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**VAJIRAM & RAVI**  
**ACCELERATING INVESTMENT, JOB CREATION AND INCOME GROWTH**

- The aim of the Budget 2021 was to revive the economy, accelerate growth and generate employment. It reflected the government's enthusiasm in stimulating investment and diversification, leading to higher incomes for farmers.
- When the whole economy contracted by 7.2 percent due to lockdown, the **gross value added in agriculture sector grew by 3.4 percent**.

### **Budget 2021 and Agriculture**

#### **A. Allocation**

- At first glance, it may seem that the allocations for the Ministry of Agriculture and Farmers Welfare have been reduced, when we compare budget estimates.
- However, when we **compare the allocations** in 2021-22, **to the revised estimates** of 2020-21, then we can see **an increase in allocation of about Rs. 7,000 crores**.
- The major **reduction can be explained by reductions in PM-KISAN allocations**. The difference in registered beneficiaries and actual beneficiaries in the latest round may be a reason for this lower allocation.

#### **B. Incentivizing Investment**

- Development of infrastructure, especially at the farmgate and post-harvest stage minimises wastages and shortages. The **post-harvest losses and wastages**, due to lack of proper infrastructure facilities, **accrues to 15-20%**.
- The **Agriculture Infrastructure Fund (AIF)** announced by the government in May 2020 with the **total corpus of Rs. one lakh crore** is a huge step in the right direction.
- The scheme is already available for entrepreneurs, FPOs, cooperative societies etc. However, this year's budget speech announced that **even APMC market yards would be able to utilise this fund to upgrade their marketing infrastructure**.
- At the same time, an **expansion of e-NAM** has also been announced. Another 1000 mandis will be connected to e-NAM.
- The availability of credit is an important contributing factor to production and productivity. The target for **agriculture credit has been increased by Rs. 1 lakh crores** to stand at **Rs. 16 lakh crores for 2021-22**.
- To further the adoption of more efficient irrigation systems, the **Micro Irrigation Fund created under NABARD has now been doubled**.
- Another step towards investment in agriculture is reflected in a **33 percent increase in the budgeted amount under Rural Infrastructure Development Fund (RIDF)**.
- There are **37 areas where the RIDF funds can be deployed**, including not just agriculture infrastructure, but also social sector infrastructure such as public health institutions, sanitation, solid waste management amongst others.

#### **C. Expenditure on Major Subsidies**

- The Pradhan Mantri Kisan SammanNidhi (PM-Kisan), the Pradhan Mantri FasalBima Yojana (Crop Insurance Scheme), the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY), and the Interest Subvention Scheme (Interest Subsidy for Short Term Credit to Farmers) are the most critical government schemes in agriculture.

- The budget **brings greater transparency in reporting of expenditures**, especially for food and fertiliser sector.
- There were outstanding dues of food subsidy which was not reflected in the budget and **was accounted as borrowings of Food Corporation of India**. Over the years, these borrowing accumulated and crossed Rs. 3 lakh crore.
- The budget **witnessed revision in the figure of food subsidy** to Rs. 4,22,618 crore in revised estimates of FY 21 from a budgeted figure of Rs. 1,15,570 crore in the 2020-21 financial year, **an increase of 3.6 times**.
- Hence, this year's budget **cleared all the borrowings of FCI and it reflected the true picture of food subsidy**.
- Similarly, the **arrears of fertiliser sector were also cleared**. The revised estimates were increased by 1.8 times from Rs. 71,309 crore for FY 2020- 21 to Rs. 1,33,947 crore.
- The **burden of these two subsidies has been burgeoning rapidly**. The Economic Survey of 2021-22 has also addressed the issue of rising bill of food subsidy in the country. **FCI's economic cost of rice is Rs. 37/kg and of wheat about Rs. 27/kg**.
- The CIP of wheat, rice and coarse grains under NFSA, Mid-Day Meal Scheme, and ICDS are fixed rate of Rs. 3, 2 and 1 per kg respectively. This has remained unchanged since the introduction of NFSA 2013.
- The **massive subsidisation of fertiliser is also creating several distortions**, one in terms of **huge cost to the exchequer** and other is **imbalanced used of fertilisers**. It has brought inefficiency in the optimal **usage ratio of NPK fertilisers**.
- This imbalance has also **reduced the crop response ratio**. A systemic approach to tackle this situation can be found by **bringing Urea under the nutrient based subsidy and introducing direct cash transfer on per hectare basis urea and complex fertilisers**.

#### **D. Reiterated Commitment to MSP**

- The government through the Budget has also reiterated their commitment to the minimum support price (MSP) the public procurement system.
- The number of farmers benefited increased from 35.57 lakh in 2019-20 to 43.36 lakh in 2020-21 in case of wheat and from 1.24 crores in 2019-20 to 1.54 crores in 2020-21 in rice.
- **MSP had been gradually increased** to assure a reasonable price which is **at least 1.5 times** the cost of production across all the 23 commodities.

#### **E. Other Major Announcements**

- The **Operation Green Scheme** was launched to cover tomatoes, onions and potatoes. Now, the scheme has been extended to cover 22 perishable commodities, which will further **support diversification** at the farm level.
- Substantial investment opportunities were highlighted to **enhance the Blue Economy**, specifically in **modern fishing harbors and fish landing centers**.
- **Five major fishing harbours** will be developed as hubs of economic activity; Kochi, Chennai, Visakhapatnam, Paradip, and Petuaghat.
- The budget allocation for department of Fisheries has increased by a whopping 48 percent. The major element in the fisheries sector is attributed to **Pradhan Mantri Matsya Sampada Yojana** with the allocation of Rs. 1000 crore.

- Another major announcement was the **extension of the Survey of Villages and Mapping with Improved Technology in Village Areas (SVAMITVA) scheme** to the whole country. The SWAMITVA Scheme was piloted in 2020 to map rural residential land ownership and to create non-disputable records, leveraging advanced technologies, such as drones for measurement.
- This will benefit farmers by providing them with **non-disputable records of land ownership**, facilitating access to bank credit and the inherent security of owning records of ownership; thus, reducing land disputes and litigation.
- There was also **introduction of an agriculture infra and development cess**. The cess will be levied on items including gold, silver, alcoholic beverages, coal, and cotton, and **basic customs duty will be reduced by an equal amount**. Additionally, **the cess will be levied on petrol and diesel at the rate of Rs. 2.5 and Rs. 4 per litre respectively**, with equivalent cuts in excise duty.

### Conclusion

- This was a budget intended to revive and stimulate investment, growth, and job creation. The enhanced capital expenditures, increased by 34 percent, with record capex in roads and railways.
- With record levels of capital expenditures for road transport and railways, this better connectivity will impact farmers as well. Terminal markets will come closer, facilitating market access.

### HEALTHY PEOPLE HEALTHY NATION

More than 12 months into the pandemic, India has around 10.9 million COVID cases and 155,653 deaths, which was among the lowest in the world. India has, now, also embarked on an ambitious vaccination drive, with a special focus on those who are more vulnerable.

#### Budget 2021-22 and Healthcare

- **Production Linked Incentive schemes** have been announced for promoting **domestic manufacturing of Key Starting Materials**, Drug Intermediaries and APIs to **boost domestic manufacturing of 53 bulk drugs**.
- The schemes for **promotion of bulk drug parks and medical device parks** have been announced. The **COVID Suraksha Mission** was also launched for boosting indigenous vaccine testing and development.
- The **allocation for health and well-being** in this Budget has been **enhanced** from Rs. 94,452 Crore (2020-21 BE) to Rs. 2,23,846 Crore, **an increase of 137 percent**.
- Historically, India has spent a very low quantum of public finance on health. Only 30 percent of the total health spending has been derived from public sources, with around 70 percent being private expenditure. Globally, **public spending constitutes 60.1 percent**.
- As a percentage of GDP, Government health spending in India has **stagnated at around 1 percent over the last two decades**. *As highlighted in the Economic Survey, Government (Centre and State) spend on health as a percentage of GDP has increased from 1.2 in 2014-15 to 1.8 (2020-21 BE).*

#### PM AatmaNirbharSwasth Bharat Yojana (PMANSBY)

- PMANSBY was announced in Budget 2021. The scheme aims to **strengthen the health system at every level** - primary, secondary and tertiary. A core objective of the scheme is **to invest in capital expenditure** in health, including in Tier 2 and Tier 3 cities as well as rural areas. This also creates opportunities for public-private partnerships.

- The scheme **aims to strengthen disease surveillance**. Some of the notable interventions proposed under PMANSBY include setting up of 4 regional National Institutes for Virology, 15 health emergency operation centres, 2 mobile hospitals and a National Institution for One Health.
- All public health laboratories will also be connected through the expanded Integrated Health Information Portal. To expand the coverage of comprehensive primary health care, 17788 and 11024 Health and Wellness Centers (HWCs) will be set up in rural and urban areas respectively.

#### **Ayushman Bharat - Health and Wellness Centres (HWCs)**

- Historically, **primary care in India has been largely focused on reproductive and child health as well as ensuring institutional deliveries**.
- A key pillar of Ayushman Bharat is to build a system that provides comprehensive primary health services to people on the foundation of 150,000 Health and Wellness Centres to provide services related to reproductive and child health, communicable diseases, non-communicable diseases.
- Following the COVID-19 outbreak, many HWCs have initiated tele-consultations. This budget has allocated funds for the continued expansion and strengthening of HWCs under Ayushman Bharat as well as under PMANSBY.

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

- In the absence of a scheme like PM-JAY, the second pillar of the Ayushman Bharat programme, poor patients would often be left with no choice but to delay or avoid seeking treatment altogether.
- PM-JAY provides the poorest and most vulnerable families with an annual health cover of Rs 5 Lakh for hospitalisation related expenses. By consolidating multiple health insurance schemes under PM-JAY, the government has taken a major step towards '**One Nation One Scheme**'.
- **As per the Economic Survey, PM-JAY has had a positive impact on health outcomes even within a short span of time since its launch**. In States which have implemented the scheme, the proportion of households with health insurance increased by 54 percent, compared to a 10 percent fall in the penetration of health insurance for States which did not implement PM-JAY. As per a survey report, Infant Mortality Rates, Under-5 Mortality Rate declined in States which adopted PM-JAY.

#### **Ayush**

- Over the last few years, the Government has made concerted efforts to formally mainstream AYUSH and revitalise local traditions under the National Health Mission. NHP, 2017 has also recommended the mainstreaming of AYUSH.
- By increasing the allocation of Ministry of AYUSH by 40 percent in BE 2021-22, the Union govt. has signalled the importance of leveraging AYUSH.

#### **Nutrition, Drinking Water, Sanitation and Clean Air**

- Budget 2021-22 has also focused on various programmes that directly or indirectly influence outcomes in health such as nutrition, drinking water, sanitation and clean air.
- In Union Budget 2021-22, **Mission Poshan 2.0** has been launched for strengthening the nutritional content, delivery, outreach, and outcome of various programmes **by merging the Supplementary Nutrition Programme and the Poshan Abhiyaan**.
- An adequate quantity of safe drinking water is essential for health, as is access to sanitation facilities with appropriate sewage disposal.
- In this context the allocation of Rs. 2,87,000 Crore over 5 years for the Jal Jeevan Mission (Urban) is a crucial step. At least 2.86 crore household tap connections will be provided under this Mission.

- To sustain the gains made under the Swachh Bharat Mission, Rs. 1,41,678 Crore has been allocated over 5 years for the Urban Swachh Bharat Mission 2.0.
- Given the challenges pertaining to air quality in many cities in India, the Budget has also made a provision to **the tune of Rs. 2,217 Crore for tackling air pollution** in 42 urban centres with million-plus population.

### **TOWARDS REALISATION OF A FIVE TRILLION DOLLAR ECONOMY**

The Indian economy has set an ambitious target of transforming itself into a \$5 trillion economy by 2024-25. As per World Bank's data, India's GDP at constant prices stood at US\$ 2.94 trillion in 2019. However, the country's progress towards achieving this ambition received a setback by the onset of the COVID-19 pandemic.

#### **Approach to Counter The Challenges Posed by COVID 19**

- An already slowing global economy got a further blow by the global pandemic in 2020. In this backdrop, there was a dire need to follow a two-pronged approach to (a) mitigate the impact of the pandemic and (b) ensure accelerated growth.
- Both **liquidity injections and fiscal stimuli** are being used to steer the economy back on the growth trajectory.
- Some of the **cornerstones of achieving higher rate of growth** are - **facilitating agriculture, bolstering infrastructure, boosting trade and investment, guaranteeing employment and ensuring health.**

#### **Halting the Slow Down**

- In recent years, the rate of growth of GNI has slowed down since 2017-18. However, 2020-21 witnessed an **unprecedented contraction of -7.9 percent.**
- Throughout 2020, the GoI provided stimuli to the economy, in the form of **AatmaNirbhar Bharat packages**. These packages, together with the measures taken by the Reserve Bank of India (RBI), amounted to Rs. 27.1 lakh crores, i.e. **around 13 percent of the GDP.**
- From 9.5% of GDP in 2020-21, the **fiscal deficit is projected to become 6.8%** in 2021-22 and **further to 4.5% in 2025-26**, for which the Budget envisages fiscal consolidation.
- Besides, as a part of the package, structural reforms in the past year have extended across various sectors, including new Acts for agriculture, new definition for MSMEs, enactment of labour codes, reforms in the power and mineral sectors, facilitating the ease of doing business, etc.
- These measures have rightly underscored the importance of generating demand, along with boosting the supply. In this context, the **Budget's estimate of Rs. 1,75,000 crores as receipts from disinvestment is of significance.**

#### **Health First**

- Unlike recent earlier crises faced by the Indian economy, i.e. foreign exchange reserve crisis of 1991 and global economic crisis of 2008, the **trigger of the current economic crisis is a health crisis.** This divulges the **linkages between public health and economic well-being of the nation.**
- The Budget announcements viz. allocation of Rs. 2,217 crores to 42 urban centres for dealing with air pollution; a voluntary vehicle scrapping policy; rolling out of pneumococcal vaccine across India; and provision for COVID-19 vaccine will directly or indirectly lead to better public health.

- The **National Nursing and Midwifery Commission Bill** proposes to ensure transparency, efficiency and governance reforms in the nursing profession.

### **Harnessing Inherent Strength**

- AatmaNirbhar Bharat encompasses harnessing of inherent strengths for achieving desired goals. An important component of doing so is to **provide an enabling socio-economic or extra-economic environment** by focusing on nutrition, education at all levels and skilling.
- In this context, budget 2021-22 announced several important measures related to **Nutrition** (refer to the second chapter of this summary), **education and skill development** (dealt in following chapters of this summary).

### **Handling External Sector**

- The revival and the recovery of economic parameters hinge greatly on the performance of the external sector, given that **supply chains have become more globally integrated**.
- Disruptions in the chains, coupled with shrinking purchasing power, due to the pandemic and lockdowns, have resulted in **India's trade with the rest of the world** in April-December, 2020, was around **23 percent lower** than the corresponding period in 2019.
- The **new Trade Policy 2021-26** is to be implemented on 1<sup>st</sup>April, 2021. A **district-lead export growth** is in line with the announcement of last year's Budget wherein the focus was on encouraging each district to tap its potential for exporting a product.
- Budget 2021-22 has endeavoured to **rationalise the customs duties**, striking a difficult, yet necessary balance between the welfare of the domestic producers and domestic users.
- **To provide a competitive edge to the MSMEs**, import duties on products produced by them have been proposed to be increased. **Agriculture infrastructure and development cess** has been proposed on certain items including urea, apples, crude soyabean and sunflower oil, crude palm oil, kabuli chana and peas. The proposed cess is expected to help in providing the much-needed improvement in agriculture infrastructure.
- **FDI flows in April-September, 2020 were US\$ 30 billion**, i.e., around **15 percent higher than the corresponding period of 2019**.
- To facilitate **ease of investing in India**, the Budget has **revised the cap on FDI in the insurance sector from 49 percent to 74 percent**.

### **Honing Facilities for Employment**

- The lockdown witnessed large-scale reverse migration from urban to rural areas, socioeconomic hardships, **followed by re-migration to urban areas**.
- The **doubling of the outlay for MSMEs**, which has created 11.10 crore jobs' in the country, **may prove to be a game-changer**.
- Further, **recycling of ships** has a high employment potential. The Budget announcement of **doubling recycling capacity** of around 4.5 Million Light Displacement Tonne by 2024, is expected to generate an additional 1.5 lakh jobs.
- The Budget has proposed to **provide Rs. 1,000 crores for a new scheme** for the welfare of Tea workers, especially women and their children in Assam and West Bengal.
- **For migrant workers** in particular, the Budget made important announcements, viz. universal coverage under 'One Nation One Ration card' plan; launching a portal to collect relevant information; extending social security benefits to gig and platform workers; minimum wages to apply to all categories of workers; all workers to be covered by the Employees State Insurance

Corporation; women to be allowed to work in all categories and also in the nightshifts with adequate protection; and reducing compliance burden on employers.

### **Hoisting Infrastructure**

- Important budget announcements regarding infrastructure have been dealt in the chapter “Infrastructure Development”.

### **Hailing Agriculture**

- Budget announcements regarding this sector has been dealt in previous chapters of this summary.

### **Conclusion**

- The task of achieving a US\$ 5 trillion economy is daunting. The resilience of the economy is evident, especially from the revival in FDI and trade.
- Further, the RBI has projected a growth of 10.5 percent in 2021-22. The International Monetary Fund too has projected India’s growth in 2021 to be 11.5 percent, after recording a **dismal-8 percent in 2020**.
- Timely and effective implementation of the Budget announcements will have a multiplier effect across different sectors of the economy.

## **BOOSTING THE EDUCATION SECTOR**

- The **National Education Policy 2020** (NEP:2020) envisages **education as a continuum** without any segmentation and focuses on making education more experiential, holistic, integrated, character-building, inquiry-driven, discovery-oriented, learner-centred, discussion-based, flexible, and above all, more joyful.
- It aims at producing engaged, productive and contributing citizens for building an equitable, inclusive, and plural society as envisaged by the Constitution.
- The Budget 2021 touches upon the core foundation of school education and paves way to achieve the objectives of NEP 2020.
- The **budget announcements** for school education can be **categorised in core themes of Access to quality education, Teachers, Technology, Innovative Pedagogies, Equity and Inclusivity, Transformation of Assessment, and reinforcement to Adult Education.**

### **A. Access to Quality Education**

- Announcement regarding **15000 exemplar schools** which will be qualitatively strengthened to include all components of National Education Policy. Exemplar schools will be developed as a centre of excellence where children will have access to an equitable and inclusive school environment.
- The focus of these schools would be on holistic development of learners. **Teachers would be trained** to adopt experiential learning, including hands-on learning, arts-integrated and sports-integrated education, story-telling, and activity- toy based pedagogy.
- **100 New Sainik Schools** will be set-up and **750 Eklavya model residential schools** will be set-up in tribal areas to create robust infrastructure facilities for our tribal students.

### **B. Teachers**

- Budget lays a lot of emphasis on capacity building of teachers. It has been mentioned that 56 lakh school teachers will be trained through the **National Initiative for School Heads and Teachers for Holistic Advancement (NISHTHA)**.

- During the pandemic, all 18 modules for the training were made online: they were contextualised and translated in 10 regional languages and have been uploaded on DIKSHA.
- After the Budget announcement, **NISHTHA training will further be extended to the Secondary teachers** and a specialised online NISHTHA training is being designed for primary grade teachers to **train them on foundational Literacy and Numeracy**.
- In order to equip teachers in this rapidly changing era, it has been decided to **formulate National Professional Standards for Teachers (NPST)**.
- As on today, we only have minimum qualifications for appointment of teachers which are prescribed by the NCTE. However, NPST will be a much more comprehensive set of norms encompassing the expectations of all participants; it will also include planning the career of a teacher in a systemic manner.
- A **National Mission for Mentoring**, with a large pool of outstanding senior/retired faculty who would be willing to provide short and long-term mentoring/professional support to university/college teachers, as envisaged in NEP 2020 has also been announced.

### C. Technology

- NEP 2020 puts lots of emphasis on increased use of technology at all levels. In this context, it has been envisaged to set-up a **National Digital Educational Architecture (NDEAR)** as diverse education eco-system architecture for development of digital infrastructure.

### D. Innovative Pedagogy

- As visualised in NEP 2020, Pedagogy must evolve to make education more experiential, holistic, integrated, inquiry-driven, learner-centred, discussion-based and enjoyable. NEP also gives autonomy to the teachers to choose the pedagogy in classrooms.
- Budget 2021 truly captures this spirit and **propagates the unique indigenous toy-based learning — pedagogy for all levels of school education**.
- For pre-schoolers, toys are used for making children ready to learn. However, they can be used from pre-school to higher secondary education. Toy as a teaching-learning resource has a potential to transform classroom pedagogy.
- An **expert committee has been constituted** to finalise the concept of toy-based pedagogy which will be suitably incorporated in NCF for School Education.

### E. Equity and Inclusivity

- The National Education Policy also highlights the importance of SDG-4, adopted by India in 2015, which seeks to “**ensure inclusive and equitable quality education and promote lifelong learning opportunities for all**” by 2030.
- Budget 2021 announced that **Indian Sign Language (ISL) will be standardised** so that quality content is available to such children. This will promote the learning of children with hearing impairment thereby providing them an equal opportunity to unfold their potential.
- **Post Matric Scholarship Scheme** for the welfare of Scheduled Castes has been **revamped** and **central assistance has also been enhanced** in this regard.

### F. Transformation in Assessment

- The teaching in the classroom as well as the methods of assessment (question setting and evaluation) reflect towards emphasis on rote learning. It is creating generations of young people who have not been encouraged to think.

- This also leads to unfair situation where the same students have to sit for entrance tests to the IITs, Defence Services etc. This anomaly has encouraged coaching to flourish, filling the vacuum created by school system.
- NEP 2020 recommends that the aim of assessment in our schooling system must shift from one that is summative and primarily tests rote memorisation skills to one that is more regular and formative, promotes learning and development for our students. It also points out the **need to redesign Board exams to encourage holistic development**.
- In order to change the nature of board exams, **Budget 2021 advocates reforms in CBSE board examination**. Accordingly, CBSE has started modifying the design of its question papers by **adding questions that are context/ case based**. In 2022 Board exams, CBSE will have 20 percent application-oriented/ Source/Case-based questions for class X and 10 percent for class XII.
- Further, **Holistic Progress Card** (HPC) for students, as announced in Budget and envisioned in NEP 2020, is a paradigm shift from traditional way of assessment. The progress card of all students for school-based assessment will be completely redesigned.
- The progress card will be a holistic, 360-degree, multidimensional report that reflects in great detail the progress as well as the uniqueness of each learner in the cognitive, affective, and psychomotor domains.
- Holistic Progress Card will also provide students with valuable information on their strengths, areas of interest, needed areas of focus and thereby helping them in making optimal career choices.
- It will help the teacher and student, and the entire schooling system, continuously revise teaching-learning processes to optimise learning and development for all students.

#### **G. Reinforcement to Adult Education**

- The SDG 4.6 mandates that “By 2030 ensure that all youth and adults, both men and women, achieve literacy and numeracy. The importance of Adult literacy is also emphasised in NEP 2020.
- Budget 2021 announced increased access of resources, and introduction of online modules covering the entire gamut of adult education.

#### **Conclusion**

Budget 2021 **treats education holistically** and intends to achieve the vision of NEP 2020 which is “**to instil among the learners a deeprooted pride in being Indian**, not only in thought, but also in spirit, intellect, and deeds, as well as to develop knowledge, skills, values, and dispositions that support responsible commitment to human rights, sustainable development and living, and global well-being, thereby reflecting a truly global citizen”.

#### **AATMANIRBHAR WOMEN**

- Due to the COVID-19 pandemic, the Economic Survey 2020-21 **estimated India’s GDP to contract by 7.7 percent in FY 2020-21**. Sector-wise, agriculture remained the silver lining while contact-based services, manufacturing, construction were hit the hardest. It was against this backdrop that the Budget 2021-22 was presented.
- The focus in this year’s Budget is to strengthen the “**Sankalp of Nation First, Doubling Farmer’s Income, Strong Infrastructure, Healthy India, Good Governance, Opportunities for youth, Education for All, Women Empowerment, and Inclusive Development**”.
- The Budget proposals for **2021-22 rest on six pillars** -- Health and Well-being, Physical and Financial Capital, and Infrastructure, Inclusive Development for Aspirational India, Reinvigorating

## Women and the Health Sector

### PM AatmaNirbharSwastha Bharat Yojana (PMANSBY)

- It has the power to impact women, skilled and semi-skilled, rural and urban, as participants or beneficiaries. This scheme will develop capacities of primary, secondary, and tertiary care health systems, strengthen existing national institutions, and create new institutions, to cater to detection and cure of new and emerging diseases.
- Important details regarding PMANSBY has been discussed in previous chapter (Healthy People Healthy Nation)
- **Women constitute almost half of the qualified health workforce** in the country, as doctors, nurses, ASHA workers, midwives, aanganwadi workers, etc. Thus, if the scheme is **gender responsive in its outreach** as well as implementation and monitoring, it can impact the lives of Indian women in meaningful ways.
- The proposed healthcare bills -- the National Commission for Allied Healthcare Professionals Bill and National Nursing and Midwifery Commission Bill -- also have the ability to take into account the differential gender needs.

## Social Sector Schemes Benefitting Women

### Mission Poshan 2.0 Scheme

- It will strengthen nutritional content, delivery, outreach, and outcome. A sum of Rs. 24,435 crore has been set aside for the Women and Child Development Ministry for the next fiscal in the Budget, (a **16.31 percent increase**). Out of this, the highest amount has been allocated to the newly announced Saksham Anganwadi and Mission Poshan 2.0 scheme.
- Fund for other schemes related to women such as Mission Vatsalya (Child Protection Services and Child Welfare Services), Mission Shakti (mission for protection and empowerment of women), SAMARTHYA (BetiBachaoBetiPadhao, Creche, Pradhan Mantri Matru Vandana Yojana etc. have been sufficiently allocated.

### Pradhan Mantri Ujjwala Yojana (PMUY)

- The Budget 2021-22 has the proposal to add **one crore more women** under PMUY. The government also plans to **add 100 more districts** in next three years to the **City Gas Distribution network**.

### Jal Jeevan Mission (Urban)

- It will help reduce women's drudgery and time spent on household labour and care work. JJM aims at universal water supply in all 4,378 Urban Local Bodies with 2.86 crores household tap connections, as well as liquid waste management in 500 AMRUT cities.

### Fillip to Women Labour Force Participation

- According to Census 2011, there are **149.8 million women workers in India**, out of which 121.8 million are in rural areas and 28 million in urban areas. Yet, when it comes to seeking employment, **women constitute only 18.6 percent** of the population working or looking for work.
- While female labour force participation has never been very high due to social practices, **it has been falling in recent years**. It stood at 24.5% in 2018-19 for women aged 15 years and above (31.2% in 2011-12), and is well below the global average of 45 percent.

- The **COVID-19 pandemic has only worsened** the situation with huge job losses in sectors such as education, domestic work, tourism, restaurants, where women find employment in large numbers.
- While both men and women were hit by the economic crisis, **men have found it easier to find employment again**. According to a study, **only 16 percent women** in December 2019 still retained their jobs during and after the lockdown as opposed to 60 percent men. And the **major brunt of this was borne by urban women**.
- Government has taken initiatives for creating jobs at local levels through **Pradhan Mantri Garib Kalyan Yojana (PMGKY)**, **AatmaNirbhar Bharat** and **Pradhan Mantri Garib Kalyan Rozgar Abhiyan (PMGKRA)**.
- Govt. has also launched **PM SVANidhi Scheme** to **facilitate collateral free working capital loan** upto Rs.10,000 of one-year tenure, to approximately, 50 lakh **street vendors including women, to resume their businesses**.

### Opportunities in Gig Economy

- Women are seeking and finding more opportunities in urban areas, particularly **the gig economy** (a labour market characterized by prevalence of short-term contracts and freelance work) which includes digital platforms offering on-demand services, besides the informal sector which includes work settings such as direct selling, beauty parlours etc.
- As much as **50 percent of the gig economy labour force is women**, and these jobs being part of the new economy, the gender pay gap is also narrower. However, the rules governing the gig economy are somewhat vague.
- It is in this context that the Budget announcement on the gig economy has to be seen. Budget proposed to **launch a portal** that will **collect relevant information** on gig, building, and construction-workers among others.
- For the first time globally, **social security benefits will extend to gig and platform workers**. Minimum wages will apply to all categories of workers, and they will all be **covered by the Employees State Insurance Corporation**.
- The proposed portal can **collect relevant, gender-based information** on gig, building, and construction-workers which will help ensure that benefits of various schemes reach women workers. The Budget also indirectly recognises the fact that women will increasingly be ready to be upskilled for future work opportunities.

### Allowing Women to Work Across Sectors and in Night Shifts

- The Budget proposal, to let **women work in all sectors and also in night shifts**, can boost gender diversity in workplaces and see increased participation of women in sectors such as manufacturing and engineering.

### Textile and Tea Industries: Big-time Employers of Women

- Both these sectors saw major announcements in the Budget this year. With the government announcing seven **Mega Investment Textiles Parks (MITRAs)** and **Production Linked Incentive Scheme** in the Budget, so as to enable the textile industry to become globally competitive and attract large investments, it throws open new employment opportunities for women.

**International Women's Day** is celebrated every year on March 8.

The **campaign theme** for International Women's Day 2021 is '**Choose To Challenge**' — the idea being to choose to challenge and call out gender bias and inequality, seek out and celebrate women's achievements, thus helping create an inclusive world

- The announcement of **Rs. 1,000 crore for the welfare of tea workers**, especially women and their children in Assam and West Bengal, is a welcome step.

### **Skilling and Training Imperatives**

#### **Realignment of National Apprenticeship Training Scheme**

- With **90 million youth entering the workforce by 2030**, and with 60 million employment opportunities expected to be created due to the digital economy by 2025, India needs to work on **improving the employability of the youth**.
- Budget 2021-22 proposed to **amend the Apprenticeship Act** and **realign the National Apprenticeship Training Scheme** for post-education apprenticeship, training of graduates and diploma holders in engineering.
- This will help create talent that is employable and equipped with the right set of skills relevant for the industry.
- An initiative is under way in **partnership with the UAE** to benchmark skill qualifications, assessment, and certification, accompanied by the deployment of certified workforce.
- India also has a collaborative training, inter-training programme with **Japan to facilitate transfer of Japanese industrial and vocational skills**, techniques and knowledge. India plans to take forward these initiatives with many more countries.
- In order to promote enhanced academic collaboration with foreign higher educational institutions, the **Budget has proposed to put in place a regulatory mechanism to permit dual degrees, joint degrees, twinning arrangements and other such mechanisms**.

### **Encouraging Entrepreneurs**

#### **Cut in Margin Money Requirement Under Stand Up India**

- To further facilitate credit flow under the scheme of Stand Up India for SCs, STs, and women, the Budget has proposed to **reduce the margin money requirement from 25 percent to 15 percent**, and to also include loans for activities allied to agriculture.

### **Conclusion**

- The role of women outside the home has become an important aspect of the social and economic life of the country.
- But limited access to healthcare, education and funds act as a barrier in realising their dreams, further aggravated by the COVID-19 pandemic. Thus, greater emphasis needs to be made on the education and training of women, so that they become equipped to stand shoulder-to-shoulder with men.

## **INFRASTRUCTURE DEVELOPMENT**

Union Budget 2021-22 comes in the 74<sup>th</sup> year of India's Independence and 2021 is a milestone year which will witness the 8<sup>th</sup> Census of Independent India as well as India's turn at the BRICS Presidency; the year for our Chandrayaan-3 Mission; and the Haridwar Maha Kumbh.

### **Need For Infrastructure Development**

- India is witnessing rapid urbanisation. According to Census 2011, India's urban population was 37.7 crore, which is projected to **grow to about 60 crore by 2030**. According to UN, more than 40 percent of country's population is expected to reside in urban areas by 2030.

- It is imperative that housing, transport, water and sanitation be accorded priority. Infrastructure development is crucial with strong forward and backward linkages.
- It directly or indirectly impacts 270 different industries. Apart from real economy, an upswing in infrastructure has **strong implications for other sectors** as well, especially the financial and housing sector.

### Important Announcements

- Infrastructure creation needs long term debt financing. **Rs. 20,000 crores has been provided** to capitalise the setting up of a - **Development Financial Institution (DFI)**. The aim is to have a lending portfolio of at least Rs. 5 lakh crores for this DFI in 3yrs time.
- **Affordable housing projects** can avail a **tax holiday for one more year** — till 31<sup>st</sup>March, 2022. The additional deduction of 1.5 lakh shall therefore be available for loans taken up till 31<sup>st</sup>March 2022, for the purchase of an affordable house.
- **Monetisation of surplus land** with Government is also proposed. This shall pave way enhancement in land availability for affordable housing.
- The Budget 2021-22 has sought to improve the living conditions in urban areas. The **Jal Jeevan Mission (Urban)**, will be launched to provide universal water supply in all Urban Local Bodies with 2.86 crores household tap connections, as well as liquid waste management in 500 AMRUT cities.
- The **Urban Swachh Bharat Mission 2.0** will be implemented with a total financial allocation of Rs.1,41,678 crores over a period of 5 years from 2021-2026. The Big Push for Infrastructure development is planned to be funded by a **sharp increase in capital expenditure. Rs. 5.54 lakh crore is being injected as physical stimulus.**
- A “**National Monetisation Pipeline**” of potential brownfield infrastructure assets has been announced in the Budget 2021-22. An **Asset Monetisation dashboard** will also be created for tracking the progress and to provide visibility to investors.
- **Productivity Linked Incentive schemes** to create manufacturing global champions for an AatmaNirbhar Bharat have been announced for 13 sectors.

### Roads and Highways Infrastructure

- More than 13,000 km length of roadshave already been awarded under the **BharatmalaPariyojana project** of which 3,800 kms have been constructed.
- By March 2022, another 8,500 kms will be awarded and an additional 11,000 kms of national highway corridors will be completed.

### Railway Infrastructure

- Indian Railways have prepared a **National Rail Plan for India - 2030**. The Plan is to create a ‘**future ready**’ Railway system by 2030.
- Bringing down the logistic costs for Railways is at the core of our strategy to enable ‘Make in India’. It is expected that **Western Dedicated Freight Corridor (DFC)** and **Eastern DFC** will be commissioned by June 2022.
- The following additional initiatives are proposed: The Sonnagar — Gomoh Section (263.7 km) of Eastern DFC. Gomoh-Dankuni section of 274.3 km will also be taken up in short succession.
- **Broad Gauge Route Kilometers (RKM)** electrified is expected to reach 46,000 RKM and 100 percent electrification of BroadGauge routes will be completed by December, 2023.

- High density network and highly utilised network routes of Indian railways will be provided with an **indigenously developed automatic train protection system** that eliminates train collision due to human error.

#### **Urban Infrastructure**

- A new scheme will be launched at a cost of Rs. 18,000 crores to support augmentation of public bus transport services.
- **Two new technologies** i.e., '**MetroLite**' and '**MetroNeo**' will be deployed to provide metro rail systems at much lesser cost with same experience, convenience and safety in Tier-2 cities and peripheral areas of Tier-1 cities.

#### **Power Infrastructure**

- India has added **139 Giga Watts of installed capacity**, connected an additional 2.8 crores households and added **1.41 lakh circuit km of transmission lines**.
- A framework will be put in place to give consumers alternatives to choose from among more than one Distribution Companies. A revamped **reforms-based result-linked power distribution sector scheme will be launched**.
- The scheme will provide assistance to DISCOMS for Infrastructure creation including pre-paid smart metering and feeder separation, upgradation of systems, etc., tied to financial improvements.
- Budget 2021- 22 proposes to launch a **Hydrogen Energy Mission in 2021-22** for generating **hydrogen from green power sources**.

#### **Ports, Shipping, Waterways**

- Major Ports will be moving from managing their operational services on their own to a model where a **private partner will manage it for them**. For the purpose, **7 projects** will be offered by the Major Ports on PPP mode in FY 21-22.
- A scheme to promote **flagging of merchant ships in India** will be launched by providing subsidy support to Indian shipping companies in global tenders floated by Ministries and CPSEs. This initiative will enable greater training and employment opportunities for Indian seafarers besides enhancing Indian companies share in global shipping.
- India has enacted **Recycling of Ships Act, 2019** and **acceded to the Hong Kong International Convention**. Around **90 ship recycling yards** at Alang in Gujarat have already **achieved HKC-compliant certificates**.
- Efforts will be made to bring more ships to India from Europe and Japan. Recycling capacity of around 4.5 Million Light Displacement Tonne (LDT) will be doubled by 2024.

#### **Petroleum and Natural Gas**

The following key initiatives have been announced in the Budget 2021-22:

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

### **Augmenting Financial Infrastructure**

- Budget 2021-22 proposes to **consolidate** the provisions of SEBI Act, 1992, Depositories Act, 1996, Securities Contracts (Regulation) Act, 1956 and Government Securities Act, 2007 into a rationalised single Securities Markets Code.

### **Stressed Asset Resolution by setting up a New Structure**

- An Asset Reconstruction Company Limited and Asset Management Company would be set up to consolidate and take over the existing stressed debt and then manage and dispose the assets to Alternate Investment Funds and other potential investors for eventual value realization.

### **Recapitalisation of PSBs**

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

### **Deposit Insurance**

- Government had approved an **increase in the Deposit Insurance cover** from Rs.1 lakh to Rs. 5 lakhs for bank customers.
- For **NBFCs with minimum asset size** of Rs.100 crores, the minimum loan size eligible for **debt recovery under** the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 is **proposed to be reduced from the existing level of Rs. 50 lakhs to Rs. 20 lakhs.**
- GST collections are at record levels. Income Tax return filers increased to 6.48 crore in 2020 from 3.31 crore in 2014.
- FDI topped the world this year, foreign exchange reserves are at a record high, digital payment growth rates lead the world.
- **Spending on rural infrastructure development** has increased by **34 percent** to 40,000 crores and micro-irrigation corpus of Rs.10,000 crores which can boost farm income in the hinterland. In a first time, **senior citizens of age 75 and above earning only pension and interest income will no longer have to file their IT returns.**
- Gross tax revenues are expected to rise by 16.7 percent, mainly due to a projected increase of 22 percent in direct taxes.
- **Environmental, social and governance (ESG)** concerns would have to be taken into account into infrastructure projects as institutional investors look at these factors before committing investments.
- ESG integration would help align infrastructure development with India's Paris accord obligations and help finance the projected 450 GW of renewable energy by 2030.

## **INCLUSIVE MARKSMANSHIP WITH RURAL PROSPERITY**

In India, more than 65 percent of the total population lives in villages and therefore rural development itself signifies its importance in all kind of public policy making. Thus, **rural development can be used as an index** of appraising economic development of our country.

### **Initiatives for Rural Development**

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

- **MGNREGS** which provides in-situ employment at the rural area, continued to get its share of Rs. 73,000 crores. Budget has allocated Rs. 40,000 crores for Rural Infrastructure Development Fund.
- The funding allocation made to **National Rural Drinking Water Mission** has **been increased** from Rs. 11,500 crores in 2020- 21 to Rs. 50,011 crores in 2021-22.
- Swachh Bharat Mission – Gramin, Pradhan Mantri Gram Sadak Yojana, Rashtriya Gram Swaraj Abhiyan and DeenDayal Upadhyaya Gram Jyoti Yojana got increased share in this Budget.

### **Provisioning for Agriculture**

- Major budget announcements regarding Agriculture has been discussed in the previous Chapter (Accelerating Investment, Job Creation and Income Growth).
- The launch of **PM-KUSUM** by means of ‘**energy sovereignty**’ scheme removed farmer’s dependence on conventional sources of energy and linked pump sets to solar energy. To strengthen it, government has made a funding provision of Rs. 776 crores in this budget.

### **Initiatives for Inclusiveness**

- Considering the **role of MSMEs in Indian economy** which is contributing 32 percent in GVA and employing around 11 million people, has got a budget provision of Rs. 15,700 crores which is more than double of the previous budget provision.
- **National Social Assistance Program** got a higher budget outlay. Various umbrella program for development of scheduled castes, scheduled tribes, minorities and other vulnerable groups got the increased budget provisioning.
- Government has increased the **funding support of Rs. 2,500 crores to Pradhan Mantri Mudra Yojana** which is **5 times higher** than the previous year allocation.

### **Conclusion:**

The government seems to be committed to inclusive growth and infrastructure development so as to accomplish the lofty goal of \$ five trillion economy.

### **MSP Operations Bring Financial Benefits to Farmers**

- The **rationale** behind the Minimum Support Price (MSP) operations is to **provide guaranteed price and assured market** to the farmers and **protect them from the price fluctuations** and market imperfections.
- The guaranteed price and assured market meant to encourage higher investment and in adoption of modern farming practices.
- **CACP recommends MSPs of 23 commodities**, which comprise of **seven cereals** (paddy, wheat, maize, sorghum, pearl millet, barley and ragi), **five pulses** (gram, tur, moong, urad, lentil), **seven oilseeds** (groundnut, rapeseed-mustard, soyabean, sesam, sunflower, safflower, niger seed), and **four commercial crops** (copra, sugarcane, cotton and raw jute).
- The commission submits its recommendation to the government **in the form of annual Price Policy Reports** published separately for five groups of commodities -- **Kharif crops, Rabi crops, Sugarcane, Raw Jute and Copra**.
- After receiving the feed-back from them, **the Cabinet Committee on Economic Affairs (CCEA) takes a final decision** on the level of MSPs and other recommendations made by CACP.
- Under the MSP operations, FCI procures mostly rice and wheat from the farmers for ensuring supplies of grain under the National Food Security Act (NFSA) and keeping a buffer stocks of grains. NAFED procures mostly oilseeds and pulses, while **CCI procures cotton**.

