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Budget For Rural India 2020-21



The Prime Minister on Union Budget 2020-21

Prime Minister Shri Narendra Modi termed the Union Budget 2020 as a one based on vision and action oriented. In his remarks after the Union Budget was tabled in the Lok Sabha, the Prime Minister said, "The new reforms announced in the Budget not only give a boost to the economy but also aim at the economic empowerment of every citizen in the country." He said, "This budget also works towards further strengthening the economy in the new decade."

EMPLOYMENT GENERATION

Prime Minister said the Budget 2020 focuses on major employment generating sectors viz. Agriculture, Infrastructure, Textiles and Technology. He said, "The 16 Action Points will help in doubling the farmers' income along with increasing the employment generation in the Rural Sector." He added, "The Union Budget adopts an integrated approach for the Agriculture sector, where the focus apart from traditional means of cultivation is also on increasing the value addition in horticulture, fisheries and animal husbandry and this in turn would increase employment." He further said, "The efforts in blue economy would bring about more employment to the youth in fish processing and marketing".

HEALTH SECTOR

Prime Minister said, "The Ayushman Bharat programme has expanded the health sector in the country. This has expanded the scope for more human resources, whether of doctors, nurses or attendants, along with the need for manufacturing of medical devices in the country. And the Government has taken several decisions in this direction."

INFRASTRUCTURE

The Prime Minister said that a modern India needs modern infrastructure and the sector is a great employment generator. He added, "Over 100 lakh crore rupees is being invested in more than 6500 projects and this would create a massive employment generation potential. The National Logistics Policy would also aid in trade, industry and employment." He mentioned, "The announcement to develop 100 new airports would give a boost to tourism in the country and along with a huge potential for employment generation."

UNIFIED EXAMS FOR GOVERNMENT JOBS

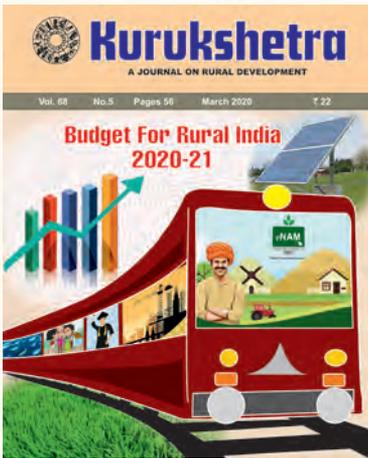
The Prime Minister said, "As of now the youth in the country have to take different exams for different government jobs. Bringing about a systemic change in this, the National Recruitment Agency will now hold one online common exam for recruitment to various jobs either for banks, railways or any other government job"

EASE OF DOING & EASE OF LIVING

Further, the Prime Minister said the Budget announced the linking of Anganwadis, Schools, Wellness Centres and Police Stations in over One Lakh Gram Panchayats through Broadband Internet. He said this would help in 'Ease of Doing & Ease of Living' and added, "This would connect several remote villages also through broadband."

The Prime Minister summed up the Union Budget 2020 as one that strengthens Income and Investment, Demand & Consumption; one that would bring in new inspiration into the Financial System & Credit Flow.

(Source: PIB)



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Editorial

On February 1, 2020, the nation woke up to the first budget of the decade that carried within it the promise of financial stability, socio-economic progress, inclusive development and a caring society. True to the sentiment of '*Sabka Saath, Sabka Vikas, Sabka Vishwas*', the Union Budget 2020–21 announced various new reforms that will help accelerate economic growth of all citizens of the country, empower the nation and create a better society. The Budget has focussed on rural development with the aim of doubling farmers' income through 16 Action Points that cover different aspects of rural life.

With two-third of country's population residing in the rural areas, agriculture provides maximum employment than any other sector. The Budget has proposed numerous reforms that aim to uplift the agricultural economy. The 16 Action Points announced in the Budget centre around agriculture, irrigation and rural development. The Action Points address the issue of augmenting farmers' income by reducing logistics cost through setting up warehouses and storages and establishing a seamless national cold supply chain. Moreover, the Action Points suggest balanced use of all kinds of fertilisers to discourage the prevailing use of chemical fertilisers. The government has also proposed development of a Blue Economy that will ensure efficient use of marine resources. The government aims to involve youth in fishery extension through 3477 Sagar Mitras and 500 Fish Farmer Producer Organisations as well as raise fishery exports to Rs. 1 lakh crore by 2024–25. In addition, the government has emphasised on eliminating livestock diseases that increase the burden of farmers and boost milk production and processing capacity. In order to extend the benefits of PM-KUSUM, the government has proposed to help farmers set up solar power generation capacity and sell it to the grid. Agriculture credit space has also been enhanced, with an allocation of Rs. 15 lakh crore, to achieve the goal of rural financial inclusion. This issue of Kurukshetra further expands on the 16 Action Points and explains their effects on rural economy and livelihood.

Furthermore, the Budget has also laid emphasis on other facets of rural life through several policies and provisions. Schemes based on rural women, education and skill development, health and sanitation, infrastructure, etc. have been discussed at length in the issue. There is an increasing thrust on improving the condition of rural women in the Budget. It has emphasised on empowering rural women through helping the Self-Help Groups regain their position as *Dhanya Lakshmi* as well as improving on schemes that encourage skill development, health and sanitation. In order to facilitate access to healthcare and sanitation for all, a Viability Gap funding window is being proposed for setting up hospitals in Tier-2 and Tier-3 cities. Jal Jeevan Mission and Swachh Bharat Mission have also been launched with renewed vigour; allocation of Rs. 3.60 lakh crore and Rs. 12,300 crore has been made, respectively, to support this vision.

Skill Development of India's youth is a priority for India as it has a favourable demographic dividend for which the government has emphasised on various reforms. Several ongoing government programmes for rural livelihood and employment have found special mention in the Union Budget 2020–21. A huge employment opportunity exists for India's youth in construction, operation and maintenance of infrastructure. The government has launched National Infrastructure Pipeline to provide impetus to infrastructure of the country that includes building of warehouses, storages, roads, highways and waterways, solar energy grids, affordable housing and other important structures required for improved functioning of rural economy. To achieve digital connectivity, Fibre to the Home (FTTH) connections through BharatNet are being established to link 100,000 gram panchayats this year.

Inclusive rural development is crucial for the progress of the nation. The shift of the focus of Budget 2020–21 on rural development is the beginning of a new journey towards transformation of the rural landscape into a flourishing economy.

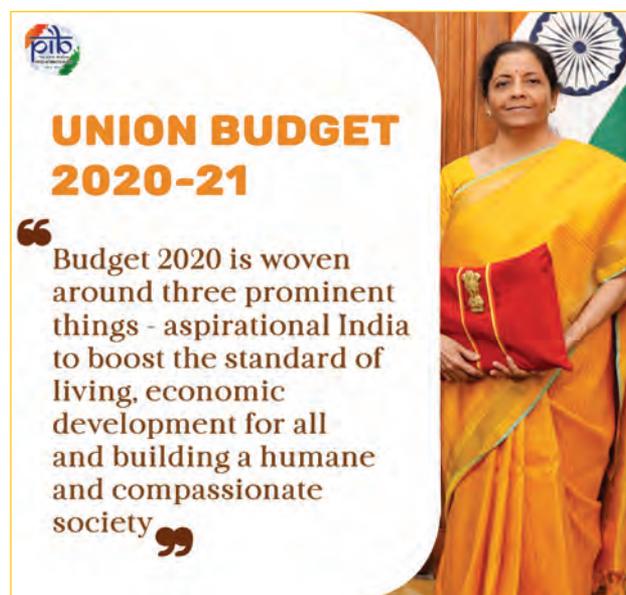
BUDGET FOR STRENGTHENING AGRICULTURE, FARMERS AND RURAL INDIA

Shri Narendra Singh Tomar

The foremost attention on the development of rural areas, growth of agriculture, and welfare of farmers given in the Budget is a clear indication that government is fully geared up to adopt concrete measures for bridging the disparity between rural and urban India in toto and they will be implemented at a fast pace in next five years.

The Union Budget for the year 2020–21 is the second budget of the second term of the Union Government under the leadership of the Prime Minister Shri Narendra Modi, in which a clear blueprint is presented for ensuring the overall growth of the agriculture sector, improving the economic condition of the farmers and all round development of rural India. Several long-term reforms have been announced in the Budget that aim to accelerate and strengthen the Indian economy through short, medium and long-term measures. The budget has three major components: aspirational India, economic development for all and an accountable society. Under the aspirational India component, emphasis has been laid on providing access to health and education to all sections of society and also generating ample employment opportunities so that the standard of living of all citizens of the country can be improved. Under the economic development for all, “*Sabka Saath, Sabka Vikas, Sabka Vishwas*” has been made the mainstay. The Budget seeks the ways to realise the vision of a clean and sound financial sector along with being corruption-free, policy-guided and conducted with good governance. Ease of living has been underlined in the budget in the form of three major subjects (1) agriculture, irrigation and rural development (2) wellness, water and sanitation and (3) education and skills.

Agricultural sector plays a significant role in boosting the economy of the country. It is because people get maximum employment only in agriculture and its ancillary industries. By improving the conditions of agriculture and farmers, not only the standard of living of 70 per cent of the population can be transformed, but the dream of ‘New India’ can also be realised. Both, village and farmer play a major role in the Indian economy and complement each other. No matter how high the agricultural yield is, if the infrastructure of rural and agricultural sector is not strong, the farmer cannot get the proper price



for his crop. It is the result of the vision of our Prime Minister Shri Narendra Modi that the Ministry of Agriculture, Rural Development and Panchayati Raj are brought under one umbrella so that concrete policies and strategies can be implemented keeping their inter-linkages at the core. It is a matter of great happiness and pleasant satisfaction that most of the budget proposals and announcements focus on rural development, agriculture and farmers’ welfare. A 16-point action plan has been introduced for agriculture, irrigation and rural development and for this, a provision of Rs. 2.83 lakh crores has been made in the Budget. For agriculture, irrigation and allied activities Rs. 1.60 lakh crore and for rural development and Panchayati Raj Rs. 1.23 lakh crore has been allocated. During the year 2020–21, institutional lending of Rs. 15 lakh crore to farmers has been targeted. This will ensure availability of more loans to farmers on low interest and easy terms for agricultural operations. As a result, with the increase in agricultural production, the income of the farmers will also increase. All the beneficiaries of PM-KISAN Yojana will be linked to Kisan Credit Card scheme and NABARD’s refinance plan will be

made more comprehensive. A comprehensive action plan will be prepared for 100 water-stressed districts in the country. Emphasis will be laid on measures to increase ground water levels, water conservation and water harvesting in these districts.

INCLUSIVE GROWTH

- Governance guided by “Sabka Saath, Sabka Vikas, Sabka Vishwas” with focus on:
 - Preventive Healthcare: Provision of sanitation and water
 - Healthcare: Ayushman Bharat
 - Clean energy: Ujjawala and Solar Power
 - Financial Inclusion, Credit support and Pension
 - Affordable Housing
 - Digital penetration

To transform *Annadata* (food provider) to *Urjadata* (energy provider), the Finance Minister has proposed to make “PM Kusum Yojana” comprehensive. Under this, solar units will be installed in the fields and connected to the power grid so that these farmers can also earn profit by producing electricity. This plan envisions production of 25750 MW solar power by the year 2022. Under PM Kusum Scheme 20 lakh farmers will be assisted in installing solar power pumps. In addition, financial assistance will be provided to 15 lakh farmers to operate grid connected pump sets with solar power. Assistance will be provided to farmers to set up solar power plants on their fallow or barren land. It is clear from all these measures that the present government is fully committed to giving India the shape of an economy of 5 trillion dollars by 2024–25 and doubling the income of farmers by 2022. To achieve this, instead of making a direct announcement in the Budget, a strategy has been adopted to strengthen the relevant sectors. The Budget provision for agriculture and rural areas is the highest ever. The action plans announced by the government in the Budget in relation to agriculture, rural development and infrastructure development can be termed as concrete steps in the right direction for the prosperity of the village, the poor and the farmer.

The government has announced introduction of Kisan Rail Service through Public and Private Partnership (PPP) for transportation of farm produce. Air conditioned farmer goods trains will be run for transportation. Refrigerated coaches will be attached in express and goods trains. Apart from this, mail and express trains will also be run for long distance transportation of perishable items such as fruits, vegetables, dairy products, eggs, meat, fish, etc.

For this, it is proposed to create a seamless

national cold supply chain. Krishi Udaan Yojana will also be launched. The service will be operated on both national and international air routes. This will enable agricultural produce from the North Eastern Region and tribal areas to reach the market in a short time. As a result, farmers of these areas will get better prices for agricultural products. Krishi Udaan will also make it possible to sell agricultural products abroad. With this arrangement, farmers will get a wider market for selling delicate and perishable food items at a better price and they will not be forced to sell them in hurry at low price.

In the Budget, under the blue economy, the target for export of fish by the year 2024–25 is kept at Rs. 1 lakh crore. The target of increasing fish production to 200 lakh tonnes by the year 2022–23 will be emphasized. To promote fisheries sector, youth will be involved in it by 3477 *Sagar Mitras* and 500 fish farmer producers’ organisations. To make the fisheries sector more widespread, the cultivation of algae and sea weeds and cage culture would be promoted. The government will also build a framework for the development, management and conservation of marine fishery resources. The Budget also hints at giving the status of farmer to fishermen. This will make fishermen entitled to government benefits being given to the agriculture sector. This will not only make the livelihood of the fishermen lucrative and improve their economic condition, but will also develop the fisheries sector rapidly apart from strengthening its foundation.

In order to improve the marketing and export system in the horticulture sector, “One Product One District” scheme has been chosen in the Budget. The scheme is already being implemented by Uttar Pradesh Government and has yielded very good results. The Finance Minister has announced that it will be implemented in the horticulture sector across the country. Emphasis has been laid in the Budget on promoting use of conventional organic fertilisers in order to curtail the excessive use of chemical fertilisers. A policy to promote organic, natural and integrated farming will be adopted. “Organic farming portal” will be launched to strengthen online national market of organic products. The government has tried to achieve several goals simultaneously by emphasizing the strategy of promoting organic products in the Budget. With this, farmers will get more benefits at a lower cost due to increasing global demand for organic products. Besides, the

use of chemical fertilisers and pesticides will also be curbed. This measure will not only conserve the fertility of the land, but will also reduce the burden of subsidy on the government. It can be observed with the fact that the subsidy on fertilisers is estimated to be around Rs. 80 thousand crores during 2019–20.

The proposal to strengthen natural farming and to expand integrated farming system in rainfed areas for irrigation has also been made in the New Year Budget. This will enable farmers to get more production at a lower cost. The Budget has given full attention to the self-reliance of women in rural areas and as a result “Dhaanya Laxmi Yojana” has been announced. Under this scheme, women will be specially linked to seed-related programmes. Women farmers will be given training in quality-checking of seeds and scientific farming. Loans and financial assistance will be given to Self-Help Groups (SHGs) of these women to involve them on a large scale in various storage schemes. The Budget announces promotion of multi-level crop cultivation, bee-keeping, solar pumps and solar energy generation during non-cropping season.

The government has also decided to build a warehouse in every village for safe storage of farmers’ grains. These warehouses will be constructed through PPP. Farmers will be linked to storage systems operated by SHGs with the aim of reducing logistic costs on products. NABARD will undertake the exercise to map the facilities like store houses, cold storages and reefer vans and geo-tag them. The Warehouse Development and Regulatory Authority will make rules and regulations for the establishment of warehouse. The difference of capital for building well-organised warehouses at the block and taluk levels will be suitably provided. Food Corporation of India and Central Warehousing Corporation will also build such store houses on their land. Funding carried out on negotiable warehousing receipt will be integrated with e-NAM. The state governments implementing Model Acts like Agricultural Produce Market Act and Contract Farming will be given incentives.

- **Fish Production target of 200 lakh tonnes by 2022-23.**
- **Another 45000 acres of aqua culture to be supported.**
- **Fishery extention through 3477 Sagar Mitras and 500 fish FPOs.**
- **Raise fishery exports to ₹1 lakh crore by 2024-25.**

The agricultural sector is blessed with a strong link in the form of livestock. Livestock has recorded 8 per cent increase during the last five years. Its role is important in income, employment and nutrition. Currently, India is the largest milk-producing country in the world. The government has set a target of doubling milk production by the year 2025, keeping in view the immense potential of growth and development in the dairy sector. Milk processing capacity will be raised to 108 million metric tonnes from the current 53.5 million metric tonnes. The coverage of artificial insemination will be raised from present 30 per cent to 70 per cent. Convergence of MGNREGS will be done for development of pastures. A special action plan will be prepared to eradicate Foot and Mouth Disease (FMD) of cattle and Peste de Petits Ruminants (PPR), also known as Ovine Rinderpest (which affects sheep and goats) completely by the year 2025. For the eradication of poverty, the Budget has emphasized on promoting SHGs under Deen Dayal Antyodaya Yojana. About 6.57 crore households have been linked with more than 59 lakh self-help groups. There is a target to raise the number of such households to 9 crore in near future.

The government has announced expenditure of Rs. 103 lakh crore over the next five years in infrastructure related to the development of roads, electricity, water, rail, airports and metro. This should be seen as a great measure to increase employment opportunities. Under the National Infrastructure Pipeline (NIP) scheme for infrastructure development and job creation, 6500 projects have been identified. Under the UDAN scheme, 100 new airports will be developed by the year 2024. Several small and mega cities will be connected through airlines which would result in rapid development of tourism in these areas. Currently, there are only 600 airplanes in the country. There is a plan to increase this number to 1200. Before 2024, 6000 kms of highways will be laid and 9000 kms of economic corridor will be built. Roads covering 2000 kms will be built in coastal areas. Construction of 2000 kms of roads in strategic areas including North-east will be undertaken. It has also been promised to complete the work of Delhi–Mumbai Expressway by the year 2023 and start work of Chennai–Bengaluru Expressway soon. National Infrastructure Pipeline related projects will infuse new energy in rural areas of the country and large number of people will get employment.

In fact, the Union Budget for the year 2020–21 is primarily focussed on increasing prosperity and well being of villages and farmers. Most of the budget allocated for this will be spent on creation of assets. About MGNREGS, I would like to mention that it is a demand-based scheme and funds in this are allocated on the basis of the demand. In the current financial year, there was a provision of Rs. 61815 crore under this scheme which was raised to Rs. 71200 crore following the increase in demand. This was done with the aim of providing employment to the youth in their villages so that they are not forced to migrate to big cities for earning livelihood. Provision of Rs. 61500 crore has been made for MGNREGS in the budget of 2020–21. In spite of this, more funds will be made available according to the demand, if required, under the revised estimate.

The government will soon come up with a policy to create Data Centre Parks across the country through the private sector. A provision of Rs. 6000 crore has been made in the Budget for “BharatNet Project” during the year 2020–21. This year, under the BharatNet, one lakh gram panchayats will be connected to Fiber-to-the-Home (FTTH). Positive announcements have also been made to deal with the hazards of climate change and clean environment and air. The budget provision of Rs. 4400 crores for clean air programme is an important announcement of the government. In the last budget, amount of Rs. 460 crore was allocated under this head. In this way, the increase is about 10 times for this programme in the new Budget.

The government has simplified the tax structure with various measures with the aim to speed up development and enhancing people’s confidence towards the tax system. The Budget has provided major relief to middle-class taxpayers under the new personal income tax regime. Income tax payers are given the option to adopt new or old system whichever is more beneficial to them. To go ahead in the direction of liberalisation and reforms, the budget proposes to disinvest a part of its holding in Life Insurance Corporation of India by way of making an Initial Public Offer (IPO) and sell its remaining holding in IDBI to investors. This first full Budget of the new-year gives a clear glimpse of the development scenario in the forthcoming five years. In fact, some actions fructify in the long run while the results of some actions are visible instantly. The notion of the Government is to focus on undertaking important tasks of long duration

and meeting immediate needs rather than aspiring for results.

There was a time when the main thrust of the country’s agricultural policy was based on increasing the yield, but today we are self-reliant in foodgrains. Now, we talk about doubling the income of the farmer, raising his standard of living and providing him with urban facilities. For this, apart from the traditional produce, our focus is on improving the crop of the farmer, laying emphasis on horticulture, cultivation of fruits, flowers and vegetables, using drip technology for irrigation, easier access to seeds and fertilizers, minimum use of chemical fertilisers, development of agricultural equipments keeping in view the needs of small holdings and organic farming. The New Year’s Budget proves that in order to take the country forward, the government is constantly on fast track while giving top priority to all areas and aspects related to the development of villages along with the progress of the agricultural sector which is considered to be the backbone of the economy.

In fact, the Finance Minister, through the Budget, has tried to imbibe the statement of the Father of the Nation, Mahatma Gandhi that: “The soul of India lives in the villages, so India’s first goal should be the empowerment of the person in the last mile (*Antyodaya*).” The word *Antyodaya* was coined by Pt. Deendayal Upadhyaya, which means that the government’s top priority should be to take measures to uplift the marginalised and poverty stricken people and communities. The foremost attention on the development of rural areas, growth of agriculture, and welfare of farmers given in the Budget is a clear indication that government is fully geared up to adopt concrete measures for bridging the disparity between rural and urban India in toto and they will be implemented at a fast pace in next five years. Measures to increase the income of the lower strata and making available basic resources will definitely help in meeting the goal of inclusive development. Commitment to doubling farmers’ income, providing electricity and tap water to every household in the village, providing the facility of Ujjwala gas stove to women and building pucca houses and toilets for the villagers are undoubtedly the measures to empower the downtrodden and this is not the end of the journey.

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BUDGET 2020–21: CHANGING THE LANDSCAPE OF RURAL ECONOMY

Dr. Amiya Kumar Mohapatra

The Budget provides a 'Big Bang' for agriculture and rural development and presents a development agenda focusing on farming, irrigation, agricultural credit, better storage and marketing. The announcement of an increase in expenditure on agricultural and rural development in the budget proposal signifies their sectoral importance in our economy. Self-sufficiency in food grain production and assurance of food security for masses very much elucidate the significance of agricultural sector. The shift of focus of the Budget 2020–21 towards rural development and farmers' welfare is no doubt a welcome step.

Inclusive development is multifaceted and can be achieved through growth with equity—social, economic and political. There is no automatic mechanism to achieve inclusive growth rather it can be attained through suitable policy formulation, proactive intervention, effective policy implementation and people's participation in the governance process. Democracy would lose its significance if the benefits of growth do not reach to the unreached. Economics of well being of a nation rest on 'Gramin Artha Vyavastha' (Rural Economy) which is directly related to poverty, inequality and unemployment. In consideration with inclusiveness, special focus is given on rural development in the current Budget 2020–21 to augment better life and sustained livelihood in rural India. The main objectives of the budget are to reduce poverty and inequality, to curtail unemployment through job creation, to maintain price stability and foster

HAR KHET KO PANI

#JanJanKaBudget

- PM KUSUM launched to cover 20 lakh farmers for standalone solar pumps and further 15 Lakh for grid connected pumps
- Comprehensive measures for one hundred water stressed districts
- Scheme to enable farmers to set up solar power generation capacity on their fallow/barren lands and to sell it to the grid

“

The new economy is based on innovations that disrupt established business models. Artificial intelligence, Internet-of-Things (IoT), 3D printing, drones, DNA data storage, quantum computing, etc., are re-writing the world economic order. India has already embraced new paradigms such as the sharing economy with aggregator platforms displacing conventional businesses. Government has harnessed new technologies to enable direct benefit transfers and financial inclusion on a scale never imagined before.

Source: Union Budget 2020

”

faster economic development by addressing all the needs of various segments of the society. The rate of economic growth and pace of inclusive development of India very much depends upon the intended outcome of the Budget. Besides, its effects and impact is evaluated in terms of overall development in general and well being of rural economy in particular.

Overview of Agriculture

The well being of rural India very much rests on agriculture and its development. Contribution of agriculture to rural employment and rural livelihood itself signifies its importance in the development agenda. Agriculture remains the predominant occupation in India for about 70 per cent of its rural households still depend primarily on

“

Aiming to provide piped water supply to all households, Prime Minister announced from the Red Fort the Jal Jeevan Mission. Our government has approved Rs. 3.60 lakh crore for this Mission. This scheme also places emphasis on augmenting local water sources, recharging existing sources and will promote water harvesting and de-salination. Cities with over a million population will be encouraged to meeting this objective during the current year itself. During the year 2020–21 the scheme would be provided budget of Rs. 11,500 crore.

Source: Union Budget 2020

”

agriculture for their livelihood, with 82 per cent of farmers being small and marginal. So, agricultural development is imperative for rural development through which inclusive development would be possible. The share of agriculture and allied sectors in the Gross Value Added (GVA) of the country at current prices has declined from 18.2 per cent in 2014–15 to 16.5 per cent in 2019–20, on account of relatively higher growth performance of non-agricultural sectors. This has happened due to

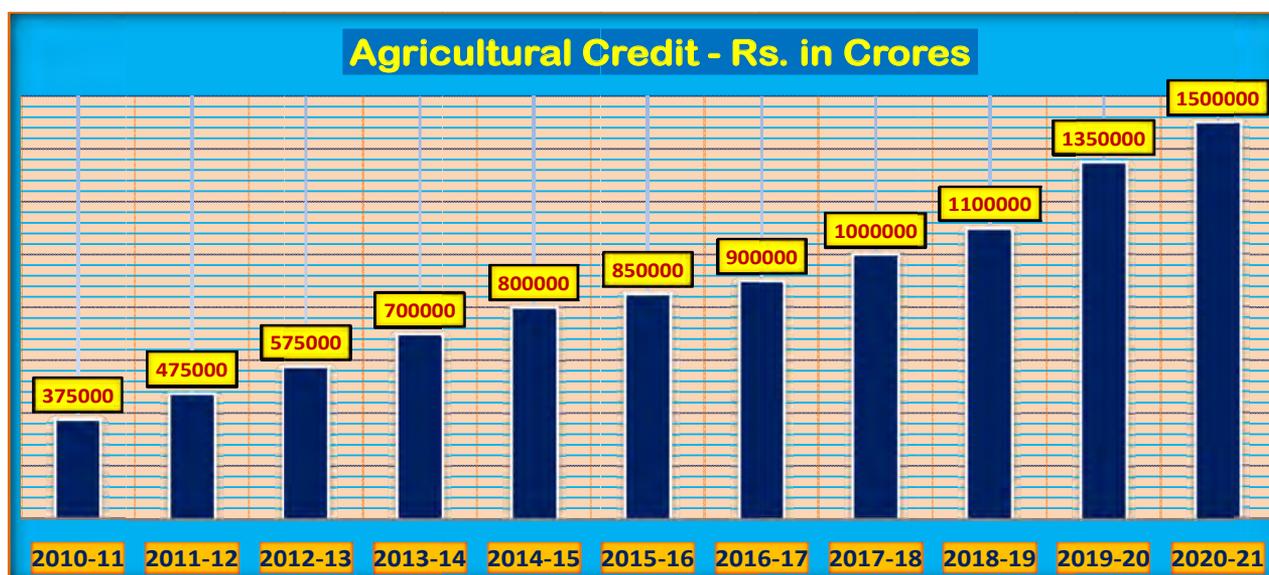
faster growth of non-agricultural sectors owing to structural changes.

Budget Provisioning for Agriculture

The government is committed to the goal of doubling the farmers' income by 2022. To achieve this, the government has crafted and pinpointed 16 Action Points to boost agriculture by means of 'energy sovereignty' through KUSUM and 'input sovereignty' through Paramparagat Krishi Vikas Yojana. To strengthen agriculture, irrigation and rural development, a sum of Rs. 2.83 lakh crore has been made available for the year 2020–21. Rs. 1.60 lakh crore is allocated to Agriculture, Irrigation and Allied Activities & the remaining Rs. 1.23 lakh crore allocated to Rural Development and Panchayati Raj. Prosperity of farmers can be ensured by making farming more competitive. For this, farm markets need to be liberalised. Distortions in farm and livestock market need to be removed. It is proposed to process the provision of any kind of annual supplement of the income to the farmer directly through PM-KISAN. Schemes of financial inclusion have been designed to help raise the farm incomes. Integrated farming systems in rainfed areas shall be expanded. Multi-tier cropping, bee-keeping, solar pumps, solar energy production in non-cropping season will be added to boost farmers' income.



Figure 1: Agricultural Credit across financial years



Source: Author's Compilation from Budget Documents, GoI

Budget Provisioning for Irrigation

Agricultural growth depends upon various factors. Irrigation is one of the most critical factors that foster agricultural growth by reducing uncertainties. Hence, provision of irrigation facilities is indispensable to enhance agricultural productivity and to ensure better standards of living. Better irrigation facilities will help in meeting the rising food demand created by growing population and in meeting the industry requirements for raw materials. Water stress related issues are now a serious concern across the country. The government is proposing comprehensive measures for the 100 water-stressed districts in this Budget. In the previous budget speech of July 2019, Finance Minister had stated that “Annadata” can be “Urjadata” too. The PM-KUSUM scheme removed farmer’s dependence on the diesel and kerosene and linked pump sets to solar energy. Now the government proposes to expand the scheme to provide 20 lakh farmers for setting up standalone solar pumps. In addition, a scheme to enable farmers to set up solar power generation capacity on their fallow/barren lands and to sell it to the grid would be operationalised. Over the years, expansion of micro-irrigation through Krishi Sinchai Yojana have raised the agricultural productivity and farmers’ income.

Agricultural Credit

Agricultural development is imperative for rural development. Agricultural growth depends

upon various factors and among them credit is one of the most essential. Hence to support and empower the farmers, availability and access to easy credit is indispensable so as to enhance agriculture production. It will also help in meeting the rising food demand for our growing population and in meeting the industry requirements for raw materials. To support and to give credit space to the farmers, the provision of agricultural credit in the union budget is on a continuous rise over the periods of time. The provision of agricultural credit has increased to Rs. 15 lakh crore (2020–21), considering the significance of agriculture in contributing to rural employment, farmers’ well being and special support to farmers in doubling their income. Non-Banking Finance Companies (NBFCs) and cooperatives are active in the agriculture credit space. The NABARD re-finance scheme will be further expanded. All eligible beneficiaries of PM-KISAN will be covered under the KCC scheme. The growing agricultural credit reflects the endeavour of the present government to uplift the rural economy.

Storage and Marketing

India has an estimated capacity of 162 million MT of agri-warehousing, cold storage, reefer van facilities, etc. In addition, the Budget proposed to create warehousing in line with Warehouse Development and Regulatory Authority (WDRA) norms. Government will provide Viability Gap Funding for setting up efficient warehouses at the

block/taluk level. This can be achieved where states can facilitate with land and are on a PPP mode. Food Corporation of India (FCI) and Central Warehousing Corporation (CWC) shall undertake such warehouse building on their land too. As a backward linkage, a village storage scheme is proposed to be run by the SHGs. This will provide farmers a good holding capacity and reduce their logistics cost. To build a seamless national cold supply chain for perishables, inclusive of milk, meat and fish, the Indian Railways will set up a “Kisan Rail” through PPP arrangements. There shall be refrigerated coaches in Express and Freight trains as well. “Krishi Udaan” will be launched by the Ministry of Civil Aviation on international and national routes. This will immensely help improve value realisation, especially in North-East and tribal districts. Horticulture sector with its current produce of 311 million MT exceeds production of food grains. For better marketing and export, the Budget proposed to support states those are focusing on “one product, one district”. The portal on “*jaivik kheti*,” an online national organic products market, will also be strengthened.

Digital Rural Connectivity

The new economy is based on innovations that disrupt established business models. Artificial Intelligence, Internet of Things (IoT), 3D printing, drones, etc., are re-writing the world economic order. India has already embraced new paradigms such as the sharing economy with aggregator platforms and harnessing new technologies to enable direct benefit transfers and financial inclusion on a scale never imagined before. Further it was proposed that all “public institutions” at gram panchayat level such as Anganwadis, Health and Wellness Centres, government schools, PDS outlets, post offices and police stations will be provided with digital connectivity. So, Fibre to the Home (FTTH) connections through BharatNet will link 100,000 gram panchayats this year. A sum of Rs. 6000 crore is budgeted for BharatNet programme in 2020–21. Further, using machine learning and AI in the Ayushman Bharat scheme by the health authorities and the medical fraternity can target diseases with an appropriately designed preventive regime.

Initiatives for Inclusiveness

Government has set the holistic vision of healthcare that translates into wellness of



SWACHH BHARAT MISSION

#JanJanKaBudget

- Government committed to ODF Plus in order to sustain ODF behaviour
- Focus on Solid waste collection, source segregation, and processing
- ₹12,300 cr for Swachh Bharat Mission in 2020-21
- Financial support for wider acceptance of technologies to ensure no manual cleaning of sewer systems or septic tanks

the citizen. Mission Indradhanush has been expanded to cover 12 such diseases, including five new vaccines. A very focused safe water (Jal Jeevan Mission) and comprehensive sanitation programmes (Swachh Bharat Mission) have been launched to support the health vision. These would reduce the disease burden on the poor. Presently, under PM Jan Arogya Yojana (PMJAY), there are more than 20,000 empanelled hospitals and now there is need to expand them in Tier-2 and Tier-3 cities to cover poorer people. Proposal is made to expand Jan Aushadhi Kendra Scheme to all districts, offering 2000 medicines and 300 surgicals by 2024. Health sector got a budget allocation of Rs. 69,000 crore that is inclusive of Rs. 6400 crore for PMJAY. Aiming to provide piped water supply to all households, Prime Minister announced from the Red Fort the Jal Jeevan Mission. Our government has approved Rs. 3.60 lakh crore for this Mission. This scheme also places emphasis on augmenting local water sources, recharging existing sources and promoting water harvesting and de-salination. Cities with over a million population will be encouraged to meeting this objective during the current year itself. Under Deen Dayal Antyodaya Yojana for alleviation of poverty, 58 lakh SHGs have been mobilised and will work further to expand on SHGs. Similarly, Swachh Baharat Mission has significantly improved health

outcomes by covering more than 99 per cent of rural area in the last 5 years as best symbol of inclusive development. Total allocation for Swachh Bharat Mission is about Rs. 12,300 crore in 2020–21. Government also focused on last-mile delivery of basic services to the poor, on basic safety-nets, and on creating pathways for the benefits of growth to reach the bottom of the socio-economic ladder.

Major Scheme-based Allocations (Rs. in Crore)

S. No.	Name of the Scheme	BE 2019-20	BE 2020-21
1	National Social Assistance Programme	9,200	9,197
2	Mahatma Gandhi National Rural Employment Guarantee Programme	60,000	61,500
3	Umbrella Scheme for Development of Schedule Castes	5,445	6,242
4	Umbrella Programme for Development of Scheduled Tribes	3,810	4,191
5	Umbrella Programme for Development of Minorities	1,590	1,820
6	Umbrella Programme for Development of Other Vulnerable Groups	1,818	2,210
7	Pradhan Mantri Gram Sadak Yojana	19,000	19,500
8	Pradhan Mantri Awas Yojana (PMAY)	25,853	27,500
9	Jal Jeevan Mission (JJM)	10,001	11,500
10	Swachh Bharat Mission	12,644	12,294
11	National Health Mission	33,651	34,115
12	National Education Mission-Samagra Shiksha	38,547	39,161
13	PMJAY-Ayushman Bharat	6,556	6,429
14	Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)	75,000	75,000
15	Deen Dayal Antyodaya Yojana- National Livelihood Mission - Ajeevika	9,774	10,005
16	Pardhan Mantri Swasthya Suraksha Yojana	4,000	6,020
17	Umbrella Integrated Child Development Scheme	27,584	28,557

Source: Author's Compilation from Budget Documents, Gol

Concluding Note

Overall the Budget provides a 'Big Bang' for agriculture and rural development and presents a development agenda focusing on farming, irrigation, agricultural credit, better storage and marketing. The announcement of an increase in expenditure on agricultural and rural development in the budget proposal signifies their sectoral importance in our economy. Self-sufficiency in food grain production and assurance of food security for masses very much elucidate the significance of agricultural sector. That is why budget provisioning for agriculture and related activities has got the top priorities in the Budget. Increase in agricultural productivity and realisation of reasonable prices for agricultural production is essential for doubling the farmers' income by 2022. Now days, agriculture sector is facing formidable challenges and a large number of farmers want to quit agriculture due to failure of crops, high labour costs, etc. The shift of focus of the Budget 2020–21 towards rural development and farmers' welfare is no doubt a welcome step. However, we look forward to have positive outcome of the Budget through good governance, timely execution, close monitoring, with apt follow up of the various schemes destined for agricultural and rural development in India.

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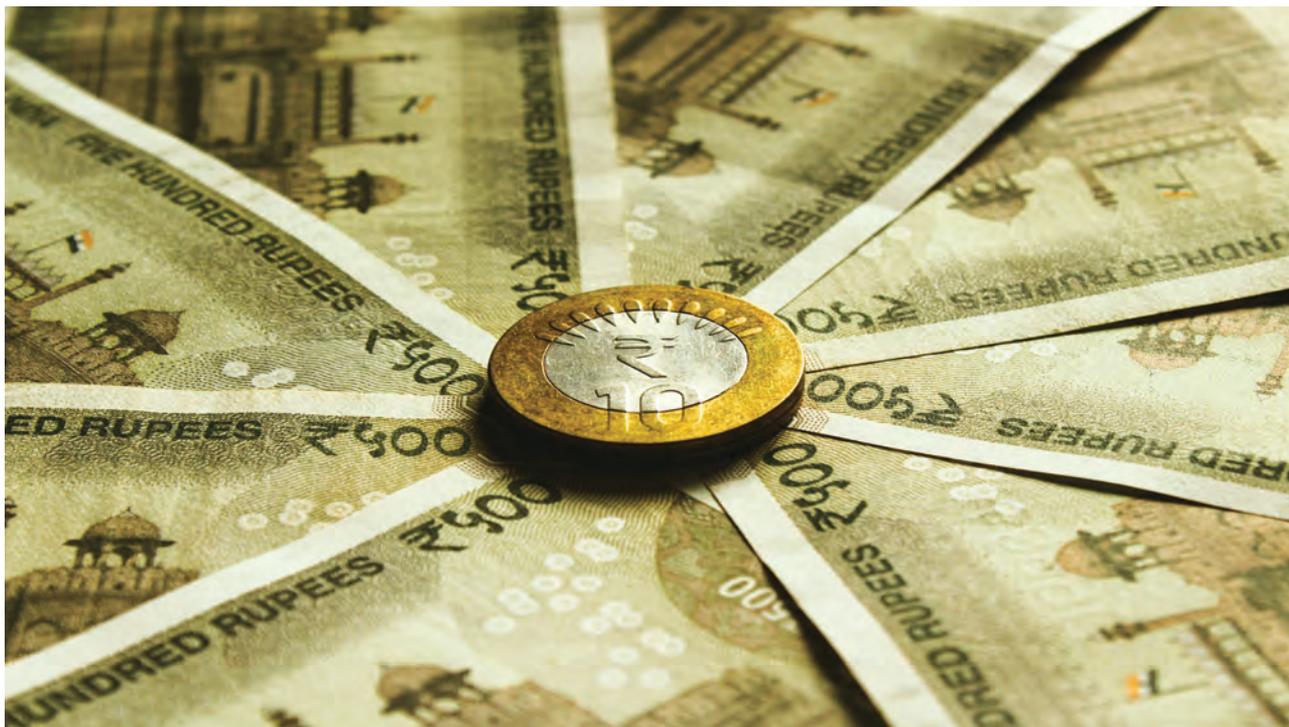
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ACCELERATING FINANCIAL INCLUSION IN RURAL INDIA

Manjula Wadhwa

Financial inclusion may be defined as the process of ensuring access to financial services and timely and adequate credit needed by vulnerable groups such as weaker sections and low income groups at an affordable cost. Virtually, it broadens the resource base of the financial system by developing a culture of savings among a large segment of rural population and plays a highly significant role in the process of balanced economic development.



Seven of the United Nations Sustainable Development Goals (SDG) of 2030 view financial inclusion as a key enabler for achieving sustainable development worldwide. Reserve Bank of India (RBI) under the aegis of Financial Inclusion Advisory Committee (FIAC) initiated the process of formulation of National Strategy for Financial Inclusion (NSFI) for the period 2019–2024. Wide-ranging discussions were held with all stakeholders. Based on the feedback received, NSFI has been finalised and approved by the Financial Stability Development Council (FSDC). The strategy formally released by Deputy Governor, RBI on January 10, 2020, envisages providing universal access to financial services and a bouquet of basic financial facilities as its starting point. The report has called for increasing outreach of banking outlets of scheduled commercial banks, payment banks, among others to provide banking access to every village within

a 5 km radius of 500 households in hilly areas by March 2020. The banking regulator has clearly said in the NSFI report that along with traditional banking outlets, payments banks, small finance banks, co-operative banks, Regional Rural Banks and other non-bank entities such as fertiliser shops, fair price shops, should also strive to achieve 100 per cent financial inclusion while promoting efficiency and transparency through digital transactions. Over the next few years, it is envisioned that ubiquitous physical and digital connectivity coupled with full financial inclusion is possible owing to the focused efforts being undertaken by the respective stakeholders.

So, to begin, let us discuss the concept of Financial Inclusion (FI) and what it entails. Financial inclusion may be defined as the process of ensuring access to financial services and timely

The new economy is based on innovations that disrupt established business models. Artificial intelligence, Internet-of-Things (IoT), 3D printing, drones, DNA data storage, quantum computing, etc., are re-writing the world economic order. India has already embraced new paradigms such as the sharing economy with aggregator platforms displacing conventional businesses. Government has harnessed new technologies to enable direct benefit transfers and financial inclusion on a scale never imagined before.

Source: Union Budget 2020

and adequate credit needed by vulnerable groups such as weaker sections and low income groups at an affordable cost. These include bank accounts for savings and transactional purposes, low cost credit for productive, personal and other purposes, financial advisory services, insurance, overdraft and pension facilities, etc.

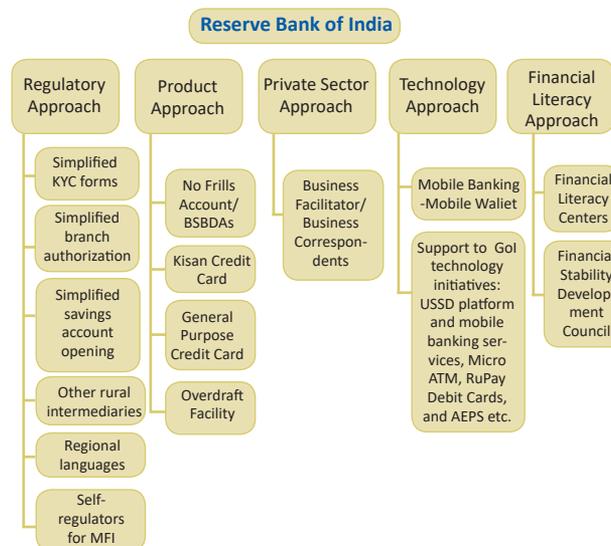
It is highly important here to emphasize upon the need of financial inclusion. Virtually, it broadens the resource base of the financial system by developing a culture of savings among a large segment of rural population and plays a highly significant role in the process of balanced economic development. Further, by bringing low income groups within the perimeter of formal banking, financial inclusion protects their financial wealth in exigent circumstances. It also mitigates their exploitation by usurious money lenders by facilitating easy access to formal credit. In actuality, financial inclusion gives them the chance to change their economic circumstances and lead better lives.

It would be pertinent here to gauge the extent of financial exclusion in India from different perspectives. As per the Census 2011, only 58.7 per cent of households are availing banking services in the country. NSSO 70th Round Survey shows that institutional and non-institutional sources of credit have almost identical shares i.e. 49 per cent and 51 per cent respectively. In the former category, more than one-third of loans come from cooperative societies in states like Maharashtra, Gujarat, Kerala, Punjab, etc. In southern states, commercial banks and Regional Rural Banks have played a major role in providing credit to farmers.

However, small and marginal farmers, in particular, still depend quite substantially on moneylenders.

Let us trace the journey of financial inclusion in India so far. While inclusive banking began, in spirit, with the nationalisation of banks in 1969 and 1980, the real thrust on financial inclusion came in 2005 when the Reserve Bank of India highlighted its significance in its annual policy statement of 2005–06. It urged banks to work towards reaching out to the masses, offering banking services down to the hinterland. Financial inclusion as a policy initiative entered the banking lexicon only after the recommendations of the Rangarajan Committee in 2008 with RBI advising all public and private banks to submit a board-approved, three-year Financial Inclusion Plan (FIP) starting from April 2010, broadly including self-set targets in terms of rural branches, coverage of unbanked villages with population above 2,000 and those with population below 2,000; deployment of Business Correspondents and Facilitators; use of electronic/kiosk modes for provision of financial services; opening of no-frills accounts; etc. For dispensation of credit, Kisan Credit Cards, General Credit Cards, etc., designed to cater to the financially excluded segments, were introduced. Further, banks were advised to integrate FIPs with their business plans and to include the criteria on FI as a parameter in the performance evaluation metrics of their staff. Different approaches adopted by RBI towards achieving financial inclusion are as under shown in Fig. 1.

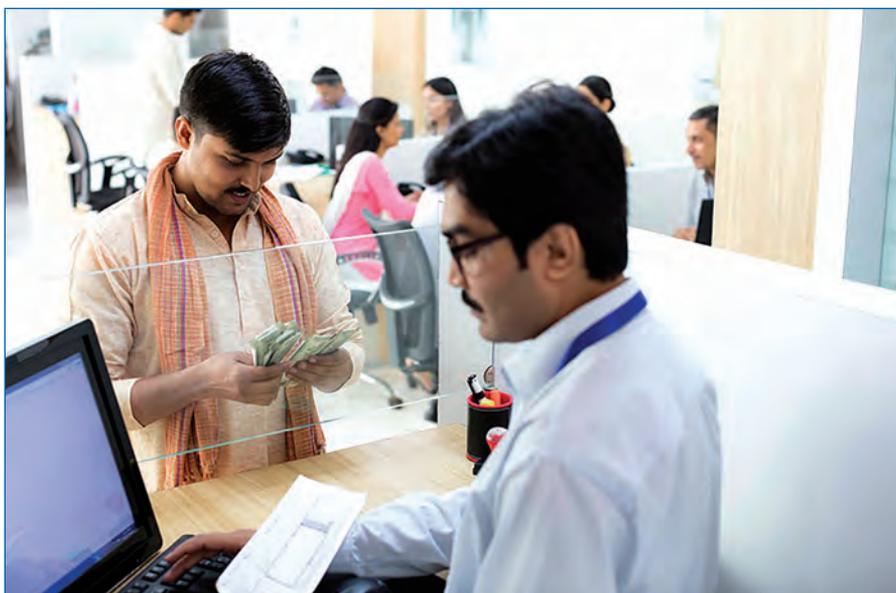
Fig.1 Approaches adopted by RBI for encouraging financial inclusion



Source: rbi.in

RuPay, an Indian domestic debit card introduced in 2012 by National Payments Corporation of India, proved to be a game-changer in creating better digital infrastructure and enabling faster penetration of debit card culture. SHG-Bank Linkage Programme launched by NABARD way back in 1992, as an alternative credit delivery mechanism for reaching the unreached, has proved to be a considerably remarkable milestone for achieving the target of financial inclusion, with 87 lakh+ SHGs operating in all the nooks and corners of semi-urban and rural India. The scheme of Joint Liability Groups is yet another institutional intervention introduced in 2004 by NABARD with a view to enable landless/tenant farmers, oral lessees among others to secure collateral free loans for productive purposes from the banking system, just on the basis of joint undertaking. Till now more than 12000+ such groups have been brought under formal banking through this mode. RBI, in view of the fact that opening bank branches in all locations cannot be a viable proposition, in January 2006, permitted banks to employ Business Correspondents (BCs) and Business Facilitators, for providing banking and financial services in remote areas. As of 2019, more than 10 lakh BCs have been functioning. Direct Benefit Transfer is yet another attempt launched by Government of India on January 1, 2013 to change the mechanism of transferring subsidies directly to the people through their bank accounts.

The tectonic shift in Financial Inclusion came with the introduction of Pradhan Mantri Jan-Dhan Yojana (PMJDY) in August 2014. Issuing licenses for Small Finance Banks and Payment Banks by RBI gave further impetus to it. The Ministry of Finance and National Informatics Centre have jointly developed a mobile app called Jan-Dhan Darshak, with a view to enable common people in locating financial service touch points. While over 6 lakh FI touch points have been mapped on the



application, approximately, 1.35 lakh Bank Mitras have been taken on board by December 1, 2018. The status of PMJDY is tabulated in Table 1.

The role of mobile banking and Department of Posts has also been highly significant. With 1,54,000 post offices, of which 90 per cent are in rural areas, it is the friendly postman who you meet every day becoming your banking relationship manager.

With a clear understanding that deep penetration at affordable cost is possible only with effective use of technology, use of e-KYC (e-Know Your Customer) to ease the account-opening process, use of Aadhaar-enabled payment system for interoperability, support for setting up Financial Literacy Centres, support for demonstrating banking technology (mobile-van fitted with ATM), bringing in all the cooperative banks and Regional Rural Banks on CBS platform by NABARD, and roping in financial technology players will help in completion of the mission.

In the last seven years, India has taken massive strides towards Financial Inclusion. The proportion of people joining the formal financial system in terms of an account at financial institutions has more than doubled since 2011. Almost 80 per cent of adult Indians have bank accounts, according to the Global Findex Database published in April 2018. FIP has been implemented in two phases up to August 14, 2018. The first phase, until 2015, aimed at providing universal access to banking

Table 1. Status of PMJDY

Sr. No.	Item	March 2015	March 2016	March 2017	March 2018	March 2019
1	No. of PMJDY Accounts (in cr.)	14.72	21.43	28.17	31.44	35.27
2	Deposit in PMJDY Accounts (in cr.)	15,670	35,672	62,972	78,494	96,107
3	Average Deposit per PMJDY account (in Rs.)	1,065	1,665	2,235	2497	2,725
4	Number of RuPay debit cards issued to PMJDY account-holders (in Crore)	13.14	17.75	21.99	23.65	27.91

Source: <https://financialservices.gov.in/>

facilities, basic banking accounts for savings and remittance and RuPay Debit card with an in-built accident insurance cover of Rs. 1,00,000. In the second phase, banks extended overdraft facilities up to Rs. 5,000 to Jan Dhan account holders and created the Credit Guarantee Fund as well. Today, 90 per cent of India's 1.3 billion population have a unique Aadhaar identity, which is vital for meeting anti-money laundering "know your customer" (KYC) requirements. The use of digital payments is also rising substantially. These are creditable achievements for the country. However, getting a unique identity, having a bank account and using digital payments are just the foundations of Financial Inclusion. Now these basics have been addressed, the government and private sector must take the next steps to build a superstructure of economic prosperity. The following vital steps need to be taken by all the stakeholders for achieving this ambitious yet the most important objective of true financial inclusion:

First, financial firms must understand the market and structure products accordingly. Since agricultural income is seasonal and lumpy, while lending to a farmer, they need to structure a loan product where the repayment cycle is seasonal and not monthly.

Secondly, financial literacy is one area where India still needs to do a great deal of work. According to a *Standard and Poor's Survey*, basic financial literacy in India is sub-par. The good news is that, driven by the government and regulators such as the RBI, NABARD as well as voluntary efforts by companies through Corporate Social Responsibility (CSR) programmes, this is changing quite rapidly. In a country as vast and diverse as India, deeper understanding of the market can

only come if firms have a widespread distribution and they recruit locally the ones who are familiar with the cultural and economic nuances of the community in which they work. Partnership between the government and providers of various financial products is the need of the hour so that risks and rewards of working with marginal populations are shared.

The last decade's growth rate of investment in mutual funds in India is now double that of the rest of the world with digital flows into mutual funds having increased 12 times in the last two years. Admittedly, most of this growth has come from urban areas. The way to address this issue is by providing rural communities with additional and alternative income streams. Microcredit products, for example, have the potential to transform the financially weak into micro-entrepreneurs as well as create jobs in the local community.

The next phase of FI is therefore less to do with policy and more to do with educating people, disseminating financial and digital awareness in the society and making beneficiaries aware about the scope of expanding rural enterprises using their rights to borrow and duty to repay bank loans. This campaign of literacy will need a multipronged, bottoms-up approach. RBI and banks should coordinate with institutions such as State Education Boards (SEBs), Central Board of Secondary Education (CBSE), University Grants Commission (UGC) and All India Council for Technical Education (AICTE), to include FI as a mandatory subject at different levels right from school to higher levels of education, so that the next generation of students becomes aware of the significance of nurturing good loan repayment culture and the society becomes digitally savvy.

NGOs, corporate sector, banks, NBFCs and government departments currently engaged in FI should be persuaded to increase thrust. Unless using FI infrastructure becomes a mass agenda, the real benefit cannot accrue to the society. Needless to emphasise, global research has already linked poverty alleviation to FI brought about through financial awareness. Having invested huge sums of money in building FI infrastructure, the next wave of inclusion should be to prompt beneficiaries to use their access to financial services for improving their economic and social well being.

Now, let us ponder over the implications of announcements made in the latest Union Budget 2020-21 towards achieving the goal of rural Financial Inclusion. It exerts more focus on building emerging technologies to drive Financial Inclusion in the country. As part of it, knowledge transfer centers are expected to be set up across new emerging sectors. A total outlay of Rs. 8,000 crore has been allocated for over five years, for the national mission on quantum technology and applications. The government's vision is to provide 100 per cent digital access to all public institutions, banks as well as Anganwadi centres, Health and Wellness Centres, post offices and other rural welfare centres. Fibre-to-the-Home through BharatNet will link 100,000 Gram Panchayats in the financial year 2020-21. Another step proposed towards combating financial exclusion is mobilising more and more SHGs. Since SHG-Bank Linkage programme has proved to be a highly effective step towards Financial Inclusion and financial literacy and more than 90 per cent of groups are of women, this Budget provides about Rs. 28,600 crore for women-specific programmes. Under Deen Dayal Antyodaya Yojana for alleviation of poverty, 58 lakh SHGs have been mobilised. Through Dhanya Laxmi Scheme, more and more SHGs will be assisted by NABARD. Women SHGs in villages will distribute seeds to farmers with help of MUDRA scheme. Keeping in view the important role played by the Cooperative Banks in providing banking facilities to the rural populace, still outside the ambit of formal banking, certain amendments to the Banking Regulation Act are proposed for increasing professionalism, enabling access to capital and improving governance and oversight for sound banking through the RBI.

In view of the fact that even today about 40 per cent of our farmers are outside the fold of formal banking system, a 16-point formula has been proposed to revive agriculture and link it with allied sectors better than before to double the income of farmers in the next two years. More than Rs. 2.83 lakh crore would be spent on agriculture, rural development, irrigation and allied activities. While setting the agri- credit target for the year 2020-21 at 15 lakh crore, all eligible beneficiaries of PM-KISAN will be covered under the KCC scheme. Moreover, comprehensive measures for 100 per cent water-stressed districts, proposal to expand PM-KUSUM to provide 20 lakh farmers resources for setting up stand-alone solar pumps and for another 15 lakh farmers to solarize their grid-connected pump sets, setting up of efficient warehouses at the block/taluk level, have also been proposed. To help easy mobility while in jobs, it has been wished to infuse into the Universal Pension Coverage with auto enrolment.

The incentive to boost the adoption of fintech by MSME and SME segment is of course a welcome move to enable them to get easy access to banking and financial services. Government's focus on Fintech innovations and necessary support for them to continuously enhance their proposition, has paved way for future investments to support Financial Inclusion. By realising the vast potential of the NBFC sector in its contribution towards economic growth and improved access to banking products for the unbanked, in this Budget the refinance scheme of NABARD has been extended to NBFCs that are into agri-related lending. However, the mega challenge is around credit growth and the resultant liquidity crisis, which has not been addressed.

Thus, at 4-5 per cent growth now, problems appear aplenty but given our favourable demographics and with the significant reforms of the past few years such as GST, Insolvency code, and the thrust on formalisation and digitalisation of the economy, we have a solid framework to build on. Virtually, for transforming the \$5 trillion goal from aspiration to reality, the focus must be on execution.

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HEALTH REFORMS IN BUDGET 2020–21

Holistic Vision of Healthcare



- Provided about Rs. 69,000 crores that is inclusive of Rs. 6400 crores for Pradhan Mantri Jan Arogya Yojana (PMJAY) for the health sector.
- More than 20,000 empanelled hospitals under the PMJAY but more is required in Tier-2 and Tier-3 cities to meet the need of poorer people. A Viability Gap funding window is proposed for setting up hospitals in the PPP mode. Aspirational Districts will be covered where presently there are no Ayushman empanelled hospitals. This would also provide large scale employment opportunities to youth. Proceeds from taxes on medical devices would be used to support this vital health infrastructure.
- Expanding Jan Aushadhi Kendra Scheme to cover all districts offering 2000 medicines and 300 surgicals by 2024.

- To meet the requirement of qualified medical doctors, a medical college is to be attached to an existing district hospital in PPP mode for Viability Gap Funding.
- Large hospitals with sufficient capacity are to be encouraged to offer resident doctors DNB/FNB courses under the National Board of Examinations.
- Special bridge courses to be designed by the Ministries of Health and Skill Development together with professional bodies to bring in equivalence.

Reforms in Medical Education and Practice

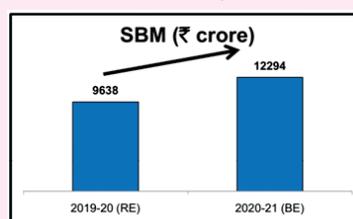


Women and Child Development



- More than six lakh anganwadi workers are equipped with smart phones to upload the nutritional status of more than 10 crore households under the POSHAN Abhiyan.
- It is proposed to appoint a task force to look into the issue of age of a girl entering motherhood in accordance to the changing society as well as lowering MMR. The task force will present its recommendations in six months' time.
- Allocation of Rs. 35,600 crore for nutrition-related programmes for the financial year 2020–21.

- A very focused safe water (Jal Jeevan Mission) and comprehensive sanitation programme (Swachh Bharat Mission) have been launched to support the health vision. That would reduce the disease burden on the poor.
- The total allocation for Swachh Bharat Mission is about Rs. 12,300 crore in 2020–21.



Health and Sanitation



Source: indiabudget.gov.in

RURAL INFRASTRUCTURE IN UNION BUDGET 2020-21

Krishna Dev

On Independence Day 2019, the Prime Minister had highlighted that Rs. 100 lakh crore would be invested on infrastructure over the next five years. As a follow up measure, the government had launched the National Infrastructure Pipeline on December 31, 2019 worth Rs. 103 lakh crore. It consists of more than 6500 projects across sectors and is classified as per the projects' size and stage of development. This Budget is guided by “*Sabka Saath, Sabka Vikas, Sabka Vishwas*”. The Budget added manifold speed and scaled up the implementation of schemes and programmes that directly benefitted the poor and the disadvantaged.

The Budget 2020–21 is mainly focused around three prominent themes: (i) aspirational India in which all sections of the society seek better standards of living, with access to health, education and better jobs (ii) economic development for all, indicated in the Prime Minister's exhortation of “*Sabka Saath, Sabka Vikas, Sabka Vishwas*”, which would entail reforms across swathes of the economy while simultaneously yielding more space for the private sector that would ensure higher productivity and greater efficiency, and (iii) ours shall be a Caring Society that is both humane and compassionate.

On Independence Day 2019, the Prime Minister had highlighted that Rs. 100 lakh crore would be invested on infrastructure over the next five years. As a follow up measure, the government had launched the National Infrastructure Pipeline on December 31, 2019 worth Rs. 103 lakh crore. It consists of more than 6500 projects across sectors and is classified as per the projects' size and stage of development.

These new projects will include housing, safe drinking water, access to clean and affordable energy, healthcare for all, world-class educational institutes, modern railway stations, airports, bus terminals, metro and railway transportation, logistics and warehousing, irrigation projects, etc. The National Infrastructure Pipeline envisions improving the ease of living for each individual citizen in the country. It will also bring in generic and sectoral reforms in development, operation and maintenance of these infrastructure projects. The schematic outlay is given in Table 1.

A huge employment opportunity exists for India's youth in construction, operation and maintenance of infrastructure. National Skill Development Agency will give special thrust to infrastructure-focused skill development opportunities.

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I had launched the National Infrastructure Pipeline on 31st December 2019 of ₹ 103 lakh crore. It consists of more than 6500 projects across sectors and are classified as per their size and stage of development. These new projects will include housing, safe drinking water, access to clean and affordable energy, healthcare for all, world-class educational institutes, modern railway stations, airports, bus terminals, metro and railway transportation, logistics and warehousing, irrigation projects, etc. The National Infrastructure Pipeline envisions improving the ease of living for each individual citizen in the country. It also will bring in generic and sectoral reforms in development, operation and maintenance of these infrastructure projects.

Source: Union Budget 2020

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As mentioned, this Budget is guided by “*Sabka Saath, Sabka Vikas, Sabka Vishwas*”. The Budget added manifold speed and scaled up the implementation of schemes and programmes that directly benefitted the poor and the disadvantaged. The following list gives few examples that are important in terms of infrastructure and other related developments:

Agriculture

The goal of the government is to double the farmers' incomes by 2022. In this context energy sovereignty through Pradhan Mantri Kisan Urja Suraksha evam Utthaan Mahabhiyan (PM-KUSUM) and input sovereignty through Paramparagat Krishi Vikas Yojana have been provided. In addition, resilience for 6.11 crore farmers insured under PM Fasal Bima Yojana has also been provided. Focus

Table 1: Budget 2020-21: Outlay on Major Schemes

(In Rs. crore)

S. No.	Schemes	2018-2019 (Actuals)	2019-2020 BE (Budget Estimates)	2019-2020 RE (Revised Estimates)	2021-2020 BE (Budget Estimates)
1	Mahatma Gandhi National Rural Employment Guarantee Program (MGNREGA)	61,815	60,000	71,002	61,500
2	Pradhan Mantri Gram Sadak Yojana (PMGSY)	15,414	19,000	14,070	19,500
4	Rashtriya Gram Swaraj Abhiyan (RGSA)	649	822	465	854
3	Pradhan Mantri Krishi Sinchai Yojana (PMKSY)	8,143	9,682	7,896	11,127
5	Pradhan Mantri Kisan Samman Nidhi (PM-Kisan)	1,241	75,000	54,370	75,000
6	Pradhan Mantri Kisan Sampada Yojana	592	1,101	889	1,081
7	LPG Connection to Poor Household (Saubhagya)	3,200	2,724	3,724	1,118
8	Deen Dayal Upadhyaya Gram Jyoti Yojana	3,800	4,066	4,066	4,500
9	Pradhan Mantri Awas Yojana (PMAY)-Rural			10,000	10,000
10	Department of Drinking Water and Sanitation		20,016	18,360	21,518
a	Swachh Bharat Mission (Rural)*		5,000	5,000	12,000
b	Jal Jeevan Mission/National Rural Drinking Water Programme*		6,300	2,000	
		* Extra Budgetary and other resources			

Source: Budget Document 2020-21

on cultivation of pulses and expansion of micro-irrigation through Krishi Sinchai Yojana have raised the self-reliance of the country. Provision of any annual supplement of income to the farmer is directly done through PM-KISAN while connectivity is established through PMGSY. Furthermore, financial inclusion has helped raise farm incomes.

Prosperity to farmers can be ensured by making farming competitive. For this, farm markets must be liberalised which is the need of the hour. To fulfill this, the distortions in farm and livestock markets have to be removed. Purchase of farm produce, logistics and agri-services need copious investments. Substantial support and hand-holding of farm-based activities such as livestock and fisheries need to be provided.

Adopting sustainable cropping patterns and bringing in more technology are integral to the government plan. All this and more can be achieved through working in cooperation with the states. The government is to encourage those state governments who undertake implementation of following model laws

already issued by the central government: (a) Model Agricultural Land Leasing Act, 2016 (b) Model Agricultural Produce and Livestock Marketing

BOOSTING RAILWAY INFRASTRUCTURE

#JanJanKaBudget

- Setting up large solar power capacity along side rail tracks on land owned by railways
- More Tejas type trains to connect iconic tourist destinations
- High speed train between Mumbai and Ahmedabad to be actively pursued
- 148 km long Bengaluru Suburban Transport Project based on metro model fares
- Four station redevelopment and operation of 150 trains through PPP mode

(Promotion and Facilitation) Act, 2017; and (c) Model Agricultural Produce and Livestock Contract Farming and Services (Promotion and Facilitation) Act, 2018.

The government shall encourage balanced use of all kinds of fertilisers including the traditional organic and other innovative fertilisers. This is a necessary step to change the prevailing incentive regime, which encourages excessive use of chemical fertilisers.

The Pradhan Mantri Krishi Sinchai Yojana (PMKSY) has an outlay of Rs. 11,127 crore for the budget year 2020–21. It is 15 per cent higher than the previous budget outlay. The outlay for Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) is the same as Rs. 75,000 crore for both the budget years. The amount for PM-KISAN is reduced to Rs. 54,370 crore at the RE (Revised Estimate) stage. The reduction of Rs. 20,630 crore is a concern.

Transport and Logistics

Pradhan Mantri Gram Sadak Yojana (PMGSY): The Pradhan Mantri Gram Sadak Yojana (PMGSY) was launched on December 25, 2000 by the Government of India to provide connectivity to unconnected habitations as part of a poverty reduction strategy. Government of India is endeavouring to set high and uniform technical and management standards and facilitating policy development and planning at state level in order to ensure sustainable management of the rural roads network.

The outlay for this budget is Rs. 19,500 crore which is only 2.63 per cent higher than the budget outlay of 2019–20. From Rs. 19,000 crore as BE (Budget Estimate) in 2019–20 it was reduced to Rs. 14,070 crore. The scheme needs to be boosted up and implemented fast to get the desired results.

Logistics: To build a seamless national cold supply chain for perishables, inclusive of milk, meat and fish, the Indian Railways will set up a “Kisan Rail” – through PPP arrangements. There shall be refrigerated coaches in Express and Freight trains as well. Also, “Krishi Udaan” will be launched by the Ministry of Civil Aviation on international and national routes. This will immensely help improve value realisation especially in North-East and tribal districts. A National Logistics Policy will be released

soon. It will clarify the roles of the union government, state governments and key regulators. It will create a single window e-logistics market and focus on generation of employment, skills and making MSMEs competitive.

Inland Waterways: Inland waterways received a boost in the last five years. The Jal Vikas Marg on National Waterway-1 will be completed. Further, the 890 km Dhubri-Sadiya connectivity will be completed by 2022. Developing waterways has its impact on the ecosystem on both the banks of the river. The Prime Minister has conceptualised this as “Arth Ganga”. Plans are afoot to energise economic activity along river banks.

Energy

In the Interim Budget speech of July 2019, it was stated that “*annadata*” can be “*urjadata*” too. The PM-KUSUM scheme removed farmers’ dependence on diesel and kerosene and linked pump sets to solar energy. Now, it is also proposed to expand the scheme to provide 20 lakh farmers for setting up stand-alone solar pumps; further the government shall also help another 15 lakh farmers solarise their grid-connected pump sets. In addition, a scheme to enable farmers to set up solar power generation capacity on their fallow/barren lands and to sell it to the grid would be operationalized.

Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY): The Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) was launched in 2015 with two components: (i) to separate agriculture and non-agriculture feeders facilitating judicious rostering of supply to agricultural and non-agricultural consumers in rural areas and (ii) strengthening and augmentation of sub transmission and distribution infrastructure in rural areas, including metering of distribution transformers/feeders/consumers. The estimated cost of the scheme for above two components is Rs. 43,033 crore which includes the requirement of budgetary support of Rs. 33,453 crore from Government of India over the entire implementation period.

This year budget outlay proposed for DDUGJY is of Rs. 4,500 crore which is Rs. 434 crore is higher than the previous budget. The RE was also same as proposed in the BE which means the scheme is constant in absorbing the fund.

LPG Connections to Poor Households: In order to provide clean cooking fuel to poor households, especially in the rural areas, the government has launched Pradhan Mantri Ujjwala Yojana (PMUY) in May 2016 to provide 8 crore deposit-free LPG connections to women of poor households. Initially, the beneficiaries were identified through Social Economic Caste Census (SECC), 2011 data. Subsequently, the identification criteria were expanded and the beneficiaries were identified with seven identified categories in addition to SECC data. The scope of PMUY has now been expanded to cover all the poor families in the country subject to fulfilling terms and conditions. The main features of PMUY scheme are: (i) LPG connection is released in the name of an adult women of the poor family, subject to the condition that no LPG connection exists in the name of any family member including the applicant, (ii) cash assistance up to Rs. 1600 is provided for releasing deposit free LPG connection, and (iii) the beneficiary bears the hot plate and the purchase of first refill. However, the beneficiary has an option to take the hot plate or the first refill or both on loan basis, from public sector Oil Marketing Companies (OMCs) at zero interest rate.

Pradhan Mantri Sahaj Bijli Har Ghar Yojana: 'Saubhagya' a new scheme was launched by the Hon'ble Prime Minister on September 25, 2017. Under Saubhagya, free electricity connections to all households (both APL and poor families) in rural areas and poor families in urban areas are provided. Rural Electrification Corporation (REC) has been designated as nodal agency for the Saubhagya scheme for providing last mile connectivity and electricity connections to all un-electrified households in rural areas. The scheme also provides Solar Photovoltaic-based standalone system for un-electrified households located in remote and inaccessible villages/habitations, where grid extension is not feasible or cost effective.

The LPG connection to poor households proposed an outlay of Rs. 1118 crore which is less than the Rs. 2724 crore from the previous year outlay. This might be because the scheme has almost given its full outcome.

Water and Sanitation

"Jal hi jeevan hai" (water is life). Water is an essential commodity. The whole world is focusing on the scarcity of potable drinking water. Water

stress related issues are now a serious concern across the country. The government is proposing comprehensive measures for one hundred water stressed districts. Focused programmes to assure safe water (Jal Jeevan Mission) and comprehensive sanitation (Swachh Bharat Mission) have been launched to support the health vision. That would reduce the disease burden on the poor.

Water Supply: In order to provide piped water supply to all households, Prime Minister announced from the Red Fort on Independence Day in 2019 the Jal Jeevan Mission. The government has approved Rs. 3.60 lakh crore for this Mission. This scheme also places emphasis on augmenting local water sources, recharging existing sources and promoting water harvesting and de-salination.

Sewage Collection, Treatment and Disposal System: Government is committed to Open Defecation Free (ODF) Plus in order to sustain ODF behaviour and to ensure that no one is left behind. Now, more needs to be done towards liquid and grey water management. Focus would also be on solid waste collection, source segregation and processing.

The total outlay for Department of Drinking Water and Sanitation is Rs. 21,518 crore for the budget year 2020–21 which is 7 per cent higher than the previous outlay. Out of this year outlay the amount proposed for extra budgetary and other resources for the rural scheme is Rs. 12,000 crore. There is still need for more funds for the scheme as it is directly related to our lives.

Communication/IT

The government's vision is that all "public institutions" at gram panchayat level such as Anganwadis, Health and Wellness Centres, government schools, PDS outlets, post offices and police stations should be provided with digital connectivity. To achieve this objective, Fibre to the Home (FTTH) connections through BharatNet are being established to link 100,000 gram panchayats this year. It is proposed to provide Rs. 6000 crore to BharatNet programme in 2020–21.

Mapping of India's genetic landscape is critical for next generation medicine, agriculture and biodiversity management. To support this development, the government will initiate two

new national level science schemes to create a comprehensive database.

Social and Commercial Infrastructure

Affordable Housing: Pradhan Mantri Awas Yojana-Gramin is set up to achieve the objective of “Housing for All” by 2022. The erstwhile rural housing scheme Indira Awaas Yojana (IAY) has been restructured to Pradhan Mantri Awaas Yojana – Gramin (PMAY- G) w.e.f April 1, 2016. The PMAY-G has entered its Phase II w.e.f April 1, 2019. The scheme provides assistance for construction of 2.95 crore pucca houses for eligible rural households by March 2022 in phases: one crore houses in Phase I (2016–17 to 2018–19) and 1.95 crore houses in Phase II (2019–20 to 2021–22). The target set for 2019–20 is of completing construction of 60 lakh houses, out of which target of 51.05 lakh houses has already been allocated to states/UT. About 60 per cent of the funds are earmarked for SCs/STs and 15 per cent for minorities. As far as possible, 5 per cent of beneficiaries are to be from persons with benchmark disabilities.

The outlay for PMAY is proposed at Rs. 27,500 crore which is 6 per cent higher than the previous outlay. Out of this outlay the PMAY-G is proposed at Rs. 10,000 crore as equivalent to the RE of last year budget.

Education: By 2030, India is set to have the largest working-age population in the world. Not only do they need literacy but they need both job and life skills. Dialogues have been held with State Education Ministries, Members of Parliament and other stakeholders about Education Policy. Over 2 lakh suggestions were also received. The New Education Policy will be announced soon.

Tourism: Growth of tourism directly relates to progress and employment of that particular area/region. States have a critical role to play. It is expected that the state governments will develop a roadmap for certain identified destinations and formulate financial plans during 2021 against which specified grants can be made available to the states in 2020-21. Five archaeological sites would be developed as iconic sites with on-site museums. They five sites are: Rakhigarhi (Haryana), Hastinapur (Uttar Pradesh), Shivsagar (Assam), Dholavira (Gujarat) and Adichanallur (Tamil Nadu). On similar line new sites

may also be explored to promote local tourism and growth.

Post-Harvest Storage Infrastructure: India has an estimated capacity of 162 million MT of agri-warehousing, cold storage, reefer van facilities, etc. NABARD will undertake an exercise to map and geo-tag them. In addition, it is proposed to creating warehousing in line with Warehouse Development and Regulatory Authority (WDRA) norms. The government will provide Viability Gap Funding for setting up such efficient warehouses at the block/taluk level. This can be achieved where states can facilitate with land and are on a PPP mode. Food Corporation of India (FCI) and Central Warehousing Corporation (CWC) shall undertake such warehouse building on their land too.

As a backward linkage, a village storage scheme is proposed to be run by the Self-Help Groups (SHGs). This will provide farmers a good holding capacity and reduce their logistics cost. Women SHGs will regain their position as “*Dhaanya Lakshmi*”. Financing on Negotiable Warehousing Receipts (e-NWR) has crossed more than Rs. 6000 crore. This will be integrated with e-NAM.

The Budget is highly ambitious on the part of infrastructure development as it is going to absorb Rs. 100 million in the next five years. However, the Budget is revealing that the intention and the plans of the government are very optimistic but the allocations for the rural areas are almost on the constant rate. This needs to be increased. It should be focused that the infrastructure development is not urban-centric. Parity should be maintained. Equal priority should be given to rural areas as even now a major chunk of the population resides in the rural regions.

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FORWARD-LOOKING BUDGET FOR AGRARIAN SECTOR

G. Srinivasan

The Union Budget 2020–21 heralds a progressive phase for the country's agrarian community and revival of the rural economy as they constitute the vibrant and dynamic segments of the overall economy. The various pro-farmer policies and incentives would indubitably help ignite the growth momentum of the country's farm sector so that it would redound to the building up of the economy in a sturdy way.

With the government committed firmly to double the country's farm income by 2022, no stone is being left unturned, even as the task is seemingly uphill, given the competing demands of other stakeholders in the economy at a time when the economic slowdown has put paid to any liberal dose of spending. Still, the Union Budget 2020–21 has made a momentous push to reverse the slowdown of the economy by unveiling a set of multi-pronged and far-reaching measures. This ranges from putting more money into the pockets of the people, removal of dividend distribution tax on companies to boost business and commissioning mega investment projects so as to bring 'ease of living' for every citizen. It has a deft mixture of tax cuts and investment for productive segments to unleash the growth impulses with a projected nominal Gross Domestic Product (GDP) growth of 10 per cent and a fiscal deficit of 3.5 per cent of GDP for the next fiscal. In a significant step, the Budget provides a whopping allocation of about Rs. 2.83 lakh crore, comprising of agriculture, allied activities, irrigation and rural development. Of this, Rs. 1.60 lakh crore is for agriculture, irrigation and cognate activities and the balance of Rs. 1.23 lakh crore for rural development and Panchayati Raj.

Over and above the augmented outlay for the agrarian sector, in order to achieve the objective of doubling the farmers' income in the medium-term, the Budget has focused 16 action points, as the Finance Minister pertinently pointed out in her second budget to Parliament. The proposed set of action points would help in recognising and realising the core objectives of the Budget, such as farm markets need to be liberalised, farming activity ought to be made more competitive with hand-holding of farm-based activities, adoption of sustainable cropping patterns and use of modern technology to enhance productivity as the additional goals for the revival and rejuvenation of the rural economy over the long haul. An 11 per cent increase

in the agricultural credit for farmers to Rs. 15 lakh crore for the next fiscal is another milestone in the move towards helping the distressed farming community. This coupled with access to Automatic Teller Machines (ATMs) through Kisan Credit Cards would definitely make a qualitative difference to the dreary drudgery of lack of credit on easier terms that the farmer faces.

From the perspective of a smallholder farmer and market efficiency potentials, the action plan is a veritable game-changer. The 16-point action plan ranges from goading states to execute agri-marketing reforms as per the Model Acts for Agricultural Land Leasing, 2016, for Agricultural Produce and Livestock Marketing (Promotion and Facilitation), 2017 and for Agricultural Produce and Livestock Contract Farming and Services, 2018 to starting 'Kisan Rail' and 'Krishi Udaan' to foster efficient value chains for perishable commodities. The latter step is bound to boost the produce of North-East as they are in far-flung areas.

20 lakh farmers to be covered for stand alone solar pumps under PM KUSUM	"Kisan Rail" & "Kisan Udaan" for a seamless National Cold Supply Chain
Doubling milk processing capacity by 2025	₹15 lakh crore Agricultural Credit Target
Integration of e-NWR with e-NAM	SHGs run village storage scheme



WEALTH CREATION THROUGH LIVESTOCK FARMING



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- ✓ Foot and Mouth disease, brucellosis in cattle, and also peste des petits ruminants (PPR) in sheep and goat to be eliminated by 2025
- ✓ Coverage of artificial insemination to be increased from the present 30% to 70%
- ✓ MNREGS to be dovetailed to develop fodder farms
- ✓ Doubling of milk processing capacity from 53.5 million MT to 108 million MT by 2025 to be facilitated

Focus on 100 water-stressed districts is appreciable as is on solar power projects and their use in the farm sector, rendering domestic farmers as producers of solar power as well, for precluding adverse climate changes and their reckless dependence on the immoderate use of fossil fuels such as diesel. There is a modest target like 20 lakh standalone and 15 lakh on-grid solar pumps and the use of barren and fallow lands for the same to boot.

Other components of consequence in the action plan include, among others, the first-time focus on the agri-warehousing and cold storage sector and tying it up with WDRA (Warehouse Development and Regulatory Authority) for warehouse receipts, which could tangentially enable the farmers realise somewhat better prices by providing holding capacity for the farmers in the local areas. Participation of Food Corporation of India (FCI) and Central Warehousing Corporation (CWC) in this endeavour is also a desirable proposition and so is pushing women Self-Help Groups (SHGs) into it with assistance from MUDRA and NABARD Rural Infrastructure Development Fund (RIDF) loans, over and above directing NABARD to undertake geo-tagging of such storages for the benefit and use of the farmers on the ground.

The Finance Minister stated that the government had also provided resilience for 6.11

crore farmers insured under PM Fasal Bima Yojana. Focus on cultivation of pulses and expansion of micro-irrigation through Krishi Sinchai Yojana did play a catalytic part in catapulting the country into a pole position of being self-reliant in the foodgrains sector. She contended that provision of any annual supplement of the income to the farmer being directly done through PM-KISAN, connectivity through Pradhan Mantri Gram Sadak Yojana (PMGSY) and financial inclusion is purported to help raise farm incomes.

Most significantly, the Viability Gap Funding would be the decisive positive step in this direction. Linking warehouses with e-trading and e-National Agricultural Market (e-NAM) platform is also a salutary step to address specifically the marketing woes of the farmers. The interesting facet

of this initiative is that many Primary Agricultural Co-operative Societies (PACs) and other Farmer Production Organizations (FPOs) which currently do warehousing operations too could also get into it as they are locally based. If they could be recognised for warehousing and negotiable receipts, they can close a colossal hiatus in helping farmers realise better prices, a problem that is plaguing the farming community for far too long.

Again, the cluster approach to fostering horticulture under One District, One Product is another positive measure to give impetus to quality exports from the country which was an overdue issue. The attention focused on livestock insurance and use of Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for fodder production is a well-conceived programme. In a bid to broaden and diversify the off-farm and on-farm activities to ensure gainful income to the agrarian workers, it is proposed to expand integrated farming systems in rainfed areas. Multi-tier cropping, bee-keeping, solar pumps, solar energy generation in non-cropping season would be added. Zero-Budget Natural Farming (ZBNF), unfurled in the last budget, would also be included.

For the domestic dairy sector as also to farmers cooperatives engaged in various farm-related chores,

the Budget has sent helpful signals. To the milk sector, the objective is to double the milk processing capacity from 53.5 million MT to 108 million MT by 2025. In order to achieve this and to provide a protective milieu to indigenous dairy sector to insulate it against cheap imports decimating the industry, the Budget has done away with the concessional basic customs duty of 15 per cent on imports of upto 10,000 tonnes of Skimmed Milk Powder (SMP) in any financial year. That concession under the extant Tariff Quota Regime has been withdrawn and all imports would henceforth attract a uniform 60 per cent duty. The latter rate was until now applicable only on imports beyond the TRQ ceiling of 10,000 tonnes. The Budget also proposed to hike the basic customs duty on whey (anhydrous milk protein powder), cheese, butter, butter oil and ghee from 30 to 40 per cent. What the government in the Budget has done is to hike the import duty on all dairy products to the maximum permissible bound rates under the rules of the World Trade Organization (WTO) in order to help facilitate better procurement prices for farmers in the dairy business.

For cooperatives, the Budget has put them at par with corporate firms in terms of levying tax on profit. Instead of the prevalent rate of 30 per cent (net of the 10 per cent surcharge and 4 per cent education cess), cooperatives would henceforth be taxed at 22 per cent (plus surcharge and cess) which takes the effective tax rate to 25.17 per cent provided they avail of no exemptions and deductions.

For the livestock sector, the budget proposes to eliminate Foot and Mouth disease, brucellosis in cattle and also *peste des petits ruminants* (PPR) in sheep and goat by 2025. Coverage of artificial insemination would be augmented from 30 per cent to 70 per cent. MGNREGS would be dovetailed to foster fodder farms.

From the foregoing details of the Budget agenda for agriculture and rural development, it is but clear that the road to reform of the rural economy has been paved with good intentions backed by an action plan to carry through the requisite changes to alter the very texture and tapestry of rural India. It is also interesting that the day the Budget was presented to Parliament, the report of the 15th Finance Commission (FC) for the year 2020-21 along with action taken on the same was laid in the

House. Importantly and quite interestingly the FC has proposed crucial reforms on vital sectors for grants-in-aid to states by prescribing performance-based fillips. Accordingly in areas that have direct bearing on the agrarian sector and the construction of rural roads under the PMGSY, states should take preparatory action by establishing a credible implementation and monitoring system in 2020–21, after developing robust, monitorable outcome indicators for release of grants to the eligible state in subsequent years.

The FC has aptly noted that keeping in view the goal of doubling farmers' income and reducing agrarian distress, it has zeroed in on a set of reforms which holds the key to liberalising agricultural markets, provide for seamless trading, promote competition and catalyze organised investment from the private sector for healthy growth in farm sector. Accordingly, the States would be eligible for financial incentives if they enact and implement all features of (i) Agricultural Produce and Livestock Marketing (Promotion and Facilitation) Act, 2017, (ii) Model Agricultural Produce and Livestock Contract Farming and Services (Promotion & Facilitation) Act 2018 and (iii) Model Agricultural Land Leasing Act, 2016. States are thus asked to take preparatory action by securing the passage of these Bills in their respective legislatures in 2020-21 so as to qualify to avail of the grants awarded by the Finance Commission from 2021–22 onwards. In effect, there is the tangible synergy between the Budget and the FC award for grants to States when both lay the due stress on agrarian reforms based on passing the "model laws" pertaining to agriculture produce marketing, land leasing and contract cultivation.

In fine, the Union Budget 2020–21 heralds a progressive phase for the country's agrarian community and revival of the rural economy as they constitute the vibrant and dynamic segments of the overall economy. The various pro-farmer policies and incentives would indubitably help ignite the growth momentum of the country's farm sector so that it would redound to the building up of the economy in a sturdy way.

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16 ACTION POINTS FOR AGRICULTURE,

- (1) We propose to encourage those state governments who undertake implementation of following model laws already issued by the central government:
 - a) Model Agricultural Land Leasing Act, 2016:
 - b) Model Agricultural Produce and Livestock Marketing (Promotion and Facilitation) Act, 2017; and
 - c) Model Agricultural Produce and Livestock Contract Farming and Services (Promotion and Facilitation) Act, 2018.

(2) Water stress related issues are now a serious concern across the country. Our government is proposing comprehensive measures for one hundred water stressed districts.

(3) In the Budget speech of July 2019, I had stated that “*annadata*” can be “*urjadata*” too. The PM-KUSUM scheme removed farmers’ dependence on diesel and kerosene and linked pump sets to solar energy. Now, I propose to expand the scheme to provide 20 lakh farmers for setting up stand-alone solar pumps; further we shall also help another 15 lakh farmers solarise their grid-connected pump sets. In addition, a scheme to enable farmers to set up solar power generation capacity on their fallow/barren lands and to sell it to the grid would be operationalised.

(4) Our government shall encourage balanced use of all kinds of fertilisers including the traditional organic and other innovative fertilisers. This is a necessary step to change the prevailing incentive regime, which encourages excessive use of chemical fertilisers.

புமி திராத்தி உண்

ஆத்திச்சூடி – 82

Bhumi tiruthi Unn

- Wise, Old Tamil Woman Saint poet

Aauvaiyar – Sangam Era

“Aaathichoodi” verse 81

The meaning of this saying is that one must “first tend to till one’s land and then eat”. One must eat only after work.

(5) India has an estimated capacity of 162 million MT of agri-warehousing, cold storage, reefer van facilities etc. NABARD will undertake an exercise to map and geo-tag them. In addition, we propose creating warehousing, in line with Warehouse Development and Regulatory Authority (WDRA) norms. Our government will



IRRIGATION AND RURAL DEVELOPMENT

provide Viability Gap Funding for setting up such efficient warehouses at the block/taluk level. This can be achieved, where states can facilitate with land and are on a PPP mode. Food Corporation of India (FCI) and Central Warehousing Corporation (CWC) shall undertake such warehouse building on their land too.

- (6) As a backward linkage, a village storage scheme is proposed to be run by the SHGs. This will provide farmers a good holding capacity and reduce their logistics cost. Women, SHGs shall regain their position as “*Dhaanya Lakshmi*”.
- (7) To build a seamless national cold supply chain for perishables, inclusive of milk, meat and fish, the Indian Railways will set up a “Kisan Rail” – through PPP arrangements. There shall be refrigerated coaches in Express and Freight trains as well.
- (8) Krishi Udaan will be launched by the Ministry of Civil Aviation on international and national routes. This will immensely help improve value realisation especially in North-East and tribal districts.
- (9) Horticulture sector with its current produce of 311 million MT exceeds production of foodgrains. For better marketing and export, we propose supporting States which, adopting a cluster basis, will focus on “one product one district”.
- (10) Integrated farming systems in rainfed areas shall be expanded. Multi-tier cropping, bee-keeping, solar pumps, solar energy production in non-cropping season will be added. Zero-Budget Natural Farming (mentioned in July 2019 Budget) shall also be included. The portal on “*jaivik kheti*” – online national organic products market will also be strengthened.
- (11) Financing on Negotiable Warehousing Receipts (e-NWR) has crossed more than

Rs. 6000 crore. This will be integrated with e-NAM.

- (12) Non-Banking Finance Companies (NBFCs) and cooperatives are active in the agriculture credit space. The NABARD re-finance scheme will be further expanded. Agriculture credit target for the year 2020-21 has been set at Rs 15 lakh crore. All eligible beneficiaries of PM-KISAN will be covered under the KCC scheme.
- (13) Our government intends to eliminate Foot and Mouth disease, brucellosis in cattle and also *peste des petits ruminants* (PPR) in sheep and goat by 2025. Coverage of artificial insemination shall be increased from the present 30 per cent to 70 per cent. MNREGS would be dovetailed to develop fodder farms. Further, we shall facilitate doubling of milk processing capacity from 53.5 million MT to 108 million MT by 2025.
- (14) Blue Economy: Our government proposes to put in place a framework for development, management and conservation of marine fishery resources.
- (15) Youth in coastal areas benefit through fish processing and marketing. By 2022-23, “I propose raising fish production to 200 lakh tonnes. Growing of algae, sea-weed and cage culture will also be promoted. Our government will involve youth in fishery extension through 3477 Sagar Mitras and 500 Fish Farmer Producer Organisations. We hope to raise fishery exports to Rs 1 lakh crore by 2024-25.”
- (16) Under Deen Dayal Antyodaya Yojana for alleviation of poverty, 58 lakh SHGs have been mobilised. We shall further expand on SHGs.

Source: indiabudget.gov.in

ROADMAP TO BOOST AGRICULTURE IN INDIA

Sandip Das

The agriculture and allied sector plays 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 sector in India.

The Union Budget (2020–21) provides robust roadmap for giving a boost to agriculture and allied sector through 16 action points. The agriculture and allied sector plays 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 sector in India.

According to Economic Survey (2019–20) recently tabled in the parliament, ‘as high as 70 per cent of its rural households still depend primarily on agriculture for their livelihood, with 82 per cent of farmers being small and marginal (who own less than one acre of land each).’ The Economic Survey (2019–20) has also stated ‘its contribution to national income has gradually declined from 18.2 per cent in 2014–15 to 16.5 per cent in 2019–20, reflecting the development process and the structural transformation taking place in the economy.’

The Government had constituted an Inter-Ministerial Committee under the Chairmanship of Dr. Ashok Dalwai, Chief Executive Officer, National Rainfed Area Authority, Department of Agriculture, Cooperation and Farmers Welfare in April 2016 to examine issues relating to doubling of farmers’ income in real terms by the year 2022–23.

The committee on Doubling Farmers’ Income in its Report in 2018 has identified seven sources of income growth: improvement in crop and livestock productivity; resource-use efficiency or savings in the cost of production; increase in the cropping intensity; diversification towards high-value crops; improvement in real prices received by farmers; and shift from farm to non-farm occupations; and establishing a national cold supply chain. The Finance Minister gave thrust on building a seamless national cold supply chain for perishables, inclusive of milk, meat and fish for which the Indian Railways will set up a ‘Kisan Rail’ through Public



Private Partnership. Refrigerated coaches would be available in Express and Freight trains as well under the proposal announced. This move would likely reduce the transport cost of the milk. This measure would help in transporting milk from milk surplus regions (northern, western and southern parts of the country) to milk deficit regions (eastern and north-eastern parts) at lower costs. The committee is also looking into the investments in and for agriculture such as increasing public investments for agriculture; building rural roads, rural electricity, irrigation facilities; and the need for policy support to enable investments by corporate sector in agriculture.

Several new schemes including Pradhan Mantri Kisan Samman Nidhi, (PM-KISAN), Pradhan Mantri Kisan Sampada Yojana (PMKSY), Soil Health

Card (SHC), Neem-Coated Urea (NCU), Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), Pradhan Mantri Annadata Aay Sanrakshan Abhiyan (PM-AASHA), Paramparagat Krishi Vikas Yojana (PKVY), National Agriculture Market scheme (e-NAM), Pradhan Mantri Fasal Bima Yojana (PMFBY) have been launched since 2014. The government's thrust on boosting farmers' income continued after the government was re-elected in 2019.

The earlier schemes like National Food Security Mission (NFSM), Mission for Integrated Development of Horticulture (MIDH), National Mission on Oilseeds & Oil Palm (NMOOP), National Mission for Sustainable Agriculture (NMSA), National Mission on Agricultural Extension & Technology (NMAET) and Rashtriya Krishi Vikas Yojana (RKVY) have been revamped for ensuring overall development of farm sector.

The Finance Minister while presenting Union Budget (2020–21) in the parliament on February 1st reiterated the government's commitment to the goal of doubling farmers' income by 2022–23. The government has provided energy sovereignty through Kisan Urja Suraksha evam Utthaan Mahabhiyan (KUSUM) and input sovereignty through Paramparagat Krishi Vikas Yojana besides providing direct income support (Rs. 6000 per annum per farmer) under PM-KISAN along with providing resilience to 6.11 crores farmers insured under PMFBY.

The Finance Minister had also stated that the government's focus on cultivation of pulses and

“Our government is committed to the goal of doubling farmers' incomes by 2022. We have provided energy sovereignty through KUSUM and input sovereignty through Paramparagat Krishi Vikas Yojana. We have provided resilience for 6.11 crores farmers insured under PM Fasal Bima Yojana. Focus on cultivation of pulses and expansion of micro-irrigation through Krishi Sinchai Yojana has raised the self-reliance of the country. Provision of any annual supplement of the income to the farmer, directly is done through PM-KISAN. Connectivity through PMGSY and financial inclusion have helped raise farm incomes.

Source: Union Budget 2020

expansion of micro-irrigation through Krishi Sinchai Yojana, have raised the self-reliance of the country. The provision of any annual supplement of the income to the farmer is directly done through PM-KISAN, connectivity through PMGSY, which have helped raise farm incomes.

The key aspect of the Budget announcement was the 16 actions points for boosting agricultural incomes. Let's elaborate each of the points in terms of their impact over the agriculture and allied sector.

1. The finance minister urged state governments to implement three model laws enacted by the central government
 - Model Agricultural Land Leasing Act, 2016;
 - Model Agricultural Produce and Livestock Marketing (Promotion and Facilitation) Act, 2017;
 - Model Agricultural Produce and Livestock Contract Farming and Services (Promotion and Facilitation) Act, 2018.
2. Water stress-related issues are now a serious concern across the country. The government is proposing comprehensive measures for one hundred water-stressed districts.
3. While recalling her first budget speech of July 2019, the Finance Minister had stated that “annadata” can be “urjadata” too. The PM-KUSUM scheme removed farmers' dependence on diesel and kerosene and linked pump sets to solar energy. She has proposed to expand the scheme to provide 20 lakh farmers for setting up stand-alone solar pumps and additional 15 lakh farmers solarise their grid-connected pump sets. Besides, a scheme to enable farmers to set up solar power generation capacity on their fallow or barren lands and to sell it to the grid would be operationalised.
4. The finance minister stressed the need for encouraging balanced use of all kinds of fertilisers including the traditional organic and other innovative fertilisers. She stressed the need for taking necessary steps to change the prevailing incentive regime (in terms of providing fertiliser subsidy), which encourages excessive use of chemical fertilisers. Excessive and imbalanced use of fertiliser at present is adversely impacting the environment as well as public health.

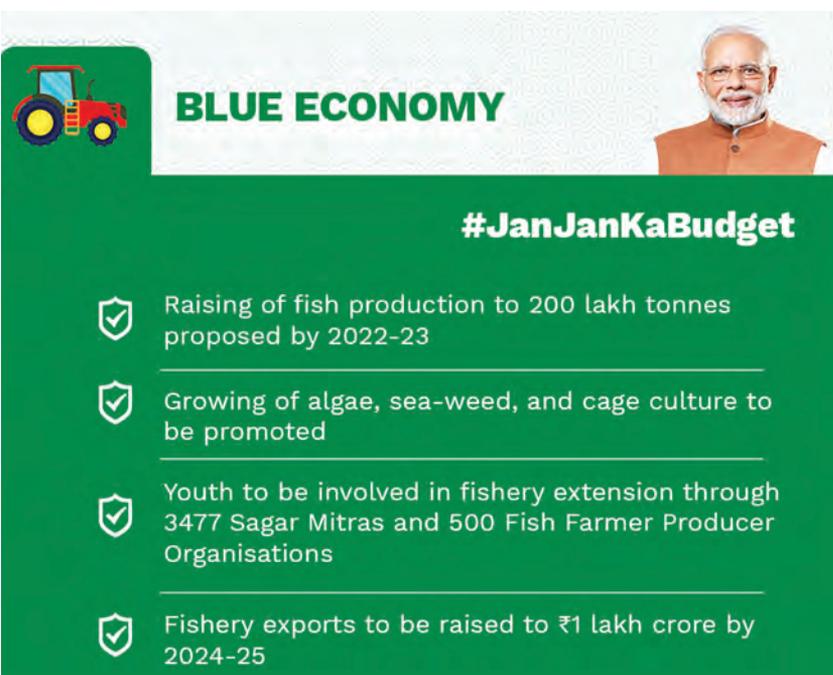
5. India has an estimated capacity of 162 million tonnes (MT) of agri-warehousing, cold storage, reefer van facilities, etc. NABARD will undertake an exercise to map and geo-tag them. In addition, the Finance Minister has proposed creating warehousing, in line with Warehouse Development and Regulatory Authority (WDRA) norms. The central government would provide Viability Gap Funding for setting up such efficient warehouses at the block and taluk level. This can be achieved where States can facilitate with land and are on a PPP mode. Food Corporation of India (FCI) and Central Warehousing Corporation (CWC) would undertake such warehouse building on their land. In the absence of warehousing, a significant chunk of the produce especially fruits and vegetables gets destroyed thus impacting the farmers' income.
6. For building backward linkages in the agricultural sector, the Budget has proposed a village storage scheme which would be run by the Self-Help Groups (SHGs). This will provide farmers' ability to hold stocks of agricultural produce at the village level and reduce their logistics cost. Finance minister aptly referred this measure by stating that women SHGs shall regain their position as '*Dhaanya Lakshmi*'.
7. The Finance minister also gave thrust on building a seamless national cold supply chain for perishables, inclusive of milk, meat and fish for which the Indian Railways will set up a 'Kisan Rail' through PPP mode. Refrigerated coaches would be available in Express and Freight trains as well under the proposal announced. This move would likely reduce the transport cost of the milk. This measure would help in transporting milk from milk surplus regions (northern, western and southern parts of the country) to milk deficit regions (eastern and north-eastern parts) at lower costs.
8. 'Krishi Udaan' will be launched by the Ministry of Civil Aviation on international and national routes. This will immensely help improve value realisation especially in North-East and tribal districts. Through collaboration with a private airline, Tripura Government has initiated exports of Queen Pineapple to Dubai and Doha last year.
9. Horticulture sector with its current produce of 311 MT exceeds production of foodgrains. For better marketing and export, the Finance minister has proposed supporting horticulture-intensive states through cluster-based approach with a focus on 'one product, one district'.
10. The Budget also proposes expansion of integrated farming systems in rainfed areas. Multi-tier cropping, bee-keeping, solar pumps, solar energy production in non-cropping season will be added. Zero-Budget Natural Farming (as mentioned in July 2019 Budget) shall also be included. The government would strengthen online national organic products market portal on '*jaivik kheti*'.
11. The Budget has stated that financing on Negotiable Warehousing Receipts (e-NWR) has crossed more than Rs. 6000 crore. NWRs are documents issued by warehouses to depositors (farmers) against commodities deposited in warehouses. NWRs can be traded, sold, swapped and used as collateral to support borrowing or loans from banks. These receipts were made negotiable under Warehouse (Development and Regulation) Act, 2007 and are regulated by Warehousing Development and Regulatory Authority. The Finance Minister has proposed integration of e-NWR with the e-NAM. Currently 585 *mandis* have joined the e-NAM portal and another 400 *mandis* will be joining this portal soon.
12. Non-Banking Finance Companies (NBFCs) and cooperatives are active in the agriculture credit space. The NABARD re-finance scheme will be further expanded. The Union Budget proposed increase in agriculture credit disbursement target of Rs. 15 lakh crore for 2020–21 against actual disbursement of close to Rs. 13 lakh crore in 2019–20. All eligible beneficiaries of PM-KISAN will be covered under the Kisan Credit Card scheme.
13. One of the significant measures announced by the Finance Minister was increasing the milk processing capacity from 53.5 million MT currently to 108 million MT by 2025. This step would help in achieving the target set under the National Action Plan on Dairy Development (prepared by Department of Animal Husbandry and Dairy), of increasing organised milk handling by both cooperatives and private sector by 20 per cent and 30 per cent respectively by 2023–24 from the current level of 21 per cent equally

shared by both. This will impact the building of village-level dairy infrastructure, increase in milk procurement, manufacturing of milk products and enhancement of marketing capacities. The Gujarat Cooperative Milk Marketing Federation (GCMMF), also popularly known as AMUL, the country's biggest dairy cooperative and one of the top 10 dairy companies in the world, has said that this move to enhance processing capacity will create 96 lakh jobs in both rural and urban India.

The Finance Minister also announced the targets for elimination of Foot and Mouth Disease (FMD), brucellosis in cattle and also *peste des petits ruminants* (PPR) in sheep and goat by 2025. This would reduce the burden of health expenditure on the animal of the farm households, increase milk productivity and enhance export potential of the livestock industry. Last year, The Prime Minister had launched National Animal Disease Control Programme for eradicating FMD and Brucellosis in livestock. With the allocation of Rs. 12,652 crore for a period of five years till 2024, the programme (NADCP) aims at vaccinating over 500 million livestock including cattle, buffalo, sheep, goats and pigs against the FMD.

The Finance Minister announced increase in the coverage of artificial insemination in cattle from 30 per cent to 70 per cent. The Nationwide Artificial Insemination Programme (NAIP) was launched in September 2019 covering 600 chosen districts. The NAIP is a genetic upgradation programme covering all breeds of bovines to enhance the milk production using low cost breeding technology for improving genetic merit of milch animals with high quality seed.

Another significant measure announced by Finance Minister includes use of Mahtama Gandhi National Rural Employment Guarantee Scheme (MGNREGS) for fodder farming. This is a step towards ensuring that adequate green



BLUE ECONOMY

#JanJanKaBudget

- ✓ Raising of fish production to 200 lakh tonnes proposed by 2022-23
- ✓ Growing of algae, sea-weed, and cage culture to be promoted
- ✓ Youth to be involved in fishery extension through 3477 Sagar Mitras and 500 Fish Farmer Producer Organisations
- ✓ Fishery exports to be raised to ₹1 lakh crore by 2024-25

fodder is available throughout the year to the dairy farmers. The availability of feed and fodder remains a major concern. There is a huge gap between demand and supply of feed and fodder in the country. As per the estimates of Indian Council for Agricultural Research (ICAR) affiliated National Institute of Animal Nutrition and Physiology, the deficit in the requirement and availability of dry fodder, green fodder and concentrates during 2015 was to the extent of 21 per cent, 26 per cent, and 34 per cent respectively, which is likely to increase to 23 per cent, 40 per cent, and 38 per cent respectively by 2025.

14. The Union Budget proposes to put in place a framework for development, management and conservation of marine fishery resources. 'Blue Revolution' is being implemented through a centrally-sponsored scheme for Integrated Development and Management of Fisheries (IDMF) to achieve economic prosperity of fishermen and fish farmers and to contribute towards food and nutritional security through optimum utilisation of water resources for fisheries development in a sustainable manner, keeping in view the bio-security and environmental concerns. It has been targeted to enhance the fish production from 107.95 lakh tonnes in 2015-16 to about 150 lakh tonnes by the end of 2019-20 under IDMF.

15. Youth in coastal areas benefit through fish processing and marketing. By 2022–23, the Finance Minister has aimed at raising fish production to 200 lakh tonnes. The government would promote growing of algae, sea-weed and cage culture. The government would involve youth in fishery extension through 3477 Sagar Mitras and 500 Fish Farmer Producer Organisations and set up a target of fishery exports worth of Rs. 1 lakh crore by 2024–25.

16. Under Deen Dayal Antyodaya Yojana-National Urban Livelihoods Mission, for alleviation of poverty, 58 lakh SHGs have been mobilised. The Union Budget has proposed to expand mobilisation of more SHGs.

On the financial allocation for the next financial year, the Union Budget has allocated Rs 2.83 lakh crore towards agriculture and allied activities, which include irrigation and rural development.

- For Agriculture, Irrigation & Allied activities - Rs. 1.60 lakh crore
- For Rural Development & Panchayati Raj - Rs. 1.23 lakh crore

The budget proposal of reducing tax of Cooperative Society from 30 per cent to 22 per cent will help Milk Cooperative Society to enhance the business activities. For instance, large dairy cooperatives like AMUL and its value-added products including butter, ice cream and other dairy products, will compete with international brands. The budget proposal of increasing import duties from 30 per cent to 40 per cent on whey powder, butter, ghee, butter oil is expected to boost domestic production of these products. Overall the thrust of the Finance Minister was to look at agriculture and allied sector holistically to help boost the farmers' income.

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BUDGET 2020-21: RURAL ECONOMY AND RURAL WOMEN

Dr. Shahin Razi, Ms Naushin Razi

Rural women are the key agents for achieving the transformational economic, environmental and social changes required for sustainable development. But limited access to credit, healthcare and education are among the many challenges they face, which are further aggravated by the global food & economic crises and climate change. Empowering them is crucial not only to the well being of individual families and rural communities but also to improve overall economic productivity given women's large presence in the agricultural work force.

The Finance Minister presented a comprehensive Budget to address multi-dimensional issues facing the economy, for focusing on measures to boost income and raise purchasing power. The contours were appreciably shaped around the troika of 'Aspirational India', 'Economic Development for All', and 'A Caring Society', which attempted to provide an integrated framework to achieve higher growth rates in the future.

Special focus accorded to the agricultural sector and initiatives to strengthen infrastructure with emphasis on implementation with scale and speed have the potential to kick-start a virtuous cycle of investment, inclusive growth and employment. This holds the promise to enhance incomes in the future, particularly in rural India,

“

Women's age of marriage was increased from fifteen years to eighteen years in 1978, by amending erstwhile Sharda Act of 1929. As India progresses further, opportunities open up for women to pursue higher education and careers. There are imperatives of lowering MMR as well as improvement of nutrition levels. Entire issue about age of a girl entering motherhood needs to be seen in this light. I propose to appoint a task force that will present its recommendations in six months' time. I propose to provide Rs. 35600 crore for nutrition-related programmes for the financial year 2020-21. In continuing with our government's commitment to the welfare of women, this budget provides for about Rs. 28,600 crore for programs that are specific to women.

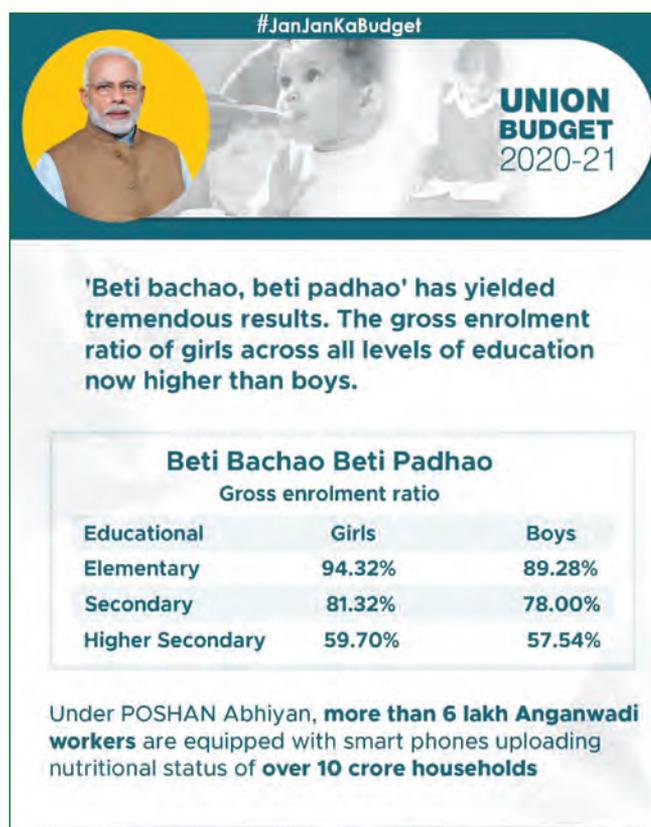
Source: Union Budget 2020

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leading to an increase in consumer spends that will augur well for the Fast-Moving Consumer Goods industry (FMCG) and for the rural sector.

Agriculture sector, which provides livelihoods to more than 50 per cent of India's workforce, faces significant challenges, given the low levels of productivity and quality, vulnerability to climate change risks, and inadequate market access. The budget has announced a wide spectrum of interventions through a robust 16-points action agenda, to revitalise the sector and empower farmers, especially rural women.

The 16-point action plan aims to boost agriculture and raise the government's credit target for the agricultural sector to Rs. 15 lakh crore





by the end of the financial year 2020–21. The target has been raised from Rs. 12 lakh crore set for financial year 2020. Ms. Sitharaman, while presenting her second Budget, set aside a total of Rs. 6 lakh crore for the agriculture sector. In addition, Rs. 1.23 lakh crore have been allocated for rural development, bringing the corpus to Rs. 2.83 lakh crore. The Finance Minister's proposals include schemes to employ rural women and youth in fisheries and encourage farmers to produce electricity using solar panels on fallow lands.

“The government is committed to the goal of doubling farmers’ incomes by 2022,” the Finance Minister said, highlighting the government’s previously-launched schemes such as the crop insurance scheme, rural roads programme and farmer’s income support scheme. The Finance Minister added that sustainable cropping patterns and copious investments in apiary and fisheries, besides other areas are a must to augment farmers’ incomes.

The proposed 16 action points will help 1.5 million farmers especially rural women to solarise their grid connected pump sets, with the existing ones geo-tagged by the National Bank for Agriculture and Rural Development (NABARD), and bring in women Self-Help Groups (SHGs) to manage village-level storage of farm produce. To support this, the Budget has proposed that SHG women will get loans from NABARD and under the MUDRA scheme.

The proposal to build a seamless national cold supply chain for perishables, with special focus to

ensure water security in 100 water-stressed districts, support to two million farmers for setting up solar pumps, Krishi Udaan and Kisan Rail schemes for agri exports and domestic market reach, along with strengthening of women Self-Help Groups to build village-level storage are indeed forward looking. All these programmes will help rural women and increase their incomes.

These measures will be even more beneficial for farmers and rural progress with the vigorous capacity building of farmer producer organisations so that they are better equipped to reap the advantages inherent in multi-faceted budget proposal.

Skill building of rural women and youth to play an entrepreneurial role in orchestrating agri-services, such as helping the production and sourcing of value-added products, providing hyper local information, quality farm inputs and access to output markets will help build strong agri-value chains and create new sources of livelihoods.

In addition, building new avenues for market linkages by promoting the food processing industry will anchor development and go a long way in empowering rural women to address core challenges. It will be important to plug into global agri-value chains by promoting and encouraging exports of processed foods as well as value-added, attribute-specific agri-based produce.

Such value-added processed food exports will not only be remunerative for rural women

but also reduce uncertainties, given the volatility conventional exports of agri-commodities face due to external conditions.

Government spending on the social sector, especially on health, education and social protection, is crucial to address widening inequality (economic/social). In Union Budget 2020-21, the Finance Minister clearly emphasized on the three-pronged agenda to achieve ease of living for all its citizens.

‘Caring Society’: Health Benefits to Mother & Child

The Government announced setting up of a task force to recommend steps to lower maternal mortality rate, look into the issue of age of motherhood and measures for improving in nutrition levels. The task force will submit its report within six months.

Explaining the need for the task force, Finance Minister said, “Women’s age of marriage was increased from fifteen years to eighteen years in 1978, by amending the erstwhile Sharda Act of 1929. As India progresses further, opportunities open up for women to pursue higher education and careers. There are imperatives of lowering maternal mortality rate as well as improvement of nutrition levels. Entire issue about age of girl entering motherhood needs to be seen in this light.”

Categorising women and children under the larger budgetary theme of “Caring Society”, the Finance Minister announced an allocation of Rs. 35,600 crore for nutrition-related programmes. FM emphasised that health of mother and child are closely related.

FM highlighted the need to improve nutritional status of children (0–6 years), adolescent girls, pregnant women, and lactating mothers. “Poshan Abhiyan”, launched in 2017–18, is a major step taken in this direction. More than 6 lakh anganwadi workers are equipped with smart phones to upload nutritional status of more than 10 crore households. The Budget allocates Rs. 30,007 crore for the Ministry of Women And Child Development, an increase of over Rs. 3822 crore from the previous year.

FM said awareness building and outreach under “Beti Bachao, Beti Padhao” scheme has yielded results. The gross enrolment ratio of girls across all levels of education is now higher than boys. At



elementary level, the enrolment level for girls is 94.32 per cent as against 89.29 per cent for boys, while at secondary level it is 81.32 per cent for girls as compared to 78 per cent for boys and at higher secondary level girls have achieved a level of 59.70 per cent as compared to 57.54 per cent for boys.

Budgetary Allocation

A sum of Rs. 28,600 crore has been set aside for programmes specific to women for the next fiscal in the Budget. A 14 per cent increase has been seen in the current year's Budget allocation as compared to previous year's budget allocation in the amount allocated to Ministry of Women and Child Welfare. The total amount allocated for the social services sector, which includes nutrition and social security and welfare, has been increased from Rs. 3891.71 crore in 2019–20 to Rs. 4036.49 crore in 2020–21. The Budget for the National Nutrition Mission or Poshan Abhiyan has been increased from Rs. 3400 crore in 2019–20 to 3700 crore in 2020–21.

The Poshan Abhiyan, which aims to bring down stunting of children in the age group of 0-6 years from 38.4 per cent to 25 per cent by 2022, has been a key focus area of the ministry. The allocation for ‘One Stop Centre’ scheme saw a major boost, increasing from Rs. 204 crore in last fiscal to Rs. 385 crore this fiscal. The scheme aims to facilitate access to an integrated range of services, including medical aid, police assistance, legal aid and psycho-social counseling to women affected by violence, including sexual assault. The Centre’s programmes of maternity benefit and child protection services also got a boost in the Budget.

The allocation for Pradhan Mantri Matru Vandana Yojana (PMMVY), a maternity benefit

programme, has been increased from Rs. 2300 crore to Rs. 2500 crore. Under the programme, Rs. 6000 is given to pregnant women and lactating mothers for the birth of the first living child.

The allocation for the Child Protection Services Programme under the Integrated Child Development Services has been increased to Rs. 1500 crore from Rs. 1350 crore. A sum of Rs. 30,007.10 crore has been earmarked for the WCD Ministry for the next financial year, a 14 per cent increase over Rs. 26,184.50 crore allocated to it last year. A major chunk of the sum, Rs. 20,532.38 crore is accorded for 'anganwadi' services.

'Beti Bachao, Beti Padhao' has been allocated Rs. 220 crore in the current financial year. The allocation for the Mahila Shakti Kendras has been doubled from Rs. 50 crore to Rs. 100 crore. The total allocation for the centrally sponsored schemes was Rs. 29,720.38 crore, a boost of Rs. 3,804 crore from the last fiscal.

On the issue of providing safety for all women, the budget for Ujjawala, a scheme for prevention of trafficking, rescue and rehabilitation of the victims, has been increased from Rs. 20 crore to Rs. 30 crore. The total budget under the Mission for Protection and Empowerment of Women has been increased from Rs. 961 crore to Rs. 1,163 crore.

The following programmes especially rural women and child development have been given a boost in this Budget:

- a) Rashtriya Poshan Abhiyan – increase of Rs. 3700 crore : 300 crore.
- b) 'One Stop Centre' Yojana – Increase of Rs. 385 crore : 181 crore.
- c) Matri Vandana Yojana – Increase of Rs. 2500 crore : 200 crore.
- d) Pregnant and lactating women – Rs. 6000/- per month per person.
- e) Bal Suraksha Seva – Increase of Rs. 2500 crore : 150 crore.
- f) Beti Bachao, Beti Padhao Yojana – Rs. 220 crore.
- g) Mahila Shakti Kendra – Increase of Rs. 100 crore: 50 crore.
- h) The announcements relating to the 'Blue Economy' especially fisheries will benefit rural women due to their significant participation in the sector.

Rural women are the key agents for achieving the transformational economic, environmental and social changes required for sustainable development. But limited access to credit, healthcare and education are among the many challenges they face, which are further aggravated by the global food & economic crises and climate change. Empowering them is crucial not only to the well being of individual families and rural communities but, also to improve overall economic productivity given women's large presence in the agricultural work force.

The role of rural women outside the home has become an important feature of the social and economic life of the country and in the years to come this will become still more significant. From this point of view, greater attention will have to be paid to the problems of training and development of rural women. The education of rural girls, therefore, should be emphasised not only on grounds of social justice, but also because it accelerates social transformation. In addition, the government programmes promoting women education and skill development should be pursued more vigorously. It is a challenging task and it requires multipronged efforts. Budget 2020-21 has initiated empowerment programmes for rural women that provide a foundation to nurture the inner strength and self-esteem for the rural women. With a strong determination, commitment and involvement of people and organisations with philanthropic motive and a rational outlook, this problem can be solved and hurdles can be overcome for promoting empowerment of rural women.

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RURAL RESURGENCE THROUGH TRADE, TOURISM AND TECHNOLOGY

Dr. Ishita G. Tripathy

A closer look at each announcement under the three heads (Trade, Tourism and Technology) will reveal that these are not only integrated with each other, they are also all-pervasive and they touch more than just the three sectors. This in itself accentuates the need for inclusive growth. Further, the three Ts entail development within the global, and not merely local, framework.

The three Ts, viz. Trade, Tourism and Technology, on which the Prime Minister has been focusing, play a meaningful role in boosting rural economic growth. Budget 2020-21 has an emphatic stress on these three Ts, both directly and indirectly. Announcements made in the Budget relating to each of these three Ts highlight the significance of reaping economies of scale; the importance of specialisation; need for inclusive growth and integrated development; and the possibility of balancing demographic dividend with technological growth.

Tapping Trade Potential

Trade helps in an efficient and remunerative utilization of local resources, thereby promoting economic growth. A critical ingredient in

ensuring robust trade is to successfully ensure smooth connectivity between the area supplying the product and the area demanding it. For this purpose, the Budget has announced the launch of *Krishi Udaan* by the Ministry of Civil Aviation on both national and international routes. Another challenge in enhancing trade is to ascertain that products undergo minimum transition while transiting. Estimates of Ministry of Food Processing Industries indicate a mammoth Rs. 93,000 crore of harvest and post-harvest loss, including losses during transportation, in 2016. As per Ministry of Commerce & Industry, agricultural products account for 12 per cent of India's total exports. Underscoring the importance of maintaining the quality of agricultural produce, especially perishables, from their source to destination, the

UNION BUDGET 2020-21

CULTURE AND TOURISM

NEW ANNOUNCEMENTS

- Indian Institute of Heritage and Conservation
- Five Archaeological Sites as Iconic Sites
- Museum on Numismatics and Trade
- Tribal Museum in Ranchi
- Maritime Museum in Lothal



Our vision is that all “public institutions” at Gram Panchayat level such as Anganwadis, health and wellness centres, government schools, PDS outlets, post offices and police stations will be provided with digital connectivity. So, Fibre to the Home (FTTH) connections through BharatNet will link 100,000 gram panchayats this year. It is proposed to provide Rs. 6000 crore to BharatNet programme in 2020–21.

Source: Union Budget 2020



Budget has announced the setting up of a *Kisan Rail* through Public-Private Partnership, which will have refrigerated coaches for products like milk, meat and fish.

The Budget announcement on *one produce one district*, i.e. adoption of a product each by a district, is undoubtedly an encouragement to specialisation of particular areas in exporting particular products. Producers can gain from the economies of scale which emerge by concentrating resources in the production of such products.

The intent of the Budget to involve youth in fishery extension through 3,477 *Sagar Mitras* and 500 Fish Farmer Producer Organisations is a step towards augmenting fishery exports. This initiative will have an added advantage of developing the coastal areas which effectively will be beneficial for tourism purposes.

Recognizing credit and refund requirements of exporters, the Budget has announced the launching of NIRVIK and the Scheme for Reversion of Duties and Taxes. The former will provide higher insurance coverage, reduction in premium for small exporters and simplified procedure for claim settlements, while the latter will digitally refund to exporters, duties and taxes levied at the Central, State and local levels, such as electricity duties and VAT on fuel used for transportation, which are not exempted or refunded under any other existing mechanism.

The Finance Minister announced in her Budget speech that it is the vision of Hon'ble Prime Minister that each district should develop as an

TAKING DIGITAL INDIA TO EVERY CORNER OF THE COUNTRY

#JanJanKaBudget

I'M BIRJU
I WELCOME DIGITAL INDIA TO MY VILLAGE

Rs. 6000 crores to be allocated for **BharatNet** programme 2020-21

1,00,000 gram panchayats to be connected under **BharatNet** through Fibre to the Home (FTTH) connection

Private sectors to establish **Data Centre Parks** throughout out the country

myGov
मेरी सरकार

export hub. For its implementation a process to prepare specific district export plans for every State and Union Territory has already started. Besides increasing exports, this will lead to specialisation, effective utilization of resources and employment generation.

Promoting Tourism

Measures taken for economic growth can effectively be inter-twined with policies which are aimed at promoting tourism. Growth of tourism generates employment. Statistics released by Ministry of Tourism show that the number of foreign tourists visiting India have grown from 1,00,35,803 in calendar year 2017 to 1,05,57,929 in 2018. In the first six months of 2019, i.e. from January to June, the figures had already reached 52,66,898. The Budget has a number of viable proposals for promoting tourism in the country. It is proposed to establish an Indian Institute of Heritage and Conservation which will have the status of a deemed University. Further, five archaeological sites, viz. Rakhigarhi in Haryana, Hastinapur in Uttar Pradesh, Shivsagar in Assam, Dholavira in Gujarat and Adichanallur in Tamil Nadu have been identified as iconic sites with onsite museums. The Budget has announced a museum on Numismatics and Trade and four more museums that will be taken up for renovation and re-curation, besides, support the setting up of a Tribal Museum in Ranchi. An innovative proposal is to set up a maritime museum in Lothal, the

“ In the historic Old Mint building Kolkata, a museum on Numismatics and Trade will also be located. Four more museums from across the country shall be taken up for renovation and re-curation so that a world class experience can be offered to visitors. Our government shall also support setting up of a Tribal Museum in Ranchi (Jharkhand).

”
Source: Union Budget 2020

Harrapan age maritime site near Ahmedabad, by Ministry of Shipping.

The overall approach of the Budget in guaranteeing wellness, water and sanitation is a necessary pre-cursor to attracting tourists. Adequate infrastructure is another pre-requisite for tourism. As per the Budget a National Logistics Policy will be announced soon. The Policy will create a single window e-logistics market and focus on generation of employment, skills and make Micro, Small and Medium Enterprises competitive. The Budget has announced augmenting connectivity through accelerated development of highways, including 2,500 km access control highways; 9,000 km of economic corridors; 2,000 km of coastal and land port roads; and 2,000 km of strategic highways. It has also outlined measures important for railways, which carry as much as 40 per cent of the total freight in the country. A very vital of these measures is the announcement related to having more *Tejas*-like trains which connect attractive tourist destinations in India's hinterland. This assumes even more importance in the backdrop of the growing trend of people visiting and reveling in rural India, including hosting destination weddings there. This has been further bolstered by Ministry of Tourism's initiatives on promoting rural tourism.

Technology and Integrated Development

There is no denying that there is a growing presence of technology, especially information technology, in both farm and non-farm related activities. The contribution of software and information technology-enabled services in the country's GDP, employment and exports has been rising in recent years. The Budget's vision is to provide digital connectivity to all

public institutions at Gram Panchayat level such as Anganwadis, health and wellness centres, government schools, PDS outlets, post offices and police stations. The target is to achieve Fibre-to-the-Home connections through Bharatnet which will link 100,000 Gram Panchayats in 2020-21. Further, the Budget seeks to improve efficiency of sea ports by using technology. Besides, the Budget also mentions about creating a digital platform which would facilitate seamless application and capture of Intellectual Property Rights (IPRs); establishing a Centre in an Institute of Excellence to work on the complexity and innovation in the field of IPRs; setting up of Knowledge Translation Clusters across different technology sectors; scaling up Technology Clusters; and mapping India's genetic landscape through national level science schemes.

The importance of education in building a nation cannot be over-emphasized. Ministry of Human Resource Development's press release shows that the total enrolment in higher education as a percentage of the population in the 18-23 years age group in the country was 24.5 per cent in 2015-16. A pragmatic approach towards using technology in providing quality education has been adopted by the Budget for students of deprived sections of the society and for those who do not have access to higher education. The Budget proposes to start online degree level full-fledged education programmes by institutions which are ranked within top 100 in the National Institutional Ranking framework.

While the above paragraphs have summarised the Budget announcements pertaining to the three Ts, a closer look at each announcement under the three heads will reveal that these are not only integrated with each other, they are also all-pervasive and they touch more than just the three sectors mentioned. This in itself accentuates the need for inclusive growth. Further, the three Ts entail development within the global, and not merely local, framework. For enhancement of the three Ts, viz. trade, tourism and technology, the Budget has advocated the three As, viz. affordability, availability and accessibility.

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RURAL LIVELIHOOD AND EMPLOYMENT

Dr. K. K. Tripathy

The Budget emphasized its goal to achieve the objective of doubling farmers' income by 2022 and rolled out, *inter alia*, a 16-point agenda to ensure a quick agriculture-led rural economic growth, allocating resources to important livelihood and rural infrastructure initiatives. An amount of Rs. 1.6 lakh crore was earmarked for agriculture, irrigation and allied activities and Rs.1.23 lakh crore for rural development and Panchayati Raj. Such resource allocations aim at stimulating economic growth alongwith job creation, income and wealth generation as well as enhancement of overall consumption demand in rural India.

The recently published Government of India's (GoI) Economic Survey 2019–20 reflected on the various challenges faced by rural farm and non-farm sectors, particularly rural and agriculture finance, adequate insurance coverage, irrigation facility, market access of products, etc. It underscored the importance of agriculture and rural development in achieving the objective of inclusive growth as agriculture and allied sectors contributed 16.5 per cent to the Gross Value Added of the country at current prices in 2019–20. In this backdrop, this article attempts to explain the in-built policy direction and socio-economic intent of GoI by discussing a few agriculture and rural livelihood and employment related focus areas as prioritised in the Budget 2020–21.

Budget Allocation to Priority Areas

The Budget emphasized its goal to achieve the objective of doubling farmers' income by 2022 and rolled out, *inter alia*, a 16-point agenda to ensure a quick agriculture-led rural economic growth, allocating resources to important livelihood

“ Prosperity to farmers can be ensured by making farming competitive. For this, farm markets need to be liberalised. Distortions in farm and livestock markets need to be removed. Purchase of farm produce, logistics and agri-services need copious investments. Substantial support and hand-holding of farm-based activities such as livestock, apiary, and fisheries need to be provided for. Farmers desire integrated solutions covering storage, financing, processing and marketing.

Source: Union Budget 2020

”

and rural infrastructure initiatives. An amount of Rs. 1.6 lakh crore was earmarked for agriculture, irrigation and allied activities and Rs. 1.23 lakh crore for rural development and Panchayati Raj. Such resource allocations aim at stimulating economic



Union Budget 2020

Will encourage state governments who implement following model laws

Model Agricultural Land Leasing Act of 2016

Model Agricultural Produce and Livestock Marketing Act of 2017

Model Agricultural Produce and Livestock Contract Farming and Services Promotion and Facilitation Act of 2018

@PIB_India

- from the Budget Speech by
Union Finance Minister,
Smt. Nirmala Sitharaman



growth alongwith job creation, income and wealth generation as well as enhancement of overall consumption demand in rural India.

A review of Revised Estimates (RE) 2019-20 and Budget Estimates (BE) 2020-21 indicates that in terms of increase in allocation (columns 8 and 9 of Table 1), priority has been accorded to Agriculture, Cooperation and Farmers Welfare (ACFW); followed by Skill Development and Entrepreneurship

(SDE); Animal Husbandry, Dairying and Fisheries (AHDF); Women and Child Development (WCD); Micro, Small and Medium Enterprises (MSME); Agriculture Research and Education (ARE); and Rural Development (RD) in that order (see Table 1).

Incremental, planned, participatory and schematic investments in rural areas, improved buyers demand and equitable job creation in rural areas can be the growth engines of rural economy.

Table 1: Actual Expenditure & Budget Allocation in Selected Union Ministries/Departments during 2016-17 & 2020-21

S. No.	Name of the Ministry/ Department	Allocation (Rs. Cr.)						Increase of Allocation (%) in 2020-21		
		16-17	17-18	18-19	19-20		20-21	Over		
		Actuals			BE	RE	BE	Actuals 18-19	RE 19-20	BE 19-20
1	2	3	4	5	4	5	6	7	8	9
1	ACFW	40,626	37,396	36,912	1,30,485	1,01,904	1,34,400	264.1	31.9	3.0
2	ARE	5,995	6,942	5,729	8,079	7,846	8,363	45.9	6.6	3.5
3	AHDF	2,376	2,022	1,858	3,737	3,490	4,114	123.0	17.9	1.0
4	MSME	3650	6,202	3,626	7,011	7,011	7,572	108.8	8.0	8.0
5	RD	1,56,287	1,08,559	95,069	1,17,647	1,22,649	1,20,147	26.4	-2.1	2.1
6	SDE	1,553	2,198	1,553	2,989	2,531	3,002	93.3	18.6	0.4
7	WCD	17,097	20,396	16,874	29,165	26,185	30,007	77.8	14.6	2.9

Source: Compiled from Demand For Grants of Central Government, Union Budgets 2018-19, 19-20 & 20-21, Ministry of Finance, Gol



Considering the importance of rural and agriculture sector, the Budget has prioritised agriculture, skill creation, dairy and fishery development and MSMEs. ACFW witnessed a quantum jump of 31.9 per cent hike in its BE over RE of 2019-20, whereas SDE, AHDF, WCD, MSME and ARE recorded 18.6 per cent, 17.9 per cent, 14.6 per cent, 8 per cent and 6.6 per cent rise in their respective budget allocations in 2020-21. The RD schemes, however, witnessed a reduction of 2.1 per cent resource allocation in 20-21 over 19-20 (RE). This indicates a lack of resource absorption capacity of Department of RD. Similarly, ACFW experienced a major shift in its budget allocation during 19-20 and 20-21 because of the implementation of Pradhan Mantri Kisan Samman Nidhi (PM KISAN) where 14 crore farmer families are expected to get income support at the rate of Rs. 6,000 a year. Out of the BE of Rs. 1,34,400, PM KISAN scheme has an allocation of Rs. 75,000 crore (44 per cent of total BE for the Department).

Livelihoods & Employment through Agri-development

The Government underscored the importance of making Indian agriculture remunerative by reviewing and reviving the price discovery mechanism for farm products so that farmers can realise higher prices for their produce. So far, 585 agri-*mandis* have been integrated on e-National Agricultural Market (e-NAM) platform. However, logistic issues like transportation of agro-produce, warehousing and supply chain difficulties have restricted adequate transactions through e-NAM. Considering this, the Budget focused on liberalising farm markets and removing difficulties in farm and livestock markets to make farming competitive.

It urged inflow of adequate investment in agri-logistics, agri-services and advocated handholding support to farm-based activities viz. livestock, apiary, fisheries, etc. Integrated solutions viz. storage/warehousing, processing, financing and marketing were encouraged to make agriculture competitive and profitable.

The Budget has vowed to facilitate implementation of model laws such as (i) Model Agricultural Land Leasing Act (LLA), 2016; (ii) Model Agricultural Produce and Livestock Marketing Act (APLMA) 2017; and (iii) Model Agricultural Produce and Livestock Contract Farming and Services Act (APLCFSA) 2018 in consultation with State Governments to give a big push to the agriculture sector. While the implementation of LLA is expected to reduce the pressure of population on agriculture by enabling small and marginal farmers to augment their size of operational holdings through legalised land leasing processes, APLMA and APLCFSA would try to integrate farmers with bulk purchases including agro-industries and exporters for better price realisation. This will also eliminate market and price risks and ensure timely and adequate supply of raw materials to agro-industries. The promotion of contract farming and service contracts through farm-cooperatives and Farmer Producer Organisations (FPOs) would consolidate and collectivise public and private efforts. While the focus on 100 water-stressed districts would ensure water availability for farm and non-farm activities, facilitating finance to 20 lakh standalone solar pumps and 15 lakh on-grid solar pumps would help generate additional farm income from barren/fallow/uncultivable rural lands.

A number of measures have been suggested to increase production, productivity, farm profits and farmers' income. Prominent among these are directed towards (a) reducing water stress by comprehensive water planning; (b) promoting balanced use of fertilisers; (c) strengthening operation green initiatives through promotion and nurturing of FPOs in agriculture and fisheries; (d) establishing and enhancing agri-logistic facilities like agri-warehousing, cold storage, reefer vans; (e) mapping and geo-tagging existing agri-logistics and ensuring viability funding for setting up such infrastructure at *taluka* level through public-private

Table 2: Allocation to Core of the Core & Core Schemes

SN	Sectors/Schemes	Allocation (Rs. Cr.)				Increase of Allocation (%) in 20-21 Over	
		18-19	19-20		20-21		
		Actuals	BE	RE	BE	RE 19-20	BE 19-20
1	2	3	4	5	6	7	8
A	Core of the Core Schemes	84,038	81,862	93,518	85,159	-9.8	4.0
1	MGNREGA	61,815	60,000	71,001	61,500	-13.38	2.50
2	National Social Assistance Programme (NSAP)	8,418	9,200	9,200	9,197	-0.03	-0.03
3	Schemes for Development of SC/ST/ Minorities	12,241	10,844	11,471	12,253	6.8	12.99
4	Others	1,564	1,818	1,846	2,209	19.66	21.50
B	Core Schemes	2,12,614	2,49,508	2,23,143	2,54,259	13.94	1.90
5	Green Revolution	11,757	12,560	9,965	13,320	33.66	6.05
6	Blue Revolution	458	560	455	570	25.27	1.78
7	Pradhan Mantri Krishi Sinchai Yojana (PMKSY)	8,143	9,681	7,895	11,126	40.92	14.92
8	Pradhan Mantri Gram Sadak Yojana (PMGSY)	15,414	19,000	14,070	19,500	38.59	2.63
9	Pradhan Mantri Awas Yojana (PMAY)	25,442	25,853	25,328	27,500	8.57	6.37
10	Jal Jeevan Mission/National Rural Drinking Water Mission	5,484	10,000	10,000	11,500	15.00	15.00
11	National Rural Livelihood Mission (NRLM) – Aajeevika	6,281	9,774	9,774	10,005	2.36	2.36
12	Jobs & Skill Development	6,126	7,260	5,749	5,372	-6.55	-26.00
13	Others	1,33,509	1,54,820	1,39,907	1,55,366	11.04	0.35

Source: Compiled from Statement 4 A, Expenditure Profile of Centrally Sponsored Schemes (Page 19-20), Budget Documents

partnerships; (f) enhancing holding capacity and reducing logistic costs of farmers through construction and operation of community-led village storages; (g) connecting unconnected areas, building and sustaining a national cold supply chain through 'Kisan Rail' and 'Krishi Udaan', (h) promoting organic farming; (i) integrating e-negotiable warehousing receipts with e-NAM; (j) developing fodder farms through Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA); (k) developing, promoting and making profitable fisheries sector through collectivised effort; (l) doubling milk processing capacity by 2025; and (m) enhancing farm credit target to Rs. 15 lakh crore.

Livelihoods & Employment through Rural Development

The wage and self employment generation programmes are always perceived to be effective

in a rural set-up which is otherwise riddled with high incidence of poverty, low work participation and increased casualisation of labour. The Budget considered the absorption capacity of implementing States/UTs and allocated Rs. 61,500 crore to MGNREGA and Rs. 10,005 crore to NRLM—the two existing wage and self-employment programmes—towards building quality and productive community assets and enterprises. MGNREGA and NRLM, however, witnessed 2.5per cent and 2.3per cent jump, respectively, in their allocation against the BE of 19-20 (see Table 2). PMKSY and Jal Jeevan Mission received 14.9per cent and 15per cent hike in BE 20-21 as against their respective 19-20 BE. MGNREGA allocation was curtailed by 13per cent in BE 20-21 as against RE 19-20, whereas the allocation to jobs & skill development schemes witnessed a 0.55per cent fall in BE 20-21 as against 19-20 RE.

The resource allocation of Rs. 61,500 crore to MGNREGA needs to be synergised with the outcome of the schematic interventions. Though the scheme has large financial absorption capability, yet it has not been able to generate adequate quality community assets because of less focus on asset creation, faulty work plan and design, improper selection of projects and work sites, lack of survey of works, inaccurate work design estimates, inefficient work execution and inadequate technical supervision. Despite these bottlenecks, the hefty allocation for public works under MGNREGA reflects the government's commitment towards public investment for rural income and employment generating public works in rural India. The need of the hour is to review and revive the planning process at the village Panchayat level. Raising a professional cadre of quality experts at the community level would ensure outcome-based public works planning and monitoring under MGNREGA so as to ensure the objectives of (a) ensuring livelihood security through creation of permanent and durable community assets; and (b) expansion of irrigation potential through MGNREGA works. The recent focus on utilising MGNREGA funds for fodder production would largely help the livestock sector and would ensure appropriate backward and forward linkages to enhance farm income.

NRLM has two important self-employment schematic interventions viz. Deen Dayal Upadhyaya Grameen Kaushal Yojana (DDU-GKY) and Deendayal Antyodaya Yojana - National Rural Livelihood Mission (DAY-NRLM). The village entrepreneurship development approach of DAY-NRLM is aimed at creating a catalytic local entrepreneurial ecosystem and encouraging the rural unemployed youth to take up local enterprises on their own. Focus on mobilisation of more SHGs, taking their support services for creation and operation of rural warehouses and other agri-logistics would help improve rural livelihoods and income by converging rural development efforts with agri-infrastructure. The new and innovative rural enterprises scheduled to be established under NRLM during 20–21 will (a) ensure financial inclusion of SHGs & farmers; (b) increase household income; (c) assure training, placements to the millions of rural youths; and (d) facilitate farm logistics at community level.

Conclusion

The 16-point agenda of the Budget is the need of the hour. This, *inter alia*, includes minimising risks in agriculture through coverage of insurance; timely, adequate, equitable financing spread in agriculture and rural sector; building agri-logistic infrastructure; ensuring agri-supply chain; expanding irrigation facilities and promoting sustainable agronomic practices; use of solar power; collectivisation of farming through farmer collectives (FPOs and SHGs); and emphasising convergence of efforts of Ministries/Departments for improved rural livelihoods and employment. While MGNREGA implementation requires professionalisation of community-based and outcome-oriented works planning and their transparent implementation nevertheless appropriate diversification of economic activities and their convergence with training, skill development and placement-oriented programmes of government departments right up to the village level are the need of the hour to make NRLM a successful and sustainable entrepreneurial intervention in the rural areas.

The proposed initiatives and investments in various key areas viz. rural employment, rural and agri-market reforms/revival/linkages, better price realisation of farm products, rural connectivity, and wider coverage of crop insurance have the required potential to re-orient the rural economy. It also calls for ensuring innovative investment opportunities through public, private and community participation; creating rural and agricultural infrastructure; integrating and converging schematic interventions of Ministries/Departments of RD, Land Resources, AHDF and ACFW. The real challenge, however, is to create an enabling ecosystem for rural/farm enterprises and start-ups. A vibrant farm and non-farm environment in the rural areas would not only make the agriculture and rural activities acceptable, viable and profitable but also would go a long way in (i) realising the objectives of doubling farmers' income by 2022; and (ii) ensuring sustainable livelihoods and gainful employment avenues in rural areas.

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SKILL DEVELOPMENT AND EMPLOYMENT OPPORTUNITIES

Banasree Purkayastha

In order to optimally leverage its demographic dividend, India needs to find ways to empower its manpower with appropriate skills so as to help them find employment as well as meet the demand from its industries while also seizing global opportunities by supplying talent to the global job market. The Union Budget 2020-21 reiterates the government's focus on skill development, reforms in education and training, rural and social entrepreneurship and livelihood enablement.



India is aiming to become a \$5-trillion economy riding on the twin planks of a demographic dividend and digital transformation. In a changing workspace landscape, skill development is of utmost importance that requires the government, the industry and the academia to come together to ensure India's youth is equipped to make the most of the new opportunities. Reskilling the current workforce, training youth gearing up for their first jobs, upgrading and redesigning curriculums to meet the needs of the industry, and ensuring enough institutional infrastructure for imparting knowledge with the help of a passionate faculty, is the need of the hour to bridge the skill demand-supply gap and propel the economy to a new growth trajectory.

Today, India is one of the fastest-growing economies in the world, accounting for the world's

largest young population with over 600 million people under the age of 25 years. Millennials account for nearly one half (47 per cent) of the country's working population and will continue to remain the largest chunk of the Indian workforce for the next ten years. Of this, the majority are based in the hinterlands where access to skills training as well as livelihood opportunities is limited. At the same time, it is this demographic group that will provide the innovators, the leaders, the decision-makers, the entrepreneurs, and form the bulwark of the Indian workforce, and thereby be the creators and change agents of a wealthier and stronger 'new' India. However, to optimally leverage this demographic, India needs to find ways to empower its manpower with appropriate skills so as to help them find employment as well as meet the demand from its industries while also



“There exists a huge demand for teachers, nurses, para-medical staff and care-givers abroad. However, their skill sets, many a time, do not match the employer’s standards and therefore need to be improved. I propose that special bridge courses be designed by the Ministries of Health, Skill Development together with professional bodies to bring in equivalence. Language requirements of various countries need also to be included. All these should be achieved through special training packages. Our Government proposes to provide about Rs. 99,300 crore for education sector in 2020–21 and about Rs. 3,000 crore for skill development.”

Source: Union Budget 2020



seizing global opportunities by supplying talent to the global job market.

Budget Proposals for Skill Development

It is in this context that the recent proposals in the Union Budget 2020-21 for skill development and education become relevant. The Budget lays special emphasis on the employability of India’s young population and quality aspects of education by earmarking a total outlay of Rs.99,300 crore for the education sector in 2020–21 and Rs. 3000 crore for skill development. “By 2030, India is set to have the largest working age population in the world. Not only do they need literacy but they need both job and life skills,” The Finance Minister said, while tabling the Union Budget in Parliament.

About 150 higher educational institutions will start apprenticeship embedded degree/diploma courses by March 2020–21. This will help to improve the employability of students in the general stream (vis-a-vis services or technology stream). The government will also start a programme whereby urban local bodies across the country would provide internship opportunities to fresh engineers for a period of up to one year. National Skill Development Agency will

give special thrust to infrastructure-focused skill development opportunities.

The finance minister, in her speech, also said that the New Education Policy will be announced soon. Steps will be taken to enable sourcing of External Commercial Borrowings (ECB) and Foreign Direct Investment (FDI) to ensure greater inflow of finance to attract talented teachers, innovate and build better labs that will carry out cutting-edge research.

Degree level full-fledged online education programme will be started to provide quality education to students of deprived sections of the society as well as those who do not have access to higher education, especially in rural areas. However, these shall be offered only by institutions which are ranked within the top 100 in the National Institutional Ranking Framework, to ensure that the quality of education imparted remains high.

India today attracts thousands of students from different countries who choose Indian institutions to pursue higher education at the graduate and post-graduate levels. Observing that India should be a preferred destination for higher education, the Budget announced that

EMPLOYMENT ORIENTED EDUCATION

#JanJanKaBudget

- About 150 higher educational institutions to start apprenticeship embedded degree/diploma courses by March 2021
- Urban local bodies across the country to provide internship opportunities to fresh engineers for a period up to one year
- Degree level full-fledged online education programme to be started by institutions who are ranked within top 100 in the National Institutional Ranking framework
- Special bridge courses to be designed by the Ministries of Health, Skill Development

under the “Study in India” programme, an Ind-SAT is proposed to be held in Asian and African countries for benchmarking foreign candidates who receive scholarships for studying in Indian higher education centres.

In order to meet the requirement of qualified medical doctors, it is proposed to attach a medical college to an existing district hospital in PPP mode. Viability gap funding will be made available to the states that fully allow the facilities of the hospital to the medical college and provide land at a concession. The government will also encourage large hospitals with sufficient capacity to offer resident doctors DNB/FNB courses under the National Board of Examinations. Given that a huge demand exists for teachers/nurses/para medical staff and care givers abroad, and Indians can seize these employment opportunities if they have the right skill-sets, the Finance Minister said that special bridge courses would be designed jointly by the Ministry of Health and the Ministry of Skill Development and Entrepreneurship along with professional bodies to match the employer’s standards as well as meet the language requirements of various countries.

A National Police University and a National Forensic Science University have also been proposed in the domain of policing science, forensic science, cyber-forensics in the Budget, thus not only ensuring that the law enforcement forces are supported by technically qualified experts but ensuring that candidates get top-notch training in these institutions.

Making Rural Youth Employable

Coming to skill development and employment opportunities for rural youth, the government has been emphasizing on rural livelihood enhancement programmes, implementing them through different ministries. For development of rural areas through employment generation, strengthening of livelihood opportunities, promoting self-employment, skilling of rural youth, the Ministry of Rural Development has been implementing Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Deendayal Antyodaya Yojana – National Rural Livelihoods Mission (DAY-NRLM), Deen Dayal Upadhyay – Gramin Kaushalya Yojana (DDU-GKY). For adding value to skill training, a special component of soft skills is included in the DDU-GKY training programmes. DDU-GKY provides for a minimum placement of 70 per cent trained candidates for

claiming full cost of project by Project Implementation Agency (PIA). A total of 9.88 lakh candidates have been trained and 6.01 lakh candidates have been placed since 2014–15 till December 2019.

The Ministry of Skill Development and Entrepreneurship is implementing its flagship scheme Pradhan Mantri Kaushal Vikas Yojana (PMKVY) through National Skill Development Corporation (NSDC), with the aim to provide skills training to 10 million youth by 2020. This scheme has two components -- Centrally Sponsored Centrally Managed (CSCM) being implemented by NSDC and Centrally Sponsored State Managed (CSSM) being implemented by State Skill Development Missions of the states/ Union territories.

NSDC has facilitated creation of Sector Skill Councils (SSCs) which are industry-led bodies to ensure addressing skill requirements of various sectors. The scheme promotes skilling of manpower in various sectors including agriculture through the Agriculture Sector Skill Council, thus helping rural youth acquire necessary skills that can lead to sustainable employment. There are three kinds of training routes under the scheme: Short Term Training (STT) for fresh skilling of school/college drop outs and unemployed youth, Recognition of Prior Learning (RPL) to recognise the existing skills and Special Projects to address skilling requirements of the vulnerable groups and permit flexibility in conducting of Short Term Training. RPL under PMKVY has been able to undertake up-skilling of farmers via bridge course training through some of the projects. The scheme is being implemented across the country spanning 37 sectors including agriculture sector.

Under PMKVY 2016–2020, more than 5 lakh candidates have been trained in the agriculture sector. In the last three years, 67 training courses in beekeeping and 60 training courses in animal husbandry have been completed by NSDC. Beneficiaries are being enrolled pan-India, including for job roles such as dairy farmer, organic grower, floriculturist, gardener, and pulses cultivator. While Industrial Training Institutes (ITIs) are typically seen as skilling the youth to take up jobs in manufacturing industries and the like, some new trades like Internet of Things (Smart Agriculture) and Soil Testing and Crop Technician have been introduced to keep pace with technological innovations, which are of special interest to the rural youth and young farmers.

NSDC, through its Pradhan Mantri Kaushal Kendras (PMKKs) and other training partners, also

conducts Rozgar Melas (job fairs) on a pan-India basis to provide job opportunities to job seekers in the 18–45 years age group by connecting them with the employers on a common platform.

Under the ongoing Environmental Information System (ENVIS) Scheme of the Ministry of Environment, Forest & Climate Change, the Green Skill Development Programme (GSDP) was launched in June 2017, on a pilot basis, at 10 locations, spread over 9 bio-geographic regions of the country to skill youth in environment, forest and wildlife sectors and enabling them to be gainfully employed or self-employed. Based on the success of the pilot, the programme was extended to pan-India level with 43 courses conducted in 2018–19 covering diverse fields - pollution monitoring (air/water/soil), emission inventory, Sewage Treatment Plant (STP)/Effluent Treatment Plant (ETP)/Common Effluent Treatment Plant (CETP) operation, waste management, environmental impact assessment, water budgeting & auditing, bamboo management & livelihood generation, etc. Overall, 135 training programmes were conducted at 87 locations throughout the country and 2315 youth have been successfully trained under various courses during 2018–19.

Budgeting for Rural Employment

Several ongoing government programmes for rural livelihood have found special mention in the Union Budget 2020–21, with the Finance minister enhancing the outlay for several schemes. Under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Pradhan Mantri Awas Yojana – Grameen, Pradhan Mantri Gram Sadak Yojana (PMGSY) and Deendayal Upadhyay - National Rural Livelihood Mission (DAY-NRLM) enhanced allocation has been made as compared to the previous year in the Union Budget. It reflects the commitment of the government to further improve the ease of living of the rural population on one hand and strong resolve to address the issue of rural poverty on the other.

The Union Budget 2020–21 has proposed to earmark Rs. 1,20,147.91 crore for the Department of Rural Development (DoRD) which is higher in comparison to BE 2019–20 which was Rs. 1,17,647.19 crore. Department of Rural Development administers some of the most critical Centrally Sponsored Schemes (CSSs) in close collaboration with the states, in the areas of rural employment, rural housing, rural roads, social assistance and promotion of rural women Self-Help Groups (SHGs), among others. National Rural

Economic Transformation Project (NRETP) has been initiated to scale higher order economic activities in 13 high poverty states under DAY-NRLM. The key activities, under the project, include establishing model cluster level federation, promoting large scale farmer-producer enterprises and farmer-producers groups, and supporting individual and group non-farm enterprises.

The Union Budget also proposes to bring a larger number of rural women within the fold of DAY-NRLM. From existing 58 lakh self-help groups (SHGs), the number would be expanded to 78 lakh by 2023–24. Out of this, 8,10,000 SHGs are being formed during the current fiscal. SHGs will be allowed to set up village agri storage facilities. Linking rural women from SHGs with village storage schemes to help them become '*Dhanya Lakshmi*' will help in creating additional income opportunities for women. The Department of Rural Development also aims to elevate women SHGs' nano-enterprises to micro enterprises and deepen their access to bank credit. The Budget proposal to involve youth in fishery extension through 3477 Sagar Mitras and 500 fish farmer producer organisations will also help augment rural employment opportunities, especially in the coastal states, thus not requiring rural youth to migrate to urban centres in search of livelihood.

A Secure, Sustainable Future

The above initiatives of the government indicate its resolve to not just create employment opportunities for India's youth, but also boost their job prospects through relevant skill training, thus unleashing India's youth power to take the economy to greater heights. Budget 2020 reiterates the government's focus on skill development, reforms in education and training, rural and social entrepreneurship and livelihood enablement.

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UNION MINISTER SHRI PRAKASH JAVADEKAR RELEASES INDIA/BHARAT 2020

Union Minister Prakash Javadekar released Annual Reference India/Bharat 2020 in New Delhi on 19th February 2020. Speaking on the occasion the Minister said “The book is a complete reference manual for all people including those appearing for competitive examinations.” The Minister congratulated Publications Division for coming out with this publication. He said the book has become a tradition and is becoming popular by the day.

Shri Javadekar also released the e-version of the publication during the occasion. The e-version can be accessed on a variety of devices such as tablets, computers, e-readers and smart phones. The e-book conforms to the best international standards technically and is a faithful replication of the print version. The e-INDIA has a variety of reader-friendly features for better communication like hyperlinks, highlighting, book marking and interactivity.

The book will be priced at Rs. 300 and the e-book will be available at Rs. 225. The books can be purchased online from the website of Publications Division at the link <https://www.publicationsdivision.nic.in/index.php?route=product/p-book>.

The books can also be brought from Amazon and Google Play Store. The function was attended by Shri Ravi Mittal, Secretary, Ministry of Information and Broadcasting and other senior officers of the Ministry.



About the Book



The Reference Annual India/Bharat-2020 carries exhaustive and comprehensive information about India and the activities, progress and achievements of various Government Ministries/Departments/Organisations during the year. It is the 64th edition of the compilation. Brought out jointly by the Publications Division and New Media Wing of the Ministry of Information and Broadcasting India, Bharat 2020 is a much awaited annual publication especially for the aspirants of competitive examinations.

The Annual deals with all aspects of country's development - from rural to urban; from industry to science and technology to human resource development. The volumes give a glimpse of flagship programmes of the Government and important events of the year. Over the years it has earned a well-deserved pride of place for

researchers, planners, policy makers, academics, media professionals, not to forget the job seekers. The Publications Division is a repository of books and journals highlighting subjects of national importance, India's rich cultural and literary heritage. Since its inception in the forties, it has been publishing books in English and Hindi as well as in all major Indian languages at affordable prices. In the last few years, the Publications Division has brought out quality books on varied subjects along with literature and literary figures.

Such subjects apart from bringing freshness into the repertory make it readable and free from the constraints of topicality. Publications Division has more than 2000 digitized titles. At present, the Digital Archives has a repository of over 2185 titles. Out of these, 405 e-books were put up for sale through various platforms like Amazon and Google Play. Over 35,000 copies of e-books have been sold. Further, DPD also expanded its presence in digital publishing by increasing the total number of titles available to more than 370 on various e-commerce websites in a searchable format downloadable on various electronic devices along with other basketful of user-friendly features.

(Source: PIB)

EDUCATION IN RURAL INDIA

Satish Kumar Yadav

The Government has made good efforts by allocating funds to various programmes and schemes for the improvement of quality of schools and higher education. But still there is need to improve the investment allocated under different schemes of education with a focus on education of rural India.

In our country lot of progress has been made in the field of school education especially post independence. There were only 2,30,700 schools from class 1 to 12 in 1951. Today we have more than 15 lakh schools in 2020. It means there is an increase of more than seven times during the last 70 years. About 75 per cent schools are set up in the rural areas. In these schools, 25.1 crores children are studying from primary to higher secondary stages. About 90 lakh teachers are working in these schools, out of which, 65 lakhs are working in rural areas. In this budget, allocation for school education has been Rs. 59,845 crores in comparison to Rs. 56,536 crores allocated last year. There is an increase of Rs. 3,304 crores (5.84 per cent) more from the last year budget. The budget allocation under different schemes and programmes of school education are

mentioned with a broad objective to improve the access and quality of school education.

Skill Development

By the year 2030, India is set to have the largest working-age population in the world. Not only will they need literacy but both job and life skills. Education and sustaining skill development is instrumental to boost employment in the rural areas in both agricultural and non-agricultural sectors. In the budget Rs. 3,000 crores for skill development have been allocated for achieving this endeavour and it is a good initiative by the government.

Eklavya Model Residential Schools

Another initiative by the government to facilitate access of education to the tribal children is the setting of Eklavya model residential schools in the rural areas. The objective of the initiative is to ensure students can access quality education in the remote areas. The Budgetary provision for Eklavya model residential scheme is Rs.1313.23 crores for the education for scheduled tribes students.

Education and Skills

- New Education Policy to be announced
- Apprenticeship, embedded degree/diploma courses by 150 higher educational institutions
- Degree level full-fledged online education programme
- National Police University and National Forensic Science University
- Special bridge courses by the Ministries of Health and Skill Development

₹99,300 Crore for Education | ₹3000 Crore for Skill Development

#JanJanKaBudget

“ In order to provide quality education to students of deprived section of the society as well as those who do not have access to higher education, It is proposed to start degree level full-fledged online education programme. This shall be offered only by institutions who are ranked within top 100 in the National Institutional Ranking framework. Initially, only a few such institutions would be asked to offer such programmes. ”

Source: Union Budget 2020

Jawahar Navodaya Vidyalayas

Establishing Jawahar Navodaya Vidyalayas as residential schools was the initiative by the Ministry of Human Resource Development for rural children. The objective of opening these schools was to provide opportunities equivalent to the best residential school system. These schools were set up in 1985 for providing free and compulsory education to rural children from classes 6th to 12th.

Samagra Shiksha

Samagra Shiksha is an flagship programme of the government to promote holistic education. It was formulated in 2018 by bringing together three earlier centrally sponsored schemes i.e. Sarva Shiksha Abhiyan (SSA), Rashtriya Madhyamik Abhiyan (RMSA) and Teacher education. Government also introduced NISHTHA (National Initiative for School Heads and Teachers Holistic Advancement), an initiative to train over 4.2 million teachers across the country. For all these programmes, total budget allocation for school education has been proposed at Rs. 59,845 crores, out of which, allocation of Rs. 38,750 crores has been only for Samagra Shiksha which constitutes 64.75 per cent of the school Budget. The allocation of fund for this scheme has increased to 6.26 per cent from the last year budget. The allocation to this scheme will improve the quality of education particularly children from rural areas.

Mid-Day Meal Scheme

The MDMS is a centrally sponsored scheme formulated in 1995 which is a National Programme of Nutritional Support to Primary Education (NP-NSPE). One of the main objectives of the scheme was to bring back children from rural and disadvantaged sections of society to schools. Over the period of time, it was observed that there was an improvement in enrollment, attendance and retention by providing free foodgrains to government run primary schools.

Digital Connectivity

Many areas of the country, especially rural areas are lacking in education with outdated teaching methods, shortage of teachers, inadequate student-teacher ratio, and insufficient teaching resources. Increasing accessibility of digital education and use

of internet is rapidly increasing in rural areas due to the availability of affordable data plans and cheaper mobile devices.

In this Budget, government has announced to provide digital connectivity in all schools and the expenditure will be met from the budget allocated to school education. Government has initiated number of schemes for the rural areas. This will be very useful for students and teachers residing in rural and far flung areas. They can receive quality education and training by using online platform like MOOCs on SWAYAM.

Higher Education

There has been a lot of progress in higher education in terms of setting up of institutions, colleges and universities and also enrolment in these institutions over a period of time. In 1991 there were only 184 universities in the country. At present more than 1000 universities are functioning in the country and this has increased more than five times. Similarly, about 42,000 colleges are functioning today in the country. The Budget for University Grant Commission has been allocated Rs.4693.20 crores. Some of the other programmes and their allocation are as follows.

- **All India Council for Technical Education (AICTE)**

In the budget, Rs. 5109.20 crores have been allocated to All India Council for Technical Education. There is also an increase of 14 per cent in the budget for IITs compared to last year. The present budget has announced to provide support to various other startups and firms that are currently engaged in helping the Indian youth become employable.

- **Study in India**

The government has proposed in the budget to promote Study in India programme for bringing foreign students and faculty to our institutions of higher learning. Measures will be taken to introduce Foreign Direct Investment (FDI) in education sector and draw external commercial borrowings and make India a preferred destination for higher education. The government has proposed to open doors for foreign universities to partner with Indian universities through external borrowing and the foreign direct investment route. However

at the same time not allowing them to set up full-fledged campuses in the country. At present planning is underway to set up 20 higher Educational institutions of international standard. The initiative comes at a time when many Indian students are going abroad for higher studies.

- **Online Course**

According to the latest Economic Survey, 'absence of a suitable financial support system and high burden of course fee, especially in higher education, push out the poor rural girls and underprivileged children out of the education system'. Therefore, government has announced in the budget that 150 higher educational institutions would start apprenticeship-embedded degree or diploma courses by March 2021 to increase employability of fresh graduates. A full-fledged online degree-level education programme by institutions ranked within the top 100 in the National Institutional Ranking framework will also be started. Special bridge courses be designed by the Ministries of Health, Skill Development together with professional bodies to bring in equivalence with existing courses. To boost entrepreneurship, the government proposes to set upon Investment Clearance Cell. The proposed budget would surely lead better infrastructure, attraction of best teachers and great research and innovations especially in the field of science and technology.

- **Medical Colleges**

The Budget proposes to attach a medical college to an existing district hospital in PPP mode. Special bridge courses to be designed by the Ministries of Health, and Skill Development. The Government has to therefore, encourage large hospitals with sufficient capacity to offer resident doctors DNB/FNB courses under the National Board of Examinations.

Way Forward

The Government provided about Rs 99,300 crores for education sector both for rural and urban



areas for the year 2020-21. There is no separate allocation in the budget for rural areas. But it requires special attention, efforts and support of the government for implementing different schemes and programmes to reach rural areas. Time has come that we should recognize not just literacy, but also quality education and applied knowledge as a basic need and fundamental right of every child. The Education Budget 2020 needs to focus on education and employment generation in the rural areas. In the rural areas, adequate basic infrastructural facilities, adequate number of educational institutions, qualified teachers and faculty should be provided. More and more programmes on the pattern of National Initiative For School Heads And Teacher Holistic Advancement (NISHTHA) need to be planned in which 42 lakh teachers and school heads are being trained. Adequate budget should be allocated for promotion of research and innovations. Internet reach in rural areas needs to be improved. The Government has made good efforts by allocating funds to various programmes and schemes for the improvement of quality of schools and higher education. But still there is need to improve the investment allocated under different schemes of education with a focus on education of rural India. It is desired that the National Education Policy to be announced by the government soon will suggest a road map in this direction.

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