.O. Complex, New Delhi - 110 003
6. Name & address of individuals who own the Newspaper and partner or shareholder holding more than one percent of the total Capital : Wholly owned by Ministry of Information & Broadcasting, Government of India, New Delhi - 110 001

I, Monideepa Mukerjee, hereby declare that the particulars given above are true to the best of my knowledge and belief.

Date: 12-02-2020

(Monideepa Mukerjee)
Signature of Publisher

Boosting the Education Sector

Rashi Sharma

There is a need to reinforce the belief that Education is crucial for building character and values; it enables learners to be ethical, rational, compassionate, and prepares them to become responsible global citizens, also at the same time increases the chance of meaningful employment. The Budget 2021 touches upon the core foundation of school education and paves way to achieve the objectives of NEP 2020. The budget announcements for school education can be categorised in core themes of Access to quality education, Teachers, Technology, Innovative Pedagogies, Equity and Inclusivity, Transformation of Assessment, and reinforcement to Adult Education.



The National Education Policy 2020 (NEP:2020) has envisioned a substantial transformation in the entire education system at all stages right from Early Childhood Care and Education (ECCE) to higher education. It envisages education as a continuum without any segmentation and focuses on making education more experiential, holistic, integrated, character-building, inquiry-driven, discovery-oriented, learner-centred, discussion-based, flexible, and above all, more joyful. It clearly states that the purpose of the education system is to develop good human beings capable of rational thought and action, possessing compassion and empathy, courage and resilience, scientific temper and creative imagination, with sound ethical moorings and values. It aims at producing engaged, productive, and contributing citizens for building an

equitable, inclusive, and plural society as envisaged by the Constitution.

The splendid vision of NEP-2020 requires a plethora of reforms at all level and active involvement of all stakeholders. Many international and national surveys have pointed towards the falling standards of education despite achieving universal access at elementary level. The belief that access is the first step to bring the child to the school and quality can follow, thereafter is a complete misnomer. In order to retain child in the school system, quality education is vital and both access and quality need to go together. The fundamental concept that quality education can play a catalytic role in developing an equitable, just and open-minded society, which is full of opportunities for each individual, is shadowed by

the tendency of rote memorisation and low learning levels of students in previous decades. The gap between the current state of learning outcomes is required to be bridged through undertaking major reforms that bring the highest quality, equity, and integrity into the entire system. We must reinforce the belief that Education is crucial for building character and values; it enables learners to be ethical, rational, compassionate, and prepares them to become responsible global citizens, also at the same time increases the chance of meaningful employment.

The Budget 2021 touches upon the core foundation of school education and paves way to achieve the objectives of NEP 2020. The budget announcements for school education can be categorised in core themes of Access to quality education, Teachers, Technology, Innovative Pedagogies, Equity and Inclusivity, Transformation of Assessment, and reinforcement to Adult Education.

Access to Quality Education

The first and most important announcement is regarding 15000 exemplar schools which will be qualitatively strengthened to include all components of National Education Policy. These schools will provide safe and stimulating learning environment where a wide range of learning experiences will be offered, with good physical infrastructure and access to appropriate resources conducive for learning.

Exemplar schools will be developed as a centre of excellence where children will have access to an equitable and inclusive school environment which would take care of their diverse background, multilingual needs, and different academic abilities and make them active participants in learning process. The focus of these schools would be on holistic development of learners. Teachers would be trained to adopt experiential learning, including hands-on

learning, arts-integrated and sports-integrated education, story-telling, and activity- toy based pedagogy. The concept of these exemplar schools will be finalised after the intensive consultations with States/UTs and other stakeholders. In addition to the above, 100 New Sainik Schools will be set-up in partnership with the NGO/ State/ Private Schools and 750 Eklavya model residential schools will be set-up in tribal areas to create robust infrastructure facilities for our tribal students.

Teachers

Teachers play a pivotal role in shaping the future generation of the country. The expectations from teachers have increased manifold; not only they are expected to update their knowledge base and use technology wherever possible, but also they should also be able to act as first level counsellors to cater to the socio-emotional needs of the students and ensure their mental health and wellbeing. Keeping in view these expectations from teachers, Budget-2021 lays a lot of emphasis on capacity building of teachers. It has been mentioned that 56 lakh school teachers will be trained through the National Initiative for School

UNION BUDGET 2021-22

REINVIGORATING HUMAN CAPITAL

School Education

- 100 new Sainik Schools in partnership with NGOs/private schools/states will be set up
- In more than 15,000 schools all components of the National Education Policy will be implemented to make them exemplary in their regions

Higher Education

- A Central University in Leh will be set up
- Higher Education Commission of India will be set up
- Glue grant to create umbrella structure for better synergy amongst various research institutions, universities, and colleges

Expected outcomes of the Budget Announcements:

- Around 15500 exemplar schools will be qualitatively strengthened with the aim of building character and creating holistic and well-rounded individuals equipped with the key 21st century skills.
- These schools will help showcase the implementation of the National Education Policy and emerge as exemplars and schools of excellence over a period of time that will provide leadership in their respective regions in providing high-quality education in an equitable, inclusive and joyful school environment and makes them active participants in learning process as per the vision of NEP 2020.
- Pedagogy adopted now will be more experiential, holistic, integrated, inquiry-driven, discovery-oriented, learner-centred, discussion-based, flexible, and, enjoyable. Pedagogy will involve real life situations and ensure competency based learning. Toy based pedagogy to be introduced at all level.
- Focus on learning outcomes of every child in every grade — Assessment of Quantitative, Verbal & Logical Reasoning Skills.
- Emphasis on Multi-dimensional assessment including peer assessment, Holistic Progress Card (HPC) will include the following instead of only marks obtained in a subject:
 - Cognitive domain,
 - affective/emotional domain,
 - social, and psycho-motor/physical dimensions
 - description of values, dispositions, attitudes
 - Learning skills acquired, such as, critical thinking, creativity, collaboration, problem-solving, etc.
 - Life skills acquired, such as, courage, self-awareness, self-control, decision-making, etc.
- Focus on CBSE board exam reforms to make it more flexible and competency based.
- Focus on providing access to quality, equitable and inclusive education.
- Standardisation of Indian Sign Language.
- Emphasis will be on capacity building of teachers, creating a pool of mentors and Comprehensive National professional Standards for teachers.
- Integration of technology at all levels and availability of robust data mechanism.
- Availability of quality online content for adult literacy.

Heads and Teachers for Holistic Advancement (NISHTHA).

NISHTHA was launched by the Department of School Education and Literacy, Government of India, as a National Mission to improve learning outcomes at the Elementary level through an Integrated Teacher Training programme on 21st August, 2019. The aim of this integrated teacher training programme was to build the capacities of around 42 lakh teachers and Heads of Schools, faculty members of SCERTs and DIETs and Block Resource Coordinators and Cluster Resource Coordinators. The prominent feature of this integrated programme is the activity based modules including educational games and quizzes, social-emotional learning, motivational

interactions, team building, preparation for school based assessment, in-built continuous feedback mechanism, online monitoring and support system, training gaps and impact analysis (Pre and Post training).

A total of 23,137 KRPs and SRPs, and 16,99,931 School Heads and Teachers of elementary schools, have been trained under NISHTHA in 2019-20 in the pre-lockdown period. During the pandemic, all 18 modules were made online: they were contextualised and translated in 10 regional languages and have been uploaded on DIKSHA. 27 states and 7 autonomous (CBSE, KVS, NVS, AEEs, Sainik Schools, CTSA and CICSE) organisations under MoE and MoD began conducting online NISHTHA courses in 10 languages (Assamese,

Bengali, Bodo, English, Gujarati, Hindi, Kannada, Odia, Telugu and Urdu) for approximately 24 lakhs elementary school teachers. After the Budget-2021 announcement, NISHTHA training will further be extended to the Secondary teachers and a specialised online NISHTHA training is being designed for primary grade teachers to train them on foundational Literacy and Numeracy.

In order to equip teachers in this rapidly changing era, it has been decided to formulate National Professional Standards for Teachers (NPST). NEP 2020 talks about the common guiding set of principles which will be developed after wide stakeholder consultation. The standards would cover expectations of the role of the teacher at different levels of expertise/stage, and the competencies required for that stage. It will also comprise standards for performance appraisal, for each stage, that would be carried out on a periodic basis. As on today, we only have minimum qualifications for appointment of teachers which are prescribed by the NCTE. However, NPST will be a much more comprehensive set of norms encompassing the expectations of all participants; it will also include planning the career of a teacher in a systemic manner.

Further, a National Mission for Mentoring, with a large pool of outstanding senior/retired faculty who would be willing to provide short and long-term mentoring/professional support to university/college teachers, as envisaged in NEP 2020 has also been announced. Mentoring is a process that includes psychological support, informal communication, usually face-to-face during a sustained period of time, between the mentor and recipient. Therefore, setting up a pool of mentors to support teachers and educators would play a vital role in realising the developmental goals of our nation.

Technology

NEP 2020 puts lots of emphasis on increased use of technology at all levels including improving teaching-learning, evaluation processes, supporting teacher preparation and professional development, enhancing educational access, and streamlining educational planning, management, and administration including processes related to admissions, attendance, assessments, etc. In this context, it has been envisaged to set-up a National

Digital Educational Architecture (NDEAR) as diverse education eco-system architecture for development of digital infrastructure, a federated but interoperable system that will ensure autonomy of all stakeholders, specially States and UTs.

Innovative Pedagogy

As visualised in NEP 2020, Pedagogy must evolve to make education more experiential, holistic, integrated, inquiry-driven, discovery-oriented, learner-centred, discussion-based, flexible, and enjoyable. NEP clearly articulates that in all stages, experiential learning should be adopted, including hands-on learning, arts-integrated and sports-integrated education, story-telling-based pedagogy etc. Further, it also gives autonomy to the teachers to choose the pedagogy in classrooms. The basic aim of underlining the importance of above-mentioned pedagogies is to ultimately shift, towards competency-based learning and education. Budget 2021 truly captures this spirit and propagates the unique indigenous toy-based learning – pedagogy for all levels of school education.

Toys helps in understanding social and cultural aspects of our country, strengthen psychomotor and emotional aspects of child's personality. For pre-schoolers, toys are used for making children ready to learn. However, they can be used from pre-school to higher secondary education. Toy as a teaching-learning resource has a potential to transform classroom pedagogy. Story-telling, drama-show, enacting real life situations, etc. can easily be done using toys linking with themes in the syllabus and learning outcomes. Toy based pedagogy can easily be used by parents as well to make their children learn. An expert committee has been constituted to finalise the concept of toy-based pedagogy which will be suitably incorporated in NCF for School Education, NCF for ECCE, NCF for Teacher Education and framework of Foundational Literacy and Numeracy.

Equity and Inclusivity

The National Education Policy also highlights the importance of Sustainable Development Goal 4 (SDG4) adopted by India in 2015, which seeks to "ensure inclusive and equitable quality education and promote lifelong

learning opportunities for all” by 2030. In order to ensure equal opportunities for children, it has been announced in Budget 2021 that Indian Sign Language (ISL) will be standardised so that quality content is available to such children. The standardisation of ISL also provides an opportunity to collaborate and contribute towards making society inclusive and to bring some cohesiveness in the many dialects of sign language in practice across India. This will also promote the learning of children with hearing impairment thereby providing them an equal opportunity to unfold their potential. All children will be able to communicate with each other with ease and know each other better. This will help to promote inclusion in the impressionable period of development during the school years.

Further, Post Matric Scholarship Scheme for the welfare of Scheduled Castes has been revamped and central assistance has also been enhanced in this regard. In Budget 2021, Rs. 35,219 crores for 6 years, beginning 2021-22, has been allotted for the benefit of over 4 crores students belonging to the Scheduled caste category.

Transformation in Assessment

The very high level of marks being obtained in school board exams is a symptom of an

education system, which relies almost totally on rote learning, under which students are not encouraged to think. The teaching in the classroom therefore, as well as the methods of assessment (question setting and evaluation) all reflect this emphasis on rote learning. Apart from creating generations of young people who have not been encouraged to think, this also leads to unfair situation where the same students have to sit for entrance tests to the IITs, Defence Services, Law Universities, which are often based on competencies and higher order thinking level questions. This anomaly has encouraged coaching to flourish, filling the vacuum created by school system.

Therefore, the need was felt to transform the pattern of assessment to ensure competency-based learning, whole child approach, awareness about the diverse and multilingual needs of students and to carry out assessments accordingly. NEP 2020 recommends that the aim of assessment in the culture of our schooling system to shift from one that is summative and primarily tests rote memorisation skills to one that is more regular and formative, is more competency-based, promotes learning and development for our students, and tests higher-order skills, such as analysis, critical thinking, and conceptual clarity. It also points out the need to redesign Board exams to encourage



holistic development; and to make Board exams 'easier', in the sense that they will test primarily core capacities/competencies rather than months of coaching and memorisation; any student who has been going to and making a basic effort in a school class will be able to pass and do well in the corresponding subject Board Exam without much additional effort.

In order to change the nature of board exams, Budget 2021 advocates reforms in CBSE board examination. Accordingly, CBSE has started modifying the design of its question papers by adding questions that are context/ case based. Questions in multiple formats to include both objective as well as subjective questions have begun for different subjects. In 2022 Board exams, CBSE will have 20 percent application-oriented/ Source/Case-based questions for class X and 10 percent for class XII.

Further, Holistic Progress Card (HPC) for students, as announced in Budget and envisioned in NEP 2020, is a paradigm shift from traditional way of assessment. The progress card of all students for school-based assessment will be completely redesigned. The progress card will be a holistic, 360-degree, multidimensional report that reflects in great detail the progress as well as the uniqueness of each learner in the cognitive, affective, and psychomotor domains. It will include self-assessment and peer assessment, and progress of the child in project-based and inquiry-based learning, quizzes, role plays, group work, portfolios, etc., along with teacher assessment. Holistic Progress Card will also provide students with valuable information on their strengths, areas of interest, needed areas of focus and thereby helping them in making optimal career choices.

The primary purpose of assessment will indeed be for learning; it will help the teacher and student, and the entire schooling system, continuously revise teaching-learning processes to optimise learning and development for all students. This will be the underlying principle for assessment at all levels of education.

Reinforcement to Adult Education

The Sustainable Development Goal 4.6 of the United Nations mandates that "By 2030 ensure that all youth and adults, both men and women, achieve literacy and numeracy". The importance

of Adult literacy is also emphasised in NEP 2020 which states that the opportunity to attain foundational literacy, obtain an education, and pursue a livelihood must be viewed as basic rights of every citizen. Literacy and basic education open up whole new worlds of personal, civic, economic, and lifelong-learning opportunities for individuals that enable them to progress personally and professionally. At the level of society and the nation, literacy and basic education are powerful force multipliers which greatly enhance the success of all other developmental efforts. Worldwide data on nations indicate extremely high correlations between literacy rates and per capita GDP. Budget 2021 announces increased access of resources, and introduction of online modules covering the entire gamut of adult education. Technological leverage, community participation, and access to quality content will be crucial in achieving the goal of the adult literacy by 2030.

The above announcements have come at a time when we are at a cusp of transformation and preparing ourselves to witness the implementation of some of the major transformative ideas propagated by the National Education Policy 2020. NEP 2020 has provided the much needed vivacity and progressive vision which has generated immense curiosity and vibrancy in the entire education system. With various scientific and technological advances, such as the rise of big data, machine learning, and artificial intelligence, the entire education system is required to showcase its capabilities in integrating technology in the teaching learning process, also at the same time adapting and equipping learners to think critically and solve problems in a creative and innovative manner. Budget 2021 treats education holistically and intends to achieve the vision of NEP 2020 which is "to instill among the learners a deep-rooted pride in being Indian, not only in thought, but also in spirit, intellect, and deeds, as well as to develop knowledge, skills, values, and dispositions that support responsible commitment to human rights, sustainable development and living, and global well-being, thereby reflecting a truly global citizen".

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AatmaNirbhar Women

Banasree P

The need of the hour is AatmaNirbharta. The proposed Budget initiatives and investments across sectors and schemes have the potential to re-orient the lives of millions of women and make nutrition and healthcare more accessible to them even as their job prospects brighten through relevant skill training, new employment opportunities and access to cheaper credit; ultimately making them self-reliant and financially independent.

The past one year has seen India battle the COVID-19 pandemic and the economic turmoil it brought in its wake. The Economic Survey 2020-21 estimated India's GDP to contract by 7.7 percent in FY 2020-21, composed of a sharp 15.7 percent decline in first half and a modest 0.1 percent fall in the second half. Sector-wise, agriculture remained the silver lining while contact-based services, manufacturing, construction were hit the hardest. Within that, it was the unorganised sector and the semi-skilled jobholders who faced the maximum brunt of the pandemic—units were closed down, people lost their jobs, migrant workers trudged back to their villages even as the threat of falling prey to the COVID-19 virus hovered over their heads. As anticipated, while the lockdown resulted in a 23.9 percent contraction in GDP in Q1, the recovery has been a V-shaped one as seen in the 7.5 percent decline in Q2 and the recovery across all key economic indicators. Starting July, a resilient V-shaped recovery is underway, as demonstrated

by the recovery in GDP growth in Q2 after the sharp decline in Q1.

It was in this backdrop that Finance Minister Ms. Nirmala Sitharaman presented the Union Budget 2021-22. The Finance Minister, in her speech, said that while the battle against the pandemic continues into 2021, the focus in this year's Budget is to strengthen the "Sankalp of Nation First, Doubling Farmer's Income, Strong Infrastructure, Healthy India, Good Governance, Opportunities for youth, Education for All, Women Empowerment, and Inclusive Development" among others. The Budget proposals for 2021-22 rest on six pillars -- Health and Well-being, Physical and Financial Capital, and Infrastructure, Inclusive Development for Aspirational India, Reinvigorating Human Capital, Innovation and Research and Development and Minimum Government and Maximum Governance.

And herein resides a message of hope for India's women and youth. While much has been



written about how the Budget will help build a resurgent India, strengthen the manufacturing and allied sectors, and give a new fillip to MSMEs and startups; the Budget proposals across sectors and schemes also throw up new opportunities for women to take their rightful place in this revival story.

Women and the Health Sector

AatmaNirbhar Swastha Bharat Yojana

One of the biggest announcements in the Budget that has the power to impact women, skilled and semi-skilled, rural and urban, as participants or beneficiaries, is the AatmaNirbhar Swastha Bharat Yojana. With the overarching goal to boost health infrastructure over the next six years with an outlay of about Rs. 64,180 crore, it will develop capacities of primary, secondary, and tertiary care health systems, strengthen existing national institutions, and create new institutions, to cater to detection and cure of new and emerging diseases. This will be in addition to the National Health Mission. The main interventions under the scheme are: support for 17,788 rural and 11,024 urban health and wellness; centres, setting up integrated public health labs in all districts and 3382 block public health units in 11 states; establishing

critical care hospital blocks in 602 districts and 12 central institutions; and strengthening of the National Centre for Disease Control (NCDC), its five regional branches and 20 metropolitan health surveillance units. Now, women constitute almost half of the qualified health workforce in the country, as doctors, nurses, ASHA workers, midwives, aanganwadi workers, etc., performing a critical role in healthcare services. Thus, if the scheme is gender responsive in its outreach as well as implementation and monitoring, it can impact the lives of Indian women in meaningful ways.

The proposed healthcare bills -- the National Commission for Allied Healthcare Professionals Bill and National Nursing and Midwifery Commission Bill -- also have the ability to take into account the differential gender needs, as well as be informed by the voice, choice and agency of women healthcare functionaries.

Social Sector Schemes Benefitting Women

Mission Poshan 2.0 Scheme

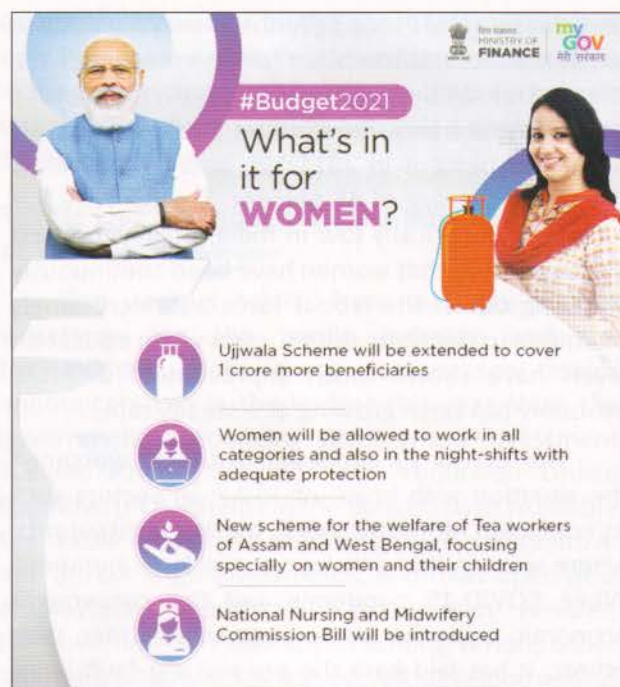
“To strengthen nutritional content, delivery, outreach, and outcome, we will merge the Supplementary Nutrition Programme and the Poshan Abhiyaan and launch the Mission Poshan 2.0. We shall adopt an intensified strategy



to improve nutritional outcomes across 112 Aspirational Districts,” said the Finance Minister tabling the Budget in Parliament. A sum of Rs. 24,435 crore has been set aside for the Women and Child Development (WCD) Ministry for the next fiscal in the Budget, a 16.31 percent increase over the financial year 2020-21. In 2020-21, Rs 30,007.09 crore was allocated which was revised to Rs. 21,008.31 crore. Out of Rs 24,435 crore, the highest amount has been allocated to the newly announced Saksham Anganwadi and Mission Poshan 2.0 scheme with Rs. 20,105 crore. Poshan 2.0 scheme is an umbrella scheme covering the Integrated Child Development Services (ICDS), Anganwadi Services, Poshan Abhiyaan, Scheme for Adolescent Girls and the National Creche Scheme. Mission Vatsalya (Child Protection Services and Child Welfare Services) has been allocated Rs. 900 crore. Mission Shakti (mission for protection and empowerment of women) has been allocated Rs. 3109 crore. Mission Shakti has the following components: SAMBHAL (One Stop Centre, Mahila Police Volunteer, Women’s Helpline/Swadhar/Ujjawala, Widow Homes, etc) and SAMARTHYA (Beti Bachao Beti Padhao, Creche, Pradhan Mantri Matru Vandana Yojana, Gender Budgeting, Research, Skilling, Training, etc). The budget of the Women and Child Development Ministry’s autonomous bodies -- National Institute of Public Cooperation and Child Development (NIPCCD), Central Adoption Resource Agency (CARA), National Commission for Protection of Child Rights (NCPCR), National Commission for Women and Central Social Welfare Board -- have been increased in Budget 2021. The launch of Mission Poshan 2.0 is expected to aid food and nutrition security, especially for migrants. These missions aim to improve nutritional outcomes, especially for women and girls who are most often the last and get least to eat, given the prevalent socio-cultural norms and practices.

Pradhan Mantri Ujjwala Yojana

Another Budget announcement which directly benefits women is the proposal to add one crore more women under the Pradhan Mantri Ujjwala Yojana (PMUY). The scheme was launched by Prime Minister Narendra Modi on May 1, 2016, to distribute five crore LPG connections to women of Below Poverty Line families to promote a smoke-free rural India. The target was later revised to providing a free gas connection to eight crore



women by March 2020. Now, the finance minister aims to bring one crore more women under this scheme. The government also plans to add 100 more districts in next three years to the City Gas Distribution network, which will be beneficial to urban women.

Jal Jeevan Mission (Urban)

Furthermore, the universal coverage of water supply is expected to reduce women’s drudgery and time spent on household labour and care work. The Jal Jeevan Mission (Urban) aims at universal water supply in all 4,378 Urban Local Bodies with 2.86 crores household tap connections, as well as liquid waste management in 500 AMRUT cities. It will be implemented over five years, with an outlay of Rs 2,87,000 crore.

All three schemes are set to benefit women the most given that it is women who suffer the most in the absence of these facilities.

Fillip to Women Labour Force Participation

According to Census 2011, there are 149.8 million women workers in India, out of which 121.8 million are in rural areas and 28 million in urban areas. Yet, when it comes to seeking employment, women constitute only 18.6 percent of the population working or looking for work, whereas in the case of men, the number goes up to 55.6 percent as of 2018-19. While female labour force

participation (FLFP) has never been very high due to social practices, it has been falling in recent years. It stood at 24.5 percent in 2018-19 for women aged 15 years and above (after declining sharply from 31.2 percent in 2011-12), and is well below the global average of 45 percent. Though FLFP has remained historically low in India, however, latest trends confirm that women have been continuously dropping out of the labour force and increasingly attending to domestic duties, even when education levels have shown much improvement and the economy has been growing at a steady rate.

The COVID-19 pandemic has only worsened the situation with huge job losses in sectors such as education, domestic work, tourism, restaurants, where women find employment in large numbers. While COVID-19 pandemic and the consequent economic crisis hit some segments harder than others, it has laid bare the pre-existing fault lines. A major disparity is the gender gap in terms of paid and unpaid work. Again, women have had to face an increase in household chores, reduced health and nutrition outcomes and reduced economic opportunities. While both men and women were hit by the economic crisis, men have found it easier to find employment again. According to a study by Centre for Science and Environment, only 16 percent women in December 2019 still retained their jobs during and after the lockdown as opposed to 60 percent men. And the major brunt of this was borne by urban women. Of the approximately 6.7 million women who lost their jobs by November 2020, 2.3 million were rural women while 4.4 million were urban. This makes the picture grimmer, as the National Sample Survey figures indicated that the decline in women's labour force participation was in rural areas not urban.

In the aftermath of COVID-19 pandemic, the government has taken initiatives for creating jobs at local levels through Pradhan Mantri Garib Kalyan Yojana (PMGKY), AatmaNirbhar Bharat and Pradhan Mantri Garib Kalyan Rozgar Abhiyan (PMGKRA). AatmaNirbhar Bharat is based on economy, infrastructure, vibrant demography and demand to create jobs for the youth including women. Under PMGKRA, the government has taken various initiatives to boost rural infrastructure and rural economy to provide local employment opportunities particularly to the migrant workers including women who have returned to their native

places with a resource envelope of Rs. 50,000 crore implemented in a mission mode campaign. Government has also launched PM SVANidhi Scheme to facilitate collateral free working capital loan upto Rs.10,000 of one-year tenure, to approximately, 50 lakh street vendors including women, to resume their businesses.

Opportunities in Gig Economy

Over the years, more women have been migrating to urban areas for employment and business from rural areas. Against 47 percent of women moving to urban areas in search of work in 2001, the figure has gone up to 58 percent in 2011, indicating that young women, equipped with newly acquired skills relevant in the job market and higher aspirational levels are overcoming traditional gender norms to seek out work in the big cities. Women are seeking and finding more opportunities in urban areas, particularly the gig economy which includes digital platforms offering on-demand services, besides the informal sector which includes work settings such as freelancing, direct selling, beauty parlours and the like. For women professionals and even semiskilled workers, the gig economy, especially digital platforms, is a game changer. The flexible working norms make it easy for women to balance their traditional roles with work, though remuneration may not be that fulfilling. Even big corporations are finding it worthwhile to employ gig workers as it helps them keep labour costs down even as they find women workers with relevant work experience and motivation to fill these posts. As much as 50 percent of the gig economy labour force is women, and these jobs being part of the new economy, the gender pay gap is also narrower. However, the rules governing the gig economy are somewhat vague. There is lack of clarity on issues such as fair labour practices, access to benefits, taxation, social security, and dispute resolution.

Setting up Portal for Gig Economy Workers

It is in this context that the Budget announcement on the gig economy has to be seen. "To further extend our efforts towards the unorganised labour force, migrant workers particularly, I propose to launch a portal that will collect relevant information on gig, building, and construction-workers among others. This will help

formulate health, housing, skill, insurance, credit, and food schemes for migrant workers,” said the Finance Minister in her Budget speech. “We will conclude a process that began 20 years ago, with the implementation of the four labour codes. For the first time globally, social security benefits will extend to gig and platform workers. Minimum wages will apply to all categories of workers, and they will all be covered by the Employees State Insurance Corporation.”

The extension of social security benefits to the gig and platform economy is a path-breaking initiative that has the potential to provide flexi-work opportunities to millions of women. Reducing the wage gap, providing adequate skills, access to digital assets, digital literacy and digital platforms are key drivers for participation of women in the labour force in India and for their subsequent economic empowerment. The proposed portal can collect relevant, gender based information on gig, building, and construction-workers which will help ensure that benefits of various schemes reach women workers. Proper measurement will ensure clear visibility of the work being undertaken by gig workers, especially women, and the skills required for such jobs, remuneration trends, job tenure and the like, which will help both employers and the government to design policies that encourage more women to apply, attain and retain better paying jobs. The Budget also indirectly recognises the fact that women will increasingly be ready to be upskilled for future work opportunities which are more likely to be in digital platforms.

Allowing Women to Work Across Sectors and in Night Shifts

Again, the Budget proposal, to let women work in all sectors and also in night shifts, can boost gender diversity in workplaces and see increased participation of women in sectors such as manufacturing and engineering. Currently, women’s representation in sectors such as manufacturing, pharma and FMCG is under 20 percent, with manufacturing at 10 percent, pharma at 19 percent and FMCG at 15 percent, as women tend to shy away from working on shop floors. This announcement would encourage companies to create workplace policies with proper safeguards that are gender inclusive by structure and design, as parity in access to workplace opportunities becomes a given. With more blue-collar jobs becoming

accessible to women in the short term, it can not only help raise women’s labour force participation in the country, but also have a larger socio-economic impact with more women becoming contributors to the economy.

Textile and Tea Industries: Big-time Employers of Women

Two sectors which have a large women workforce are the textile industry and the tea industry. Both these sectors saw major announcements in the Budget this year. With the government announcing seven Mega Investment Textiles Parks (MITRAs) and Production Linked Incentive (PLI) Scheme in the Budget, so as to enable the textile industry to become globally competitive and attract large investments, it throws open new employment opportunities for women. Besides, the government is also implementing various other schemes/programmes for overall development of the textile sector which will also provide thrust in generating employment opportunities.

Coming to the tea industry, the announcement of Rs. 1,000 crore for the welfare of tea workers, especially women and their children in Assam and West Bengal, is a welcome step given that women constitute close to 60 percent of tea pluckers in the industry. A special scheme will be devised for the same.

Skilling and Training Imperatives

Realignment of National Apprenticeship Training Scheme

For people to find remunerative work, having the requisite skill-sets is a given. In this context, access to industry relevant training and skilling is essential. With 90 million youth entering

International Women’s Day is celebrated every year on March 8 and marks a call to action for accelerating gender parity. The campaign theme for International Women’s Day 2021 is ‘Choose To Challenge’ – the idea being to choose to challenge and call out gender bias and inequality, seek out and celebrate women’s achievements, thus helping create an inclusive world.

While the world has made unprecedented advances, no country has achieved gender equality. Legal restrictions have kept 2.7 billion women from accessing the same choice of jobs as men, less than 25 per cent of parliamentarians were women, as of 2019.

the workforce by 2030, and with 60 million employment opportunities expected to be created due to the digital economy by 2025, India needs to work on improving the employability of the youth. The need of the hour is to improve the skills of the youth so as to enable them to grab the new job opportunities that come their way. Digitalisation is the future and it is imperative to enhance our investment in training, and skilling the youth and re-skilling the existing workforce with digital skills to make the most of the new opportunities.

“The youth of the country have abundant skills and it needs proper channelisation,” rightly said by the Finance Minister in her Budget speech, thus, on the skill development front and to enhance opportunities for youth, the Finance Minister proposed to amend the Apprenticeship Act and realign the National Apprenticeship Training Scheme for post-education apprenticeship, training of graduates and diploma holders in engineering. The Finance Minister has set aside Rs. 3,000 crore for this purpose in the Budget for 2021-22. This will help create talent that is employable and equipped with the right set of skills relevant for the industry. The Finance Minister also said that an initiative is under way in partnership with the United Arab Emirates (UAE) to benchmark skill qualifications, assessment, and certification, accompanied by the deployment of certified workforce. India also has a collaborative training, inter-training programme with Japan to facilitate transfer of Japanese industrial and vocational skills, techniques and knowledge. India plans to take forward these initiatives with many more countries. In order to promote enhanced academic collaboration with foreign higher educational institutions, the Budget has proposed to put in place a regulatory mechanism to permit dual degrees, joint degrees, twinning arrangements and other such mechanisms. The move to join forces with UAE to benchmark skill qualification and introduction of collaborative training programmes with the Japanese workforce is likely to help ensure that the country’s skilling endeavours are in sync with global trends.

Encouraging Entrepreneurs

Cut in Margin Money Requirement Under Stand Up India

The startup sector has emerged as a powerful

growth engine for the country, contributing significantly to the digital, innovation and employment revolution taking place in the country. Recognising this, to further facilitate credit flow under the scheme of Stand Up India for SCs, STs, and women, the Budget has proposed to reduce the margin money requirement from 25 percent to 15 percent, and to also include loans for activities allied to agriculture. This can help youth from these marginalised segments, especially those in rural areas, to put together funds to set up their enterprises, which would not only make them self-reliant but also help create employment opportunities for others. In order to incentivise startups in the country, the Budget has proposed to extend the eligibility for claiming tax holiday for startups as well as capital gains exemption for investment in startups by one more year – till 31st March, 2022.

Conclusion

The role of women outside the home has become an important aspect of the social and economic life of the country and this will become even more significant in this new decade. Women are key agents for achieving the transformational economic, social and environmental changes required for sustainable development, especially in rural India. But limited access to healthcare, education and funds act as a barrier in realising their dreams, further aggravated by the COVID-19 pandemic. Thus, greater emphasis needs to be made on the education and training of women, so that they become equipped to stand shoulder to shoulder with men. The need of the hour is AtmaNirbharta. The proposed Budget initiatives and investments across sectors and schemes have the potential to re-orient the lives of millions of women, make nutrition and healthcare more accessible even as their job prospects brighten through relevant skill training, new employment opportunities and access to cheaper credit, ultimately making them self-reliant and financially independent. An empowered women population, ready to make the most of new opportunities, is the vision of a new India.

(The author is a senior Delhi based journalist. Email : ideainsreply@gmail.com. Views expressed are personal)

Infrastructure Development

Sameera Saurabh

Infrastructure development is crucial with strong forward and backward linkages, particularly with the core sectors of the economy, such as steel, cement and other buildings materials. It directly or indirectly impacts 270 different industries. Apart from real economy, an upswing in infrastructure has strong implications for other sectors as well, especially the financial and housing sector. The Budget 2021-22 is a landmark in history for its clear insights and bold steps for rebuilding and reviving the Indian economy through a big push to infrastructure and asset creation.



Union Budget 2021-22 comes in the 74th year of India's Independence and 2021 is a milestone year which will witness the 8th Census of Independent India as well as India's turn at the BRICS Presidency; the year for our Chandrayaan-3 Mission; and the Haridwar Maha Kumbh. The formulation of the Budget has been done during the COVID -19 pandemic and the unprecedented hardships faced by the countrymen has steered the focus of Government to create new jobs by building core infrastructure, monetise assets, support health, urbanisation and aim for inclusive development.

The six pillars of the Union Budget 2021-22 are:

- Health and Well-being
- Physical and Financial Capital, and Infrastructure
- Inclusive Development for Aspirational India
- Reinvigorating Human Capital

- Innovation and Research and Development
- Minimum Government and Maximum Governance

India is witnessing rapid urbanisation. According to Census 2011, India's urban population was 37.7 crore, which is projected to grow to about 60 crore by 2030. According to United Nations, more than 40 percent of country's population is expected to reside in urban areas by 2030. Urbanisation in India has become an important and irreversible process, and it is an important determinant of national economic growth and poverty reduction. Thus, for more and more people living in cities, it is imperative that housing, transport, water and sanitation be accorded priority. Infrastructure development is crucial with strong forward and backward linkages, particularly with the core sectors of the economy, such as steel, cement and other buildings materials. It directly or indirectly impacts 270 different industries. Apart from real

economy, an upswing in infrastructure has strong implications for other sectors as well, especially the financial and housing sector.

Infrastructure creation needs long term debt financing. A professionally managed Development Financial Institution is necessary to act as a provider, enabler and catalyst for infrastructure financing and Rs. 20,000 crores has been provided to capitalise the setting up of a - Development Financial Institution (DFI). The ambition is to have a lending portfolio of at least Rs. 5 lakh crores for this DFI in three years time. Debt Financing of InVITs and REITs by Foreign Portfolio Investors is to commence by making suitable amendments in the relevant legislations. This will further ease access of finance to InVITs and REITs thus augmenting funds for infrastructure and real estate sectors. Dividend payment to REIT/ InvIT has also been exempted from TDS. This shall provide Boost to REITs and InvIT as investment alternative thereby enhancing liquidity in sector.

Affordable housing projects can avail a tax holiday for one more year – till 31st March, 2022. The additional deduction of 1.5 lakh shall therefore be available for loans taken up till 31st March 2022, for the purchase of an affordable house. In order to incentivise home buyers and real estate developers, it is proposed to increase safe harbour limit from 10 percent to 20 percent for the specified primary sale of residential units. Monetisation of surplus land with Government is also proposed. It can either be by way of direct sale or concession or by similar means. SPV shall be formed for the same. This shall pave way enhancement in land availability for affordable housing.

The Budget 2021-22 has sought to improve the living conditions in urban areas. The Jal Jeevan Mission (Urban), will be launched to provide universal water supply in all 4,378 Urban Local Bodies with 2.86 crores household tap connections, as well as liquid waste management in 500 AMRUT cities. It will be implemented over 5 years, with an outlay of Rs. 2,87,000 crores. The focus is on complete faecal sludge management and waste water treatment, source segregation of garbage, reduction in single-use plastic, reduction in air pollution by effectively managing waste from construction-and-demolition activities and bio-remediation of all legacy dump sites. The Urban Swachh Bharat Mission 2.0 will be implemented

with a total financial allocation of Rs.1,41,678 crores over a period of 5 years from 2021-2026. The Big Push for Infrastructure development is planned to be funded by a sharp increase in capital expenditure. Rs. 5.54 lakh crores is being injected as physical stimulus to support demand and aid economic recovery thereby giving a Big Push to infrastructure which in turn will lead to multiplier effects. There is a distinct tacit nod to the states to spend more of their budget on creation of infrastructure.

Monetising operating public infrastructure assets is a very important financing option for new infrastructure construction. A “National Monetisation Pipeline” of potential brownfield infrastructure assets has been announced in the Budget 2021-22. An Asset Monetisation dashboard will also be created for tracking the progress and to provide visibility to investors. Some important measures in the direction of monetisation are:

- a) National Highways Authority of India and PGCIL each have sponsored one InvIT that will attract international and domestic institutional investors. Five operational roads with an estimated enterprise value of Rs.5,000 crores are being transferred to the NHAI InvIT. Similarly, transmission assets of a value of Rs.7,000 crores will be transferred to the PGCILInvIT.
- b) Railways will monetise Dedicated Freight Corridor assets for operations and maintenance, after commissioning.
- c) The next lot of Airports will be monetised for operations and management concession.
- d) Other core infrastructure assets that will be rolled out under the Asset Monetisation Programme are: (i) NHAI Operational Toll Roads (ii) Transmission Assets of PGCIL (iii) Oil and Gas Pipelines of GAIL, IOCL and HPCL (iv) AAI Airports in Tier II and III cities, (v) Other Railway Infrastructure Assets (vi) Warehousing Assets of CPSEs such as Central Warehousing Corporation and NAFED among others and (vii) Sports Stadiums.

In order to augment our Physical and Financial Capital Infrastructure for a USD five trillion economy, our manufacturing sector has to grow in double digits on a sustained basis. Our manufacturing companies need to become an integral part of global supply chains, possess

core competence and cutting-edge technology. To achieve all of the above, Productivity Linked Incentive (PLI) schemes to create manufacturing global champions for an AatmaNirbhar Bharat have been announced for 13 sectors. For this, the government has committed nearly Rs.1.97 lakh crores, over 5 years starting FY 2021-22. This initiative will help bring scale and size in key sectors, create and nurture global champions and provide jobs to our youth.

Roads and Highways Infrastructure

More than 13,000 km length of roads, at a cost of Rs. 3.3 lakh crores, has already been awarded under the Rs. 5.35 lakh crores Bharatmala Pariyojana project of which 3,800 kms have been constructed. By March 2022, another 8,500 kms will be awarded and an additional 11,000 kms of national highway corridors will be completed. To further augment road infrastructure, more economic corridors are also being planned. An enhanced outlay of Rs. 1,18,101 lakh crores for Ministry of Road Transport and Highways has been provided of which Rs. 1,08,230 crores is for capital, the highest ever.

Railway Infrastructure

Indian Railways have prepared a National Rail Plan for India – 2030. The Plan is to create a ‘future ready’ Railway system by 2030.

Bringing down the logistic costs for Railways is at the core of our strategy to enable ‘Make in India’. It is expected that Western Dedicated Freight Corridor (DFC) and Eastern DFC will be commissioned by June 2022. The following additional initiatives are proposed: The Sonnagar – Gomoh Section (263.7 km) of Eastern DFC will be taken up in PPP mode in 2021-22. Gomoh-Dankuni section of 274.3 km will also be taken up in short succession. Future dedicated freight corridor projects are to be undertaken. Broad Gauge Route Kilometers (RKM) electrified is expected to reach 46,000 RKM and 100 percent electrification of Broad-Gauge routes will be completed by December, 2023.

The safety measures undertaken in the past few years have borne results. To further strengthen this effort, high density network and highly utilised network routes of Indian railways will be provided with an indigenously developed automatic train protection system that eliminates train collision due to human error. A record sum of Rs.1,10,055 crores, for Railways is allocated of which Rs.1,07,100 crores is for capital expenditure.

Urban Infrastructure

The share of public transport in urban areas is to be released through expansion of metro rail network and augmentation of city bus service. A new scheme will be launched at a cost of Rs. 18,000 crores to support augmentation of public bus transport services. The scheme will facilitate deployment of innovative PPP models to enable private sector players to finance, acquire, operate and maintain over 20,000 buses. The scheme will boost the automobile sector, provide fillip to economic growth, create employment opportunities for our youth and enhance ease of mobility for urban residents. A total of 702 kms of conventional metro is operational and another 1,016 km of metro and RRTS is under construction in 27 cities. Two new technologies

ROADS AND HIGHWAYS INFRASTRUCTURE

- Highest ever outlay of ₹ 1,18,101 crore for Ministry of Road Transport and Highways

Following economic corridors being planned:

- 3,500 km of NH in Tamil Nadu at an investment of ₹ 1.03 lakh crore. These include Madurai-Kollam corridor, Chittoor-Thatchur corridor.
- 1,100 km of NH in Kerala at an investment of ₹ 65,000 crore including 600 km section of Mumbai-Kanyakumari corridor in Kerala.
- 675 km of NH in West Bengal at a cost of ₹ 25,000 crore including upgradation of existing Kolkata – Siliguri road

i.e., 'MetroLite' and 'MetroNeo' will be deployed to provide metro rail systems at much lesser cost with same experience, convenience and safety in Tier-2 cities and peripheral areas of Tier-1 cities.

Power Infrastructure

The past six years have seen a number of reforms and achievements in the power sector. We have added 139 Giga Watts of installed capacity, connected an additional 2.8 crores households and added 1.41 lakh circuit km of transmission lines. The distribution companies across the country are monopolies, either government or private. There is a need to provide choice to consumers by promoting competition. A framework will be put in place to give consumers alternatives to choose from among more than one Distribution Companies. The viability of Distribution Companies is a serious concern. A revamped reforms-based result-linked power distribution sector scheme will be launched with an outlay of Rs.3,05,984 crores over 5 years. The scheme will provide assistance to DISCOMS for Infrastructure creation including pre-paid smart metering and feeder separation, upgradation of systems, etc., tied to financial improvements.

The Prime Minister, while speaking at the Third Re-inVest Conference in November 2020, had announced plans to launch a comprehensive National Hydrogen Energy Mission. Budget 2021-22 proposes to launch a Hydrogen Energy Mission in 2021-22 for generating hydrogen from green power sources.

Ports, Shipping, Waterways

Major Ports will be moving from managing their operational services on their own to a model where a private partner will manage it for them. For the purpose, 7 projects worth more than Rs.2,000 crores will be offered by the Major Ports on Public Private Partnership mode in FY 21-22. A scheme to promote flagging of merchant ships in India will be launched by providing subsidy support to Indian shipping companies in global tenders floated by Ministries and CPSEs. An amount of Rs. 1624 crores will be provided over five years. This initiative will enable greater training and employment opportunities for Indian seafarers besides enhancing Indian companies share in global shipping.

India has enacted Recycling of Ships Act, 2019 and acceded to the Hong Kong International Convention. Around 90 ship recycling yards at Alang

in Gujarat have already achieved HKC-compliant certificates. Efforts will be made to bring more ships to India from Europe and Japan. Recycling capacity of around 4.5 Million Light Displacement Tonne (LDT) will be doubled by 2024. This is expected to generate an additional 1.5 lakh jobs for our youth.

Petroleum and Natural Gas

The government has kept fuel supplies running across the country without interruption during the COVID-19 lockdown period. Taking note of the crucial nature of this sector in people's lives, the following key initiatives have been announced in the Budget 2021-22:

- a) Ujjwala Scheme which has benefited eight crores households

RAILWAY INFRASTRUCTURE

- National Rail Plan for India - 2030 to create a 'future ready' Railway system by 2030.
- Western Dedicated Freight Corridor (DFC) and Eastern DFC to be commissioned by June 2022, will bring down the logistic costs thereby enabling Make in India strategy.
- 100% electrification of Broad-Gauge routes will be completed by December, 2023.

For Passenger convenience and safety :

- Aesthetically designed Vista Dome LHB coach on tourist routes for better travel
- Indigenously developed automatic train protection system to eliminates train collision due to human error

- will be extended to cover one crores more beneficiaries.
- b) 100 more districts will be added in next three years to the City Gas Distribution network.
- c) A gas pipeline project will be taken up in Union Territory of Jammu and Kashmir.
- d) An independent Gas Transport System Operator will be set up for facilitation and coordination of booking of common carrier capacity in all-natural gas pipelines on a non-discriminatory open access basis.

Augmenting Financial Infrastructure

Budget 2021-22 proposes to consolidate the provisions of SEBI Act, 1992, Depositories Act, 1996, Securities Contracts (Regulation) Act, 1956 and Government Securities Act, 2007 into a rationalised single Securities Markets Code. To instill confidence amongst the participants in the Corporate Bond Market during times of stress and to generally enhance secondary market liquidity, it is proposed to create a permanent institutional framework. The proposed body would purchase investment grade debt securities both in stressed and normal times and help in the development of the Bond market.

Stressed Asset Resolution by setting up a New Structure

The high level of provisioning by public sector banks of their stressed Non Performing Assets (NPAs) calls for measures to clean up the bank books. An Asset Reconstruction Company Limited and Asset Management Company would be set up to consolidate and take over the existing stressed debt and then manage and dispose the assets to Alternate Investment Funds and other potential investors for eventual value realization.

Recapitalisation of PSBs

To further consolidate the financial capacity of PSBs, further recapitalisation of Rs. 20,000 crores is proposed in 2021-22.

Deposit Insurance

Last year, Government had approved an

MINISTRY OF FINANCE
GOVERNMENT OF INDIA

#AatmaNirbharBharatKaBudget

Budget 2021

Intensifying the vision of Swachh Bharat, ₹1,41,678 crore allocated under Urban Swachh Bharat Mission 2.0 for over 5 years from 2021

increase in the Deposit Insurance cover from Rs. 1 lakh to Rs. 5 lakhs for bank customers. Amendments in the DICGC Act, 1961 is proposed to streamline the provisions, so that if a bank is temporarily unable to fulfill its obligations, the depositors of such a bank can get easy and time-bound access to their deposits to the extent of the deposit insurance cover. This would help depositors of banks that are currently under stress.

To improve credit discipline while continuing to protect the interest of small borrowers, for NBFCs with minimum asset size of Rs.100 crores, the minimum loan size eligible for debt recovery under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 is proposed to be reduced from the existing level of Rs. 50 lakhs to Rs. 20 lakhs.

In the backdrop of the pandemic, the budget seeks to achieve a balanced demand stimulus. Health infrastructure is in focus with the launch of PM AatmaNirbhar Swasth Bharat Yojana. Rs. 35,000 crores has been earmarked for COVID-19 Vaccine in BE 2021-22. With the huge increase of 137 percent, health and well-being sector is one of the six pillars of the Budget. The Budget is

UNION BUDGET 2021-22

POWER INFRASTRUCTURE

- A comprehensive National Hydrogen Energy Mission 2021-22 will be launched for generating hydrogen from green power sources.
- A Framework to provide various alternatives to consumers to choose Distribution Company.
- Revamped reforms-based result-linked power distribution sector scheme will be launched with an outlay of **₹ 3,05,984 crore over 5 years**. To provide assistance to DISCOMS for Infrastructure creation.
- In **past 6 years 139 Giga Watts of installed capacity & 1.41 lakh circuit km of transmission lines** have been added, connected an **additional 2.8 crore households**

and micro-irrigation corpus of Rs.10,000 crores which can boost farm income in the hinder land. In a first time, senior citizens of age 75 and above earning only pension and interest income will no longer have to file their IT returns.

Gross tax revenues are expected to rise by 16.7 percent, mainly due to a projected increase of 22 percent in direct taxes. The Government expects to collect about Rs. 30,000 crore from the new levy of Agriculture Infrastructure and Development Cess. Environmental, social and governance (ESG) concerns would have to be taken into account into infrastructure projects as institutional investors look at these factors before committing investments. ESG integration would help align infrastructure development with India's Paris accord obligations and help finance the projected 450 GW of renewable energy by 2030.

expected to put India on a high growth trajectory on a sustained basis. The decisiveness of the Government during COVID is being rewarded. GST collections are at record levels. Income Tax return filers increased to 6.48 crore in 2020 from 3.31 crore in 2014. FDI topped the world this year, foreign exchange reserves are at a record high, digital payment growth rates lead the world. Spending on rural infrastructure development has increased by 34 percent to 40,000 crores

The Budget 2021-22 is a landmark in history for its clear insights and bold steps for rebuilding and reviving the Indian economy through a big push to infrastructure and asset creation.

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Inclusive Marksmanship with Rural Prosperity

Dr. Amiya Kumar Mohapatra

The budget 2021-22 focuses largely on inclusive development to bring more inclusivity in all the sphere of socio-economic activities. The government has proposed and allocated fund for various initiatives for inclusive development. To foster rural prosperity, special emphasis has been given to rural infrastructure development, and hence government has allocated Rs. 40,000 crores for the Rural Infrastructure Development Fund. The well-being of the rural India very much rests on agriculture and its development. Agriculture sector has also got the top priority in the recent budgeting specially to enhance the farmers' well-being.

The socio-fiscal attainments of Indian economy certainly depends upon how the rural economy performs and progresses. In India, more than 65 percent of the total population lives in villages and therefore rural development itself signifies its importance in all kind of public policy making. Thus, rural development can be used as an index of appraising economic development of our country.

The development of a nation is highly correlated to the enlargement of people's choices and people's capabilities. People's involvement and participation in various welfare schemes is indispensable for the triumph of true democracy and that marks the roadmap for inclusive development. The vision of the budget 2021-22 includes nation first, doubling the farmers' income, strengthening infrastructure, opportunities for youth, women empowerment, healthy India, good governance, education for all and inclusive development that encompasses all the needful parameters and variables and ensures prosperity of our nation in a holistic fiscal framework.

Initiatives for Rural Development

The soul of the budget proposal revolves around six pillars and those are found to be distinct yet complementary to each other. Pillar-III of the budget proposal on 'Inclusive Development for Aspirational India' covers a lot on rural development, agriculture, and inclusiveness. Most of the schemes which contribute to rural development and prosperity



got the needful funding allocations in this budget 2021-22. MGNREGS which provides in-situ employment at the rural area, continued to get its share of Rs. 73,000 crores. To foster rural prosperity, special emphasis has been given to rural infrastructure development, and hence government has allocated Rs. 40,000 crores for the Rural Infrastructure Development Fund. For better health and rural well-being; safe and clean drinking water is very essential. There is need to mention that the funding allocation made to National Rural Drinking Water Mission has been increased from Rs. 11,500 crores in 2020-21 to Rs. 50,011 crores in 2021-22. This shows the government's intent to promote rural well-being. The outcome of Swachh Bharat Mission-Gramin is found remarkable in terms of its health outcomes, hence sustained to get an outlay of Rs. 9,994 crores. Similarly Pradhan Mantri Gram Sadak Yojana, Rashtriya Gram Swaraj Abhiyan and Deen Dayal Upadhyaya Gram Jyoti Yojana got the budget shares of Rs. 15,000 crores, Rs. 661 crores, and Rs. 3,600 crores respectively. Recently launched SWAMITVA Scheme is doing wonder in the rural landscape in empowering property

owners. Around 1.80 lakh property owners have been provided with the cards in 1,241 villages and further this scheme will be extended to all the remaining states and UTs as proposed in the current budget. This clearly reflects the positive outlook of the budget towards rural development. For references, major schemes in support of the same are detailed out in the Table 1.

Provisioning for Agriculture

The well-being of the rural India very much rests on agriculture and its development. Agriculture sector has got the top priority in the recent budgeting specially to enhance the farmers' wellbeing. The government is committed to the goal of doubling the farmers' income by 2022. To attain the same, government has undertaken various measures to boost the agriculture sector.

The MSP regime has undergone a record change and MSP is assured at least 1.5 times of the cost of production across all the commodities and also procurement process got leveraged. It is proposed to allocate Rs. 65,000 crores as an annual supplement of income to the farmers, to be done directly through PM-Kisan. Crop Insurance Scheme got a funding allocation of Rs. 16,000 crores which is higher than the previous year's allocation of Rs. 15,695 crores. In addition to that, provision of interest subsidy to farmers those are availing short-term credit got a funding support of Rs.19,468 crores. Similarly, the government has mandated Rs.13,408 crores in the budget outlay for the Green Revolution to give a big boost to agriculture sector.

Provisioning for Agricultural Credit

Agricultural credit has been increased to Rs.16.5 lakh crores in the current budget in comparison to the previous year. Major emphasis is given to enable animal husbandry, dairy and fisheries along with the agriculture. The provision of agricultural credit has increased by more than four times in the last decade from Rs. 3,75,000 crores (2010-11) to Rs. 16, 50,000 crores (2021-22), considering the importance of agriculture in contributing in rural employment, farmers' well-being and specially to support farmers in doubling their income. The growing agricultural credit reflects an attempt of the present government in enhancing farmers' well-being.

Provisioning for Agriculture Marketing and Irrigation

National Agriculture Market (e-NAM) is playing a crucial role in augmenting agricultural marketing. Trade value worth of Rs. 1.14 lakh crores has been already carried out. More than 1.68 crores farmers are already registered and getting the benefits from it. Prosperity of farmers can be ensured by making farming more attractive. Therefore, considering the attractiveness and its impact; it is decided to integrate 1,000 more mandis with e-NAM. In addition, agricultural infrastructure fund would be made available to APMCs to strengthen their infrastructure facilities.

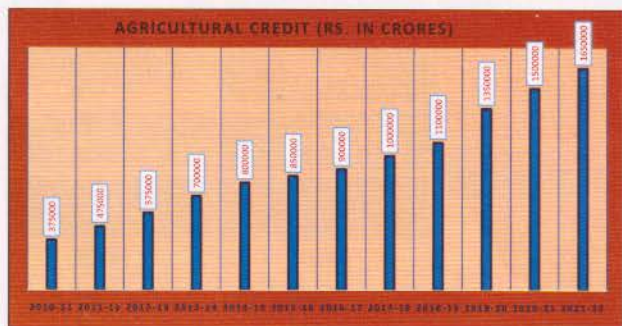
Provision of irrigation facilities is crucial to heighten agriculture productivity and to ensure better standard of living of the farmers. Over

Table 1: Major Scheme-based Allocations of Outlay (Rs. in Crores)

S. No.	Scheme-Based Allocations (From Rural Development Perspectives)	Budget Estimates 2020-21	Budget Estimates 2021-22
1	Mahatma Gandhi National Rural Employment Guarantee Program	61500	73000
2	Crop Insurance Scheme	15695	16000
3	Interest Subsidy for Short Term Credit to Farmers	21175	19468
4	Rashtriya Gram Swaraj Abhiyan (RGSA)	858	661
5	Kisan Urja Suraksha evam Utthaan Mahabhiyan (KUSUM)	700	776
6	Pradhan Mantri Gram Sadak Yojana	19500	15000
7	Pradhan Mantri Awas Yojana (PMAY)	27500	27500
8	Jal Jeevan Mission (JJM)-National Rural Drinking Water Mission	11500	50011
9	Swachh Bharat Mission-Gramin	9994	9994
10	Pradhan Mantri Kisan Samman Nidhi (PM-Kisan)	75000	65000
11	Green Revolution	13320	13408
12	Pradhan Mantri Krishi Sinchai Yojana	11127	11588
13	Pradhan Mantri Kisan Sampada Yojana	1081	700
14	Deen Dayal Upadhyaya Gram Jyoti Yojana	4500	3600
15	Recapitalization of Regional Rural Banks (RRBs)	200	1200

Source: Author's Compilation from Budget Documents, GoI

Figure-1: Agricultural Credit



Source: Budget Documents, GoI

the years, expansion of micro-irrigation projects through Pradhan Mantri Krishi Sinchayee Yojana, have raised the agricultural productivity and farmers' income. Considering its importance, Rs. 11,588 crores is allocated in the budget outlay in comparison to Rs. 11,127 crores allocation of the previous year. To support the same, with a corpus of Rs. 5,000 crores fund has been created under NABARD for micro irrigation purposes.

The launch of PM-KUSUM by means of 'energy sovereignty' scheme removed farmer's dependence on conventional sources of energy and linked pump sets to solar energy. To strengthen it, government has made a funding provision of Rs. 776 crores in this budget.

Prime Minister Shri Narendra Modi has already taken up the onerous task of doubling the income of the farmers in phased manner. For this purpose, the government has enacted number laws to free the farmers from the clutches of the middlemen so that they get real value of their yields.

Initiatives for Inclusiveness

The budget focuses largely on inclusive development to bring more inclusivity in all the sphere of socio-economic activities. The government has proposed and allocated fund for various initiatives for inclusive development. As a part of financial inclusion; government has decided to ease the credit flow under the scheme of 'Stand Up India' for SCs, STs, and women. So it is proposed to reduce the margin money requirement from 25 percent to 15 percent, and also to include loans for the activities allied to agriculture. Considering the role of MSMEs in Indian economy which is contributing 32 percent in GVA and employing around 11 million people, has got a budget provision of Rs. 15,700 crores which is

more than double of the previous budget provision. In addition, budget has made a provision of Rs. 1,000 crores for the welfare of Tea workers especially for women and their children in Assam and West Bengal.

In the line of further inclusiveness, to establish 750 Eklavya model residential schools in the tribal areas; government has amplified the unit cost of each such school from Rs. 20 crores to Rs. 38 crores, and for hilly and difficult areas, to Rs. 48 crores. This would help in creating robust infrastructure facilities for the tribal students. For the welfare of scheduled castes, Post Matric Scholarship Scheme got a bigger funding support of Rs. 35,219 crores for 6 years till 2025-2026. This central assistance will benefit around 4 crores SC students.

National Social Assistance Program got a higher budget outlay of Rs. 9,200 crores in comparison to the previous year budget provisioning. On health coverage, government proposed outlay of Rs.37,130 crores for National Health Mission. Besides, Pradhan Mantri Swasthya Suraksha Yojana and Rashtriya Swasthya Bima Yojana got the funding provision of Rs.7,000 crores and Rs. 6,401 crores respectively to cover the health insurance as a part of inclusive initiative. Various umbrella program for development of scheduled castes, scheduled tribes, minorities and other vulnerable groups got the budget provisioning of Rs.6,566 crores, Rs. 4,303 crores, Rs. 1,564 crores, and Rs.2,140 crores respectively. To augment entrepreneurial mindset at the grass root level, government has increased the funding support of Rs. 2,500 crores to Pradhan Mantri Mudra Yojana which is 5 times higher than the previous year allocation.

Government initiative to mandate 'one nation and one ration card scheme' is found apt considering the migrants' misery. Under this scheme, migrant workers can partially claim their ration at the place of their work whereas the remaining ration can be claimed by the family members at their native places.

Conclusion

Overall the budget focuses on inclusive development and presents a fiscal agenda focusing on holistic development. From rural prosperity perspectives, budget emphasises on agriculture

Table 2: Major Scheme-based Allocations of Outlay (Rs. in Crores)

S. No.	Scheme-Based Allocations (From Inclusive Development Perspectives)	Budget Estimates 2020-21	Budget Estimates 2021-22
1	National Health Mission	34115	37130
2	Pardhan Mantri Swasthya Suraksha Yojana	6020	7000
3	Rashtriya Swasthya Bima Yojna	6429	6401
4	Pradhan Mantri Awas Yojana (PMAY)	27500	27500
5	Umbrella Scheme for Development of Schedule Castes	6242	6566
6	Umbrella Programme for Development of Scheduled Tribes	4191	4303
7	Umbrella Programme for Development of Minorities	1820	1564
8	Umbrella Programme for Development of Other Vulnerable Groups	2210	2140
9	Deen Dayal Antyodaya Yojana- National Livelihood Mission – Ajeevika	10005	14473
10	National Social Assistance Program	9197	9200
11	Pradhan Mantri Mudra Yojana (PMMY) (through NCGTC)	500	2500
12	Swachh Bharat Mission	2300	2300

Source: Author's Compilation from Budget Documents, GoI

and allied activities; especially on farmers' welfare, rural infrastructure, welfare of migrants' labours, and financial inclusion as a part inclusive initiatives. The funding allocation for agricultural and rural development in the budget proposal signifies their sectoral importance in our economy. The focus of the budget 2021-22 towards inclusive development and farmers' welfare is no doubt a welcome step. The government seems to be committed to inclusive growth and infrastructure development so as to accomplish the lofty goal of \$ five trillion economy. Government of India, under the leadership of Shri Narendra Modi, has undertaken a series of schemes to achieve faster socio-economic development. Initiatives like Make in India, Skill India, Digital India, Start Up India and Stand Up India, to name a few, have been successfully launched in the recent years to bring

inclusive development in India. Nevertheless, seeing the success stories of the present government, we look forward to have more such schemes and positive outcome through effective leadership, good governance, close monitoring, clear cut accountability and timely execution with apt follow up of the various schemes of inclusive development.

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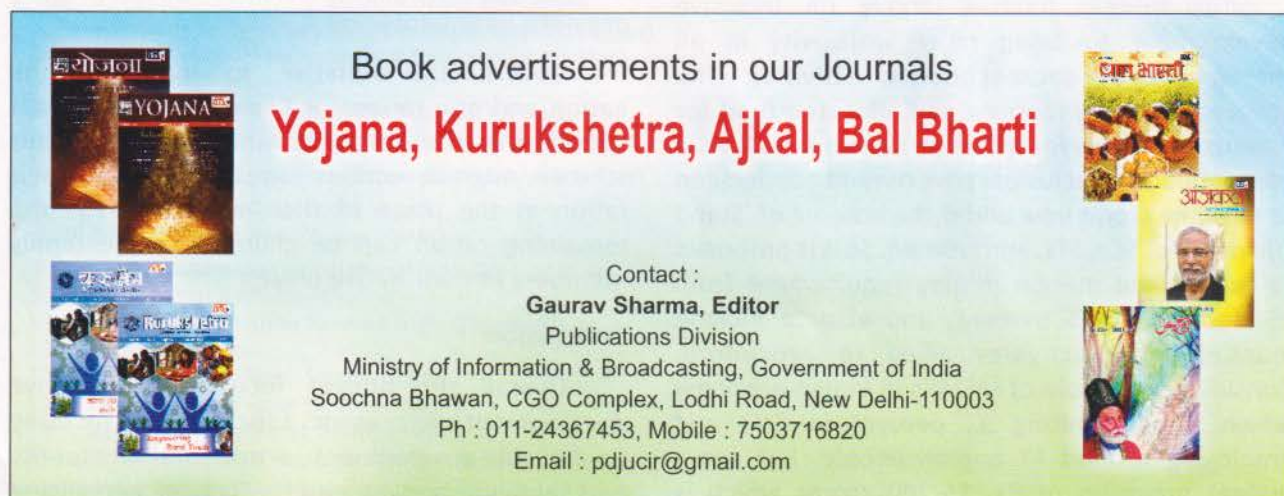
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Boosting Agri Sector through Investment in Infrastructure and Processing

Sandip Das

Measures announced in the union budget (2021-22) by Finance Minister Ms. Nirmala Sitharaman clearly give a thrust on increasing investment in agriculture and allied sector infrastructure development and promotion of value addition or processing for ensuring higher farmers' income. For giving boost to agriculture and allied sector, the government had announced series of measures under AatmaNirbhar Bharat initiatives in May 2020 for rejuvenating various sectors of the economy. The agriculture sector got a boost through various measures on credit, market reforms and food processing.

The agriculture and allied sector play a critical role in rural livelihood, employment and national food security. The sector provides the largest source of livelihoods in India. Proportion of Indian population depending directly or indirectly on agriculture for employment opportunities is more than that of any other sectors. It is estimated that around 55-60 percent of its rural households depend primarily on agriculture for their livelihood. According to Agriculture Census (2015-16), there are 14.5 crore farmers families in the country and around 82 percent of farmers belong to small and marginal categories, who own less than one acre of land each.

The Economic Survey-2020-21 recently tabled in Parliament, has stated that about 54.6

percent of the total workforce in the country is still engaged in agricultural and allied sector activities (Census 2011). The sector accounts for approximately 17.8 percent of the country's Gross Value Added (GVA) for the year 2019-20 (at current prices). The share of agriculture and allied sectors in GVA of the country has declined from 18.2 percent in 2014-15 to 17.8 percent in 2019-20. Within the agriculture sector, the share of crops has fallen from 11.2 percent in 2014-15 to 9.4 percent in 2018-19. During the same period, the decline in the share of crops has been made up by an increase in the share of livestock and fisheries sectors. The share of livestock in the country's GDP has increased from 4.4 percent to 5.1 percent between 2014-15 to 2018-19.

The COVID-19 pandemic has impacted the lives of people in India as well as across the globe.



The agricultural activities were adversely impacted during the lockdown announced last year to curb the spread of COVID-19. There were challenges faced in terms of availability of seeds as well as movement of farm machinery and other agricultural activities got impacted by the COVID-19 induced lockdown. The national lockdown announced in March, 2020 coincided with the commencement of the harvesting season for the Rabi or winter crops creating further adversity for the sector. Migration of agricultural labour or workforce to their native places during the lockdown created a shortage of farm labour. Facing with adversities, India's agricultural system demonstrated its resilience. The Economic Survey (2020-21) stated that the agriculture and allied sectors were the sole bright spot amid the slide in performance of other sectors, clocking a growth rate of 3.4 percent at constant prices in 2020-21. Notwithstanding challenges posed by lockdown, there were mostly uninterrupted supply of agriculture commodities including rice, wheat, pulses, fruits, vegetables, milk and livestock products to the consumers.

In a bid to help country's vulnerable section of the population who were hugely impacted by COVID-19 induced lockdown, the Government also announced PM Garib Kalyan Anna Yojana (PMGKAY) in March, 2020, where all the 81 crore beneficiaries under National Food Security Act (NFSA) were allotted double their entitlements

of highly subsidised foodgrain free. This implies that 5 kg of foodgrains per head per month was provided free to 81 crore beneficiaries during April-November 2020 along with highly subsidised rice and wheat entitlements of equal volume under NFSA. Along with rice and wheat, the government also made provision for providing one kg of pulses to each family covered under NFSA during April-November 2020. The objective of this initiative was to help poor families in providing adequate foodgrains and pulses as COVID-19 pandemic disrupted economic activities.

For giving boost to agriculture and allied sector, the government had announced series of measures under AatmaNirbhar Bharat initiatives in May 2020 for rejuvenating various sectors of the economy. The agriculture sector got a boost through various measures on credit, market reforms and food processing. The focus was on creating requisite infrastructure for processing and cold chains in the agriculture and allied sectors including animal husbandry, dairying and fisheries as these sectors are witnessing steady growth over the last one decade.

The growth in GVA of agriculture and allied sectors has been fluctuating over time. However, during 2020-21, while the GVA for the entire economy contracted by 7.2 percent, the growth in GVA for agriculture maintained a positive growth of

Major announcements for Agriculture and Allied Sector under the AatmaNirbhar Bharat Abhiyaan

Measures	Objective
Rs. 1 lakh crores Agri Infrastructure Fund	Financing for funding agriculture infrastructure projects at farm-gate and at aggregation points and for financially viable post-harvest management infrastructure
Rs. 10,000 crores scheme for Formalisation of Micro Food Enterprises (MFE)	Supporting two lakh MFEs who need technical upgradation to attain FSSAI food standards, build brands and support marketing.
Rs. 20,000 crores for fisherman through Pradhan Mantri Matsya Sampada Yojana (PMMSY)	Focuses on integrated, sustainable and inclusive development of marine and inland fisheries by developing infrastructure such as fishing harbours, cold chain, markets, etc.
National Animal Disease Control Programme	It targets Foot and Mouth Disease (FMD) and Brucellosis by ensuring 100 percent vaccination of cattle, buffalo, sheep, goat and pig population.
Animal Husbandry Infrastructure Development Fund – Rs. 15,000 Crores	It is to support private investment in dairy processing, enable value addition and improved cattle feed infrastructure.
From 'TOP' to TOTAL	Operation Greens run by Ministry of Food Processing Industries to cover tomatoes, onion and potatoes to ALL fruit and vegetables.

MSP Operations Bring Financial Benefits to Farmers

The Finance Minister Nirmala Sitharaman began her budget (2021-22) speech by stating that the Minimum Support Price (MSP) regime has undergone a sea change to assure price that is at least 1.5 times the cost of production across all commodities. "The procurement has also continued to increase at a steady pace. This has resulted in increase in payment to farmers substantially," she said. The Finance Minister elaborated on financial benefits to farmers under the MSP operation especially during 2013-14 and 2020-21

- In case of wheat, the total amount paid to farmers in 2013-2014 was Rs. 33,874 crores. In 2019-2020 it was Rs. 62,802 crores. In 2020-2021, the amount, paid to farmers for procurement of wheat rose to Rs. 75,060 crores. The number of wheat growing farmers that were benefitted increased in 2020-21 to 43.36 lakhs as compared to 35.57 lakhs in 2019-20.
- For paddy procurement, the amount paid to farmers in 2013-14 was Rs. 63,928 crores. In 2019-2020, this amount rose to Rs. 1,41,930 crores. In 2020-2021, this is further estimated to rise to Rs. 172,752 crores. The number of farmers benefitted from MSP operations in paddy rose from 1.24 crores in 2019-20 to 1.54 crores in 2020-21.
- In case of pulses purchase, the amount paid to farmers in 2013-2014 was Rs. 236 crores. In 2019-20 it increased to Rs. 8,285 crores. In 2020-2021, it is estimated at Rs. 10,530 crores, a huge increase of more than 40 times from 2013-14.
- Similarly, the receipts to cotton farmers rose from Rs. 90 crores in 2013-14 to Rs. 25,974 crores as on 27th January 2021.

Table 1: Volume of procurement under MSP operations (in lakh tonne) 2013-14 – 2020-21

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Rice	318.45	320.40	342.18	381.06	381.85	443.99	519.87	401.55*
Wheat	250.92	280.23	280.88	229.62	308.25	357.95	341.33	389.93
Pulses	0.48	3.13	Nil	0.08	16.22	41.82	15.07	22.04**
Cotton***	0.40	86.95	8.44	0.04	3.90	10.70	105.14	90.17****

Source: Department of Food and Public Distribution, Nafed and Cotton Corporation of India *as on 31-1-2021, **22-07-2020, *** in lakh bales ****1st September,2020

Rationale

The rationale behind the Minimum Support Price (MSP) operations is to provide guaranteed price and assured market to the farmers and protect them from the price fluctuations and market imperfections. The guaranteed price and assured market meant to encourage higher investment and in adoption of modern farming practices.

The Commission for Agricultural Costs and Prices (CACP), a body under the Ministry of Agriculture and Farmers Welfare, is mandated to recommend minimum support prices (MSPs) to incentivize the cultivators to adopt modern technology, and raise productivity and overall grain production in response to rising demand pattern in the country. In a bid to meet such an objective, MSP for major agricultural products is announced by the government annually after taking into consideration the recommendation of CACP.

CACP recommends MSPs of 23 commodities, which comprise of seven cereals (paddy, wheat, maize, sorghum, pearl millet, barley and ragi), five pulses (gram, tur, moong, urad, lentil), seven oilseeds (groundnut, rapeseed-mustard, soyabean, sesamum, sunflower, safflower, niger seed), and four commercial crops (copra, sugarcane, cotton and raw jute). The commission submits its recommendation to the government in the form of annual Price Policy Reports published separately for five groups of commodities -- Kharif crops, Rabi crops, Sugarcane, Raw Jute and Copra.

Prior to the preparation of five pricing policy reports, the Commission prepares a comprehensive questionnaire, and sends it to all the state governments and concerned National organizations and Ministries for soliciting their comments and views. Subsequently, separate meetings are also held with farmers from various states, organizations such as Food Corporation of India (FCI), National Agricultural Cooperative Marketing Federation (NAFED), Cotton Corporation of India (CCI), Jute Corporation of India (JCI), trader's organizations and associated ministries. The officials from CACP also visit states for on-the-spot assessment of the various constraints that farmers face in marketing their produce, or even raising the productivity levels of their crops.

Based on all these inputs, the Commission then finalises its recommendations/reports, which are then submitted to the government. Subsequently, the government, circulates the CACP reports to state governments and concerned central Ministries for their comments. After receiving the feed-back from them, the Cabinet Committee on Economic Affairs (CCEA) takes a final decision on the level of MSPs and other recommendations made by CACP.

The key points CACP takes into accounts before recommending MSP for a commodity to the government include demand and supply, cost of production, price trends in the market, both domestic and international, inter-crop price parity, terms of trade between agriculture and non-agriculture; a minimum of 50 percent as the margin over cost of production; and likely implications of MSP on consumers.

Under the MSP operations, FCI procures mostly rice and wheat from the farmers for ensuring supplies of grain under the National Food Security Act (NFSA) and keeping a buffer stocks of grains. Nafed procures mostly oilseeds and pulses, while CCI procures cotton.

3.4 per cent. Notwithstanding COVID-19 challenges and the government initiatives to support the sector, the agriculture and allied sector also got a boost because of adequate rainfall received during South-Western monsoon months (June-September). Because of record procurement of foodgrains especially by FCI, there were adequate quantity of foodgrains made available under NFSA as well PMGKAY.

Under the broader theme of 'Inclusive Development for Aspirational India' Finance Minister Nirmala Sitharaman announced several measures under union budget (2021-22) which covered agriculture and allied sectors, farmers' welfare and rural India and other areas such as migrant workers and labour and financial inclusion.

For boosting agricultural and allied sector growth, Finance Minister Ms. Nirmala Sitharaman announced several key measures under the union budget (2021-22) proposals. Let's elaborate each of the points in terms of their impact over the agriculture and allied sector.

Boost to Agricultural Credit: To provide adequate credit to our farmers, the agricultural credit disbursement target has been increased to Rs. 16.5 lakh crores in 2021-22. "We will focus on ensuring increased credit flows to animal husbandry, dairy, and fisheries," Ms. Sitharaman said. This will provide much needed working capital requirements to large number of farmers who usually borrow for informal sources at higher rate of interest.

Infrastructure Development Fund: The allocation under the Rural Infrastructure Development Fund has been raised to Rs. 40,000 crore from Rs. 30,000 crores. Indian farmers for a long time have suffered due to the absence of infrastructure in their value-chains and this increased expenditure will not only help reduce wastages in the system but also help to increase the share of the farmer.

Enhancement in corpus of the Micro Irrigation Fund: The corpus of the fund of Rs. 5,000 crore created under NABARD in 2019-20, will be doubled by augmenting it by another Rs. 5,000 crore. The objective of the fund is to facilitate State Governments efforts in mobilising additional resources for expanding coverage under micro

irrigation and incentivising its adoption beyond provisions of Pradhan Mantri Krishi *Sinchayee* Yojana.

Boost to Value Addition and Exports through Expansion of Operation Green: To boost value addition in agriculture and allied products and their exports, the scope of 'Operation Green Scheme' which is currently applicable to tomatoes, onions, and potatoes, will be enlarged to include 22 perishable products in 2021-22.

Under AatmaNirbhar Bharat Abhiyaan, Operation Greens Scheme - TOP to TOTAL, there is a provision of 50 percent subsidy on transport and storage of notified fruits and vegetables if prices of such fruits or vegetables are below the trigger price. Now, the transportation subsidy would also be available under Kisan Rail Scheme under a very simplified way. Farmers can transport any notified fruits and vegetable crops through Kisan Rails. Railways would charge only 50 percent of freight charges on these fruits and vegetables. Remaining 50 percent of the freight charges will be provided as subsidy under Operation Greens Scheme by Ministry of Food Processing Industries to the Indian Railways. At present, Railways is operating three Kisan Rails - Devlali (Maharashtra) to Danapur/Muzaffarpur (Bihar), Anantapur (Andhra Pradesh) to Adarsh Nagar (Delhi) and, Yashwantpur (Karnataka) to Delhi. The fourth Kisan Rail from Nagpur (Maharashtra) to Delhi will commence soon.

Agriculture Infrastructure Fund for APMCS: The dedicated Rs 1,00,000 crore fund for improving farm-gate infrastructure would be made available to Agricultural Produce Market Committees (APMCs) for augmenting their infrastructure facilities. The fund initially announced in May, 2020 is provided to financially viable post-harvest management infrastructure agriculture infrastructure projects at farm-gate and aggregation points (Primary Agricultural Cooperative Societies, Farmers Producer Organisations, Agriculture entrepreneurs, Start-ups, etc.).

1000 more mandis to integrated to e-NAM: Currently, 1000 APMCs mandis are integrated to electronic-National Agriculture Market (e-NAM) where around 1.68 crores farmers are registered and Rs 1.14 lakh crores of trade value has been carried out. Finance Minister Nirmala Sitharaman said 'keeping in view the transparency and

competitiveness that e-NAM has brought into the agricultural market, 1,000 more mandis will be integrated with e-NAM'. According to the agriculture ministry official, e-NAM is digital platform which aims to benefit the last-mile farmer and transform the way they sell their agri-produce through transparent competitive bidding for arriving at a remunerative price for farmers.

The union budget (2021-22) made special provisions for the fisheries sector.

Development of Five Fishing Harbours:

The budget proposal also includes investment for the development of modern fishing harbours and fish landing centres – Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat. "We will also develop inland fishing harbours and fish-landing centres along the banks of rivers and water ways," Ms. Sitharaman said.

Promotion of Seaweed Farming:

Seaweed farming is an emerging sector with potential to transform the lives of coastal communities. The budget proposal includes setting up of a Multipurpose Seaweed Park in Tamil Nadu.

Cess and Duties on Agricultural products

The union budget (2021-22) proposals also include raising customs duty on cotton from nil to 10 percent and on raw silk and silk yarn from 10 percent to 15 percent which is expected to help farmers. "We are also withdrawing end-use based concession on denatured ethyl alcohol. Currently, rates are being uniformly calibrated to 15 percent on items like maize bran, rice bran oil cake, and animal feed additives," the Finance Minister Sitharaman said. For improving agricultural infrastructure, Agriculture Infrastructure and Development Cess (AIDC) on a small number of items was proposed.

SWAMITVA scheme extended across the country

In April 24, 2020, Prime Minister Shri Narendra Modi had launched Survey of Villages and Mapping with Improvised Technology in Village Areas (SWAMITVA) scheme where the demarcation of rural abadi areas would be done using drone surveying technology. This would provide the 'record of rights' to village household

owners possessing houses in inhabited rural areas in villages which, in turn, would enable them to use their property as a financial asset for taking loans and other financial benefits from Bank. Finance Minister Sitharaman said under this scheme, about 1.80 lakh property-owners in 1,241 villages have been provided cards. "I now propose during FY21-22 to extend this to cover all states & Union Territories," she said.

The key ministry wise and scheme wise allocation for the agriculture and associated sectors have been provided in the following two tables (Table 2 & 3)

Table 2: Key ministry-wise allocation for 2021-22 towards agriculture and associated sectors (Rs/crore)

Agriculture and Farmers Welfare	1,31,531
Rural Development	1,33,690
Consumer Affairs, Food and Public Distribution	2,56,948
Jal Shakti	69,053

Table 3: Key scheme-wise allocation for 2021-22 towards agriculture and associated sectors (Rs/ crore)

MGNREGS	73,000
PM Kisan	65,000
Pradhan Mantri Fasal Bima Yojana	16,000
Pradhan Mantri Krishi Sinchai Yojana	11,588

With such major thrust on infrastructure creation in agriculture and allied sector which had shown resilience to face challenges posed by COVID-19 pandemic, the agriculture sector is expected to witness a robust growth in the coming years. Agriculture and allied sector growth has linkage with overall economic development and with the focus on infrastructure development, the farmers' income is expected to rise while ensuring food security.

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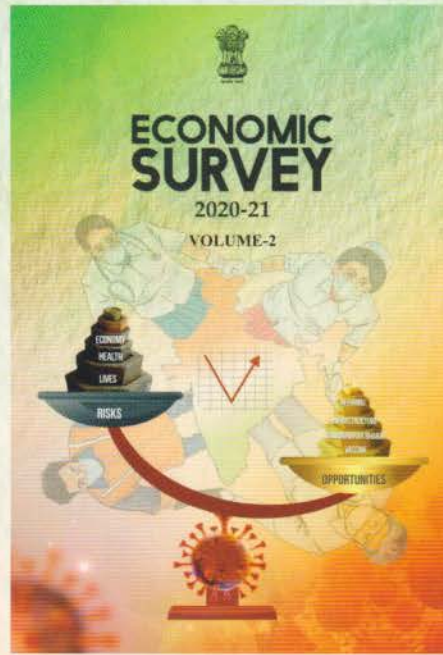
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Licensed U(DN) 52/2021-23 to post without pre-payment
At RMS, Delhi ISSN- 0021- 5660
Date of Publishing : 25th February 2021
Date of Dispatch : 27th, 28th February 2021



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