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# **KURUKSHETRA**

**MARCH - 2020**

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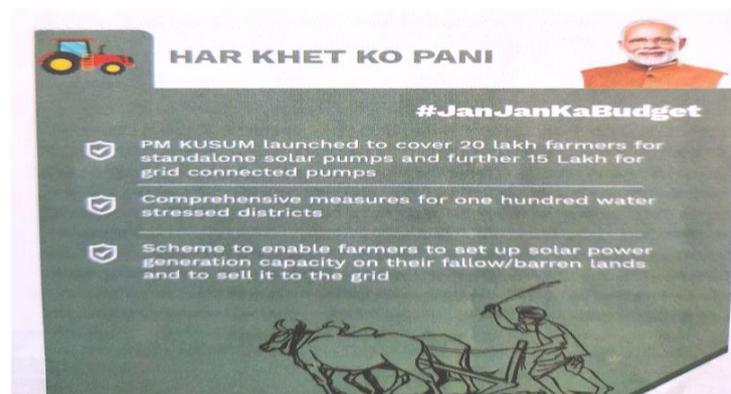


## 1. BUDGET FOR STRENGTHENING AGRICULTURE, FARMERS AND RURAL INDIA

- The budget mentioned the programmes and plans related to ‘Agriculture, Irrigation and Rural Development’ under the board theme of ‘Aspirational India’.
- The Finance Minister announced a 16 action plan with a wide range of activities and measures critical to farmer’s welfare.

### Farms, Farming and Energy:

- **PM-KUSUM (Kisan Urja Suraksha evam Utthan Mahabhiyan):**
- The government also announced operationalisation of a related scheme to enable farmers to set-up solar power plants on their fallow/barren lands and sell it to the grid for additional income.



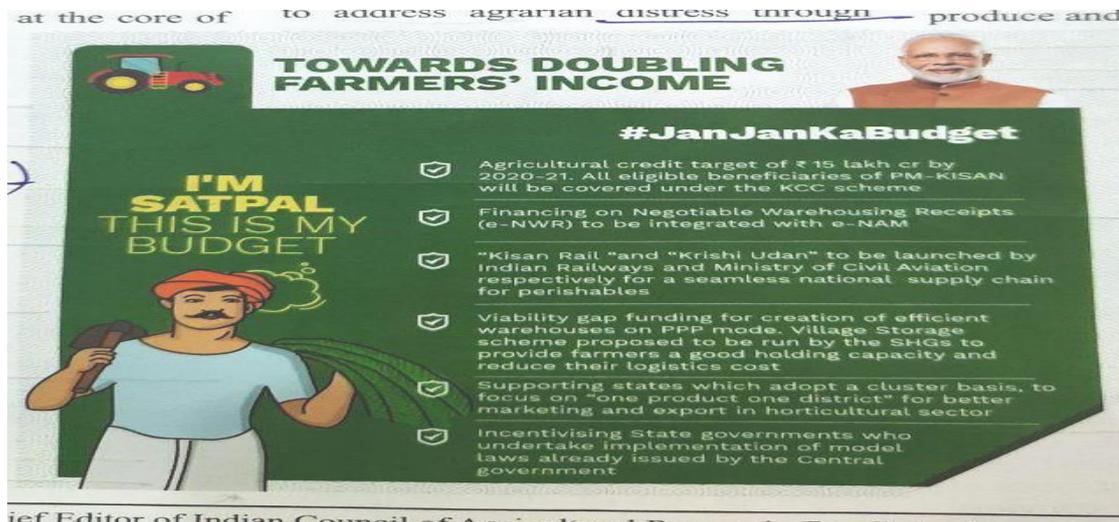
### Integrated Farming Systems (IFS):

- IFS that combine crops, livestock and subsidiary enterprise in a more productive and sustainable way, have emerged as one of the most effective measure to enhance farmer’s income. In this, government announced to expand IFS in rainfed areas is a welcome step.
- Multi-tier cropping, bee-keeping, solar pumps, solar energy production in non-cropping season will be added in IFS is an welcome measure.

### Storage, Transport and Trade:

- India has an estimated capacity of 162 million metric tonnes of agri-warehousing, cold-storage, reefer van facilities, etc. but to make optimum and efficient use of these facilities, now NABARD will undertake an exercise to map and geo-tag them.
- 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 PPP mode.

- To support warehouses at farm level, **a village storage scheme is proposed that will be run by SHGs. This will enable farmers to hold their agricultural produce for better returns with low logistics cost.**

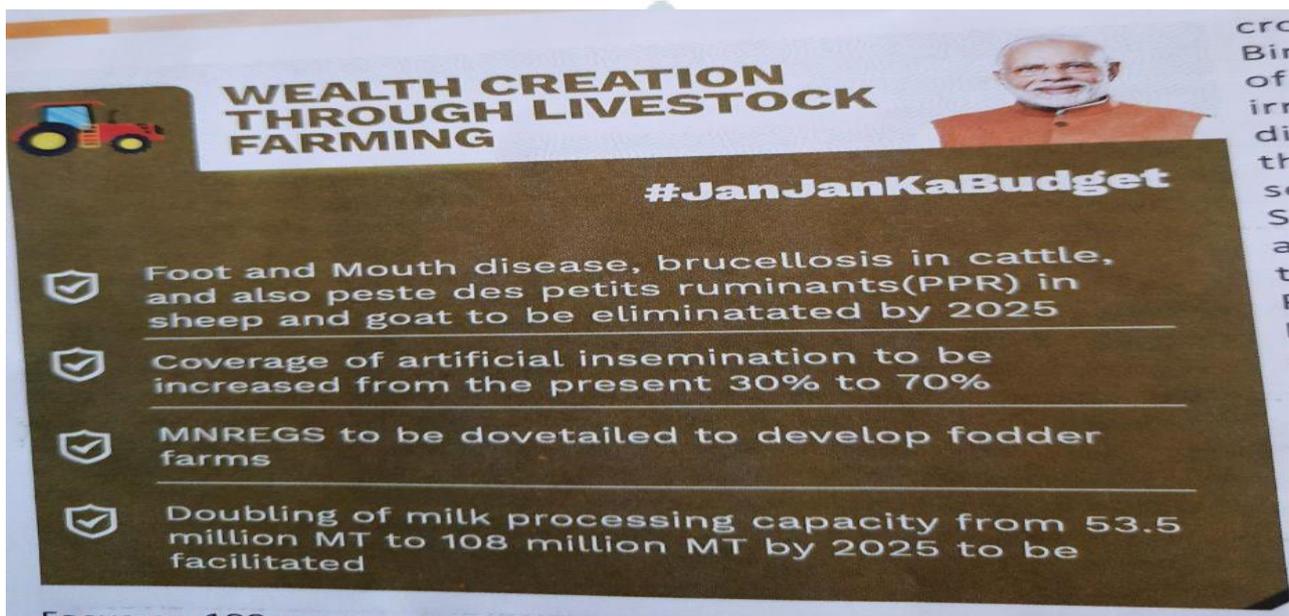


### Marketing:

- **Kisan Rail:**
- To build a seamless national cold supply chain for perishables (including milk, meat, and fish) by collaborating with Indian Railways through PPP arrangement.
- For this 'Kisan Rail' will be launched and refrigerated coaches in Express and freight trains will also be added.
- The government also **announced 'Krishi Udaan' on national and international routes to help improve value realization especially in northeast and far flung tribal districts.**
- The government is keen to explore business potential of horticulture sector (fruits, vegetables, flowers, spices, etc) by providing marketing and export support. For this **'Agriculture Export Policy' was announced to double the agricultural exports and integrate Indian Farmers and agricultural products with the global value chains.**
- The budget also proposes to support states which will focus on **'one product, one district' based on cluster approach.**
- To expand the marketing of organic agri-products, the government announced **strengthening of portal 'Javikkheti' which is an online national organic product market.**

## Livestock for Livelihood:

- The livestock sector has grown at a compound annual growth rate of 7.9% during last year's.
- **National Animal Disease Control Programme (NADCP) for eradicating Foot and Mouth Disease and Brucellosis was launched in 2019.** Emphasis has been laid with the inclusion to eliminate PPR disease in sheep and goat by 2025.
- Proposal to **increase coverage to Artificial Insemination from the present 30% to 70%** will help genetic improvement of breeds for better productivity.
- Using MNREGS for developing fodder farms will increase the much desired availability of green fodder in villages.
- Target of doubling milk processing capacity from 53.5 million tonnes to 1078 million tonnes by 2025 is a welcome move.



## Credits and Allocation:

- Financing on Negotiable Warehousing Receipts is proposed to be integrated with e-NAM to bring in more expansion in the interest of farmers.
- The NABARD re-finance scheme will be further expanded and all eligible beneficiaries of PM-KISAN will be covered under Kisan Credit Scheme.

## 2. ACCELERATING FINANCIAL INCLUSION IN RURAL INDIA

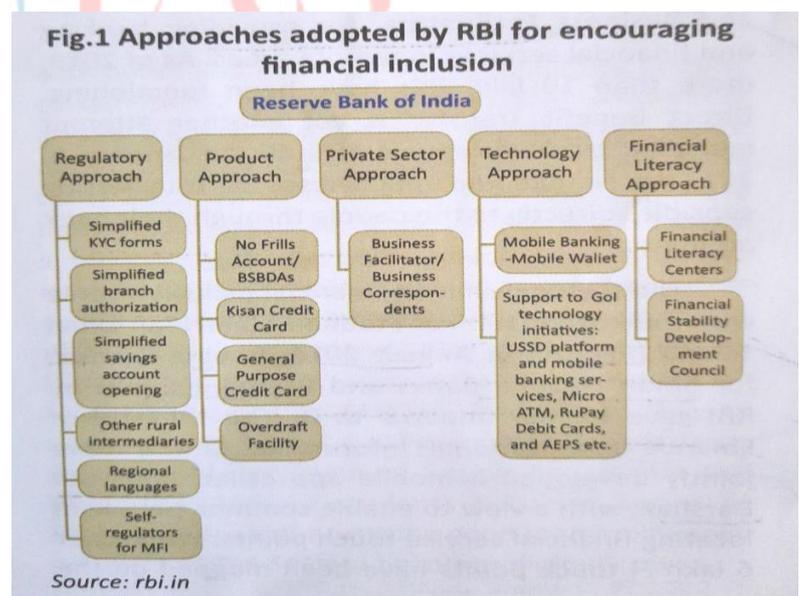
- Financial Inclusion may be defined as the process of ensuring access to financial services and timely and adequate credit needed by vulnerable groups such as weaker sections and low income groups at an affordable cost.
- These include bank accounts for savings and transactional purposes, low cost credit for productive, personal and other purposes, financial advisory services, insurance, overdraft and pension facilities, etc.

### National Strategy for Financial Inclusion (NSFI) – 2019-2024:

- RBI under the aegis of Financial Inclusion Advisory Committee initiated this strategy.
- NSFI has been finalized and approved by the Financial Stability Development Council (FSDC)
- It envisages providing universal access to financial services and bouquet of basic financial facilities as its starting point.
- The report 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.

### Need of Financial Inclusion:

- It broadens the resource base of the financial system by developing a culture of savings among a large segment of rural population.
- By bringing low income groups within the perimeter of formal banking, financial inclusion protects their financial wealth in exigent circumstances.
- It mitigates the exploitation by usurious money lenders by facilitating easy access to formal credit.
- NSSO 70<sup>th</sup> Round survey shows that institutional and non-institutional sources of credit have almost identical shares i.e. 49% and 51% respectively.



## Journey of Financial Inclusion in India:

- Nationalization of banks in 1969 and 1980 promotes banking services to the poor people thereby enhancing the financial Inclusion.
- Recommendations of Rangarajan Committee in 2008 with RBI advising all public and private banks to submit a three year Financial Inclusion Plan (FIP) starting from April 2010. It includes coverage of unbanked villages with population above 2000 and those with population below 2000; deployment of Business Correspondents and Facilitators, etc.
- RuPay, an Indian domestic debit card introduced in 2012 by NPCI, enables faster penetration of debit card culture.
- SHG-Bank Linkage Programme launched by NABARD in 1992, as an alternative credit delivery mechanism for reaching the unreached, with 87 lakh plus SHGs operating in all semi-urban and rural India.
- The scheme Joint Liability Groups is 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.
- In 2006, RBI permitted banks to employ Business Correspondents (BCs) and Business Facilitators, for providing banking and financial services in remote areas.

## PM Jan Dhan Yojana:

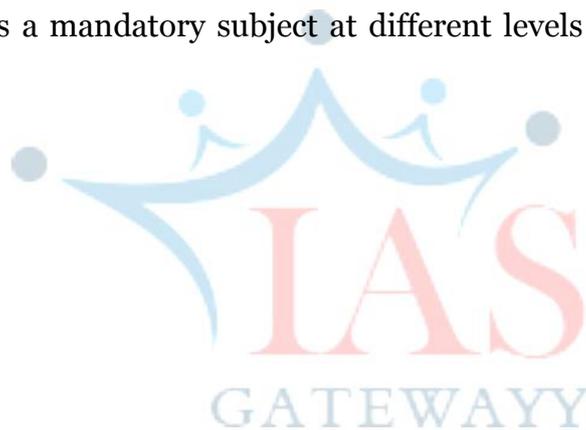
- The Ministry of Finance and National Informatics Centre have jointly developed a mobile app called Jan-Dhan Darshak, with a view to enable common people in locating financial service touch points.
- Issuing licenses for Small Finance Banks and Payment Banks and mobile banking through UPI further impetus to the financial inclusion.

BANKING FOR ALL	
PMJDY aims to bring all households under the purview of banking system	It is a flagship project of Prime Minister Narendra Modi
Under PMJDY, beneficiary gets RuPay debit card, Rs. 1 lakh accident insurance cover, Rs. 30,000 personal Insurance cover and overdraft facility up to Rs. 5,000	
As per 2011 census, Shivamogga district has 4.07 lakh households	BY NOVEMBER-END, 92% FAMILIES COVERED
This includes 2.60 families in urban areas and 1.47 lakh families in rural areas	Canara Bank: 1.04 lakh Pragati Krishna Grameen Bank: 59,000 SB accounts

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### Needs to be Done:

- Financial firms must understand the market and structure products accordingly. Since agriculture income is seasonal and lumpy, while lending to farmer, they need to structure a loan product where the payment cycle is seasonal not monthly.
- Financial literacy is one area where India still needs to do a great deal of work.
- The growth rate of investment in mutual funds is mostly come from urban areas. The way to address this issue is by providing rural communities with additional and alternative income streams.
- The next of Financial Inclusion less to do with policy and more to do with educating people, disseminating financial and digital awareness in the society. This campaign of literacy will need a multipronged, bottom-up approach.
- RBI and banks should coordinate with institutions such as state boards, central boards, UGC to include FI as a mandatory subject at different levels right from school to higher levels of education.



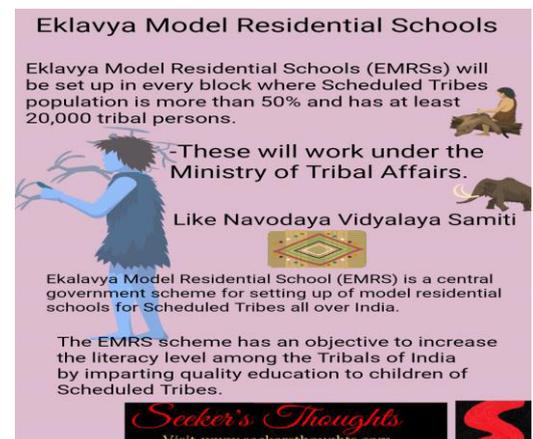
### 3. EDUCATION IN RURAL INDIA

#### Status of Education in India: (Rural Vs. Urban)

- As per census 2011, literacy rate in rural areas was around 68 per cent while it was 84 per cent in urban areas. Furthermore, only 59 per cent of rural women were estimated to be literate as compared to 80 per cent urban women being literate in 2011.

#### Government Initiatives for Rural Areas:

- Jawahar Navodaya Vidyalaya:**
  - ✓ This is a rural specific scheme meant for talented children from rural areas. It is running across the country except Tamil Nadu and provides free and quality education to talented rural children, comparable to the best in a residential school system.
- Samagra Shiksha:**
  - ✓ It subsumes three earlier centrally sponsored schemes i.e. Sarva Shiksha Abhiyan (SSA), Rashtriya Madhyamik Shiksha Abhiyan (RMSA) and Teacher Education and has been recently launched as an Integrated Scheme for School Education extending from pre-school to class XII.
  - ✓ Under this, provision has been made for giving preference to Special Focus Districts, Educationally Backward Blocks, LWE affected districts, and aspirational districts while planning intervention like setting up of primary schools, upper primary schools, construction of additional classrooms, toilets, etc.
  - ✓ It also focuses on improvement in quality of education by providing support for different interventions like in-service training of teachers and school heads, grants for library, sports and physical activities, support for ICT and digital initiatives, etc.
- Mid-Day Meal Scheme:**
  - ✓ It is a centrally sponsored scheme formulated in 1995 is meant for both urban and rural areas but 70% students getting benefit in rural areas.
  - ✓ Its objectives was to attract children from disadvantaged sections like poor, dalits, tribal's, girls and children of labour workforce including farm labour.
- Revamped Eklavya Model Residential School:**



**Eklavya Model Residential Schools**

Eklavya Model Residential Schools (EMRSs) will be set up in every block where Scheduled Tribes population is more than 50% and has at least 20,000 tribal persons.

These will work under the Ministry of Tribal Affairs.

Like Navodaya Vidyalaya Samiti

Eklavya Model Residential School (EMRS) is a central government scheme for setting up of model residential schools for Scheduled Tribes all over India.

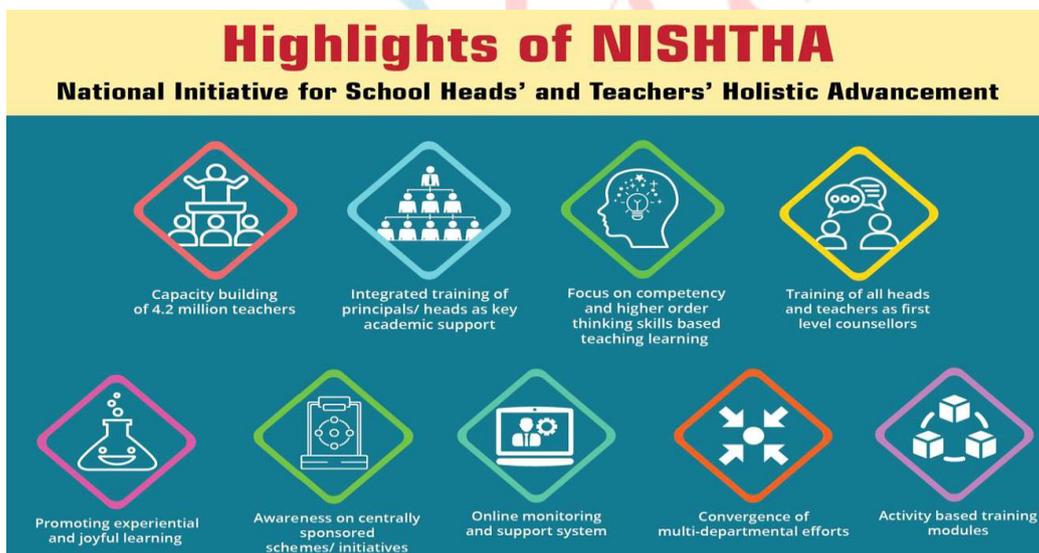
The EMRS scheme has an objective to increase the literacy level among the Tribals of India by imparting quality education to children of Scheduled Tribes.

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## Digital Initiatives:

- **Operation Digital Board:** it aims to introduce digital boards all over the country in government and government-aided schools.
- **e-PATHSHALA:** NCERT books are now available in digital version for free for anybody.
- **Diksha:** digital platform for teachers to enable capacity building of all categories of teachers. It will help to improving the quality of education.
- **MOOCs on SWAYAM platform:** it is an integrated platform for offering online courses and covering school (9<sup>th</sup> to 12<sup>th</sup>) to Post Graduate Level.
- The online courses are being used not only by the students but also by the teachers and non-student learners, in the form of lifelong learning.
- **SWAYAM PRABHA DTH-TV channels:** it is for transmission of educational e-contents through 32 National Channels.
- **National Digital Library:** it is a project to develop a framework of virtual repository of learning resources with a single-window search facility. There are more than 3 crore digital resources available through the NDL.

## NISHTHA:



- **Budget proposals for Education Sector:**
  - ✓ The government has proposed to promote Study in India programme for bringing foreign students and faculty to our institutions of higher learning.
  - ✓ Measures will be taken to introduce FDI in education sector and draw external commercial borrowings and make India a preferred destination for higher education.

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- ✓ The budget also proposed 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 NIRF 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.
  - ✓ The budget proposes to attach a medical college to an existing district hospital in PPP mode.

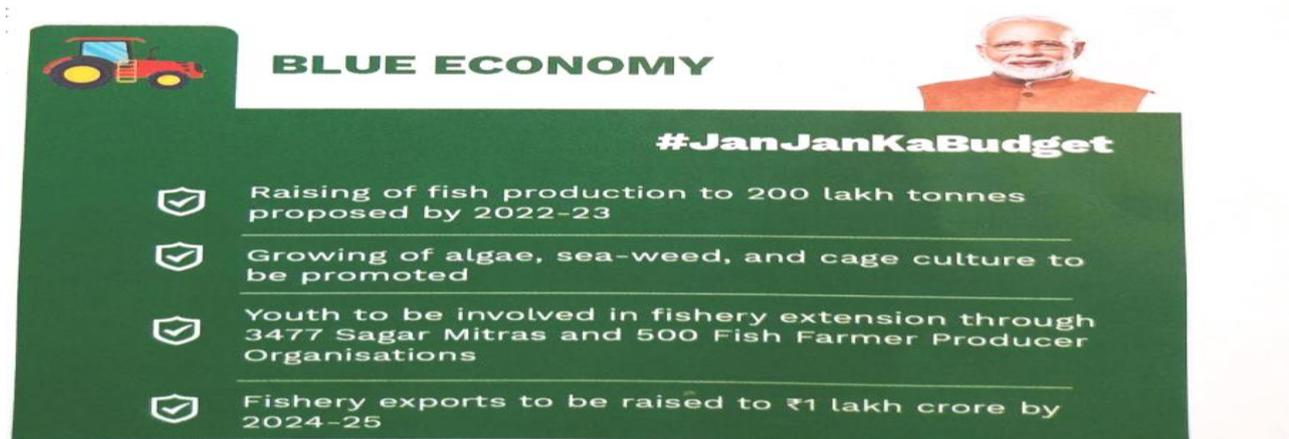


## 4. RURAL INFRASTRUCTURE IN UNION BUDGET 2020-21

- Budget this year is woven into three major themes; Aspirational India, Economic Development and a Caring Society.
- The government had launched the National Infrastructure Pipeline on DEC 2019 worth of Rs. 103 lakh crore. It 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.

### Agriculture:

- The goal of the government is to double the farmer's income by 2022. In this context, energy sovereignty through PM-KUSUM and input sovereignty through Paramparagat Krishi Vikas Yojana was launched.
- In addition, resilience for 6.11 crore farmers insured under PM Fasal Bima Yojana has been provided.
- Focus on cultivation of pulses and expansion of micro-irrigation through Krishi Sinchai Yojana has raised the self-reliance of the country.
- Provision of annual settlement of income to the farmer is directly done through PM-KISAN. Furthermore, financial inclusion has helped raise farm incomes.
- Prosperity of farmers can be ensured by making farming competitive. For this, farm markets must be liberalized which is the need of the hour. To fulfill this, the distortions in farm and livestock markets have to be removed.



**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

## Transport and Logistics:

### • Pradhan Mantri Gram Sadak Yojana (PMGSY):

- ✓ It was launched on Dec 2000 to provide connectivity to unconnected habitations as part of a poverty reduction strategy.
- ✓ Government 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.
- ✓ Logistics:

## Kisan Rail:

- To build a seamless national cold supply chain for perishables (including milk, meat, and fish) by collaborating with Indian Railways through PPP arrangement.
- For this 'Kisan Rail' will be launched and refrigerated coaches in Express and freight trains will also be added.
- The government also announced 'Krishi Udaan' on national and international routes to help improve value realization especially in northeast and far flung tribal districts.
- National Logistics Policy will be released to clarify the roles of the union, 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.

## Energy:

### • PM-KUSUM (Kisan Urja Suraksha evam Utthan Mahabhiyan):

- ✓ The scheme removes farmer's dependence on diesel and kerosene and linked their pump sets to solar energy.
- ✓ The government now to expand the scheme to support 20 lakh farmers for setting-up stands alone solar pumps.
- ✓ It will also help another 15 lakh farmers solarise their grid connected pump sets.

## Deen Dayal Upadhyaya Gram Jyoti Yojana:

- It was launched in 2015 with two components:
- To separate agriculture and non-agriculture feeders facilitating judicious fostering of supply to agricultural and non-agricultural consumers in rural areas.
- Strengthening and augmentation of sub transmission and distribution infrastructure in rural areas, including metering of distribution transformers/feeders/consumers.

### **Pradhan Mantri Ujjwala Yojana (PMUY):**

- It was launched in 2016 to provide 8 crore deposit free LPG connections to women of poor households.
- Initially, the beneficiaries are identified through SECC, 2011. Later it was expanded with seven identified categories in addition to SECC.

### **The Main Features of PMUY:**

- LPG connection is released in the name of an adult women of the poor family
- Cash assistance up to Rs. 1600 is provided for releasing deposit free LPG connection
- The beneficiary bears the hot plate and the purchase of first refill

### **Pradhan Mantri Sahaj Bijli Har Ghar Yojana: (Saubhagya)**

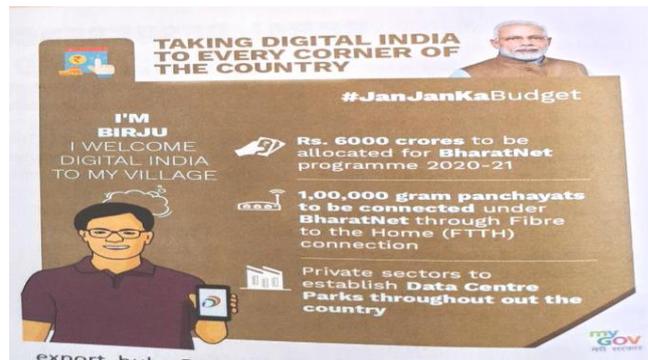
- It was launched on 2017 to provide free electricity connections to all households (both APL and poor families) in rural areas and poor families in urban areas.
- Rural Electrification Corporation (REC) has been designated as nodal agency for the Saubhagya scheme.
- It also provides Solar Photovoltaic based standalone system for un-electrified households located in remote and inaccessible villages/habitations, where grid extension is not feasible.

### **Water and Sanitation:**

- The Jal Jeevan Mission, a focused safe water programme and SBM have been further strengthened to support the health vision and reduce the double burden of disease-stemming from both communicable as well as non-communicable diseases.
- Proposing comprehensive measures for 100 water stressed districts, so that water does not become a limiting factor in enhancing productivity of crops. PMKSY was launched in 2015, is already under operation to provide end-to-end solutions in irrigation supply chain.
- In the budget, FM announced Rs.10,000 crore for rural sanitation to focus on ODF Sustainability, bio-degradable waste management, grey-water management, faecal sludge management and plastic waste management for all villages by 2024.

### **Communication/IT:**

- The government's vision of all public institutions at gram panchayat level such as Anganwadis, government schools, PDS outlets, etc should be provided with digital connectivity.



- To achieve this objective, Fibre to the Home (FTTH) connections through BharatNet are established to link 1,00,000 gram panchayats this year.

### Social and Commercial Infrastructure:

- The government is committed to provide “Housing for All” by 2022. Over and above the year-on-year budgetary provisions, a separate mechanism through creation of National Urban Housing Funds has been approved to mobilize resources through Extra Budgetary Resources for funding housing scheme.
- **Tourism:**
  - An Indian Institute of Heritage and Conservation under Ministry of Culture proposed; with the status of a deemed university.
  - Five archaeological sites to be developed as iconic sites with onsite Museums.
    1. Rakhigarhi (Haryana)
    2. Hastinapur (Uttar Pradesh)
    3. Shivsagar (Assam)
    4. Dholavira (Gujarat)
    5. Adichanallur (Tamil Nadu)
  - Support for setting up of a Tribal Museum in Ranchi (Jharkhand) and Maritime museum to be set up at Lothal-the Harappan age maritime site near Ahmedabad, by Ministry of Shipping.
  - Re-curation of the Indian Museum in Kolkata and Museum on Numismatics and Trade located in Kolkata.

### Post-Harvest Storage Infrastructure:

- India has an estimated capacity of 162 million metric tonnes of agri-warehousing, cold-storage, reefer van facilities, etc. but to make optimum and efficient use of these facilities, now NABARD will undertake an exercise to map and geo-tag them.

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- 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 PPP mode. To support warehouses at farm level, a village storage scheme is proposed that will be run by SHGs. This will enable farmers to hold their agricultural produce for better returns with low logistics cost. Women SHGs will regain their position as “Dhaanya Lakshmi”.
  - Financing in Negotiable Warehousing Receipts (e-NWR) will be integrated with e-NAM.

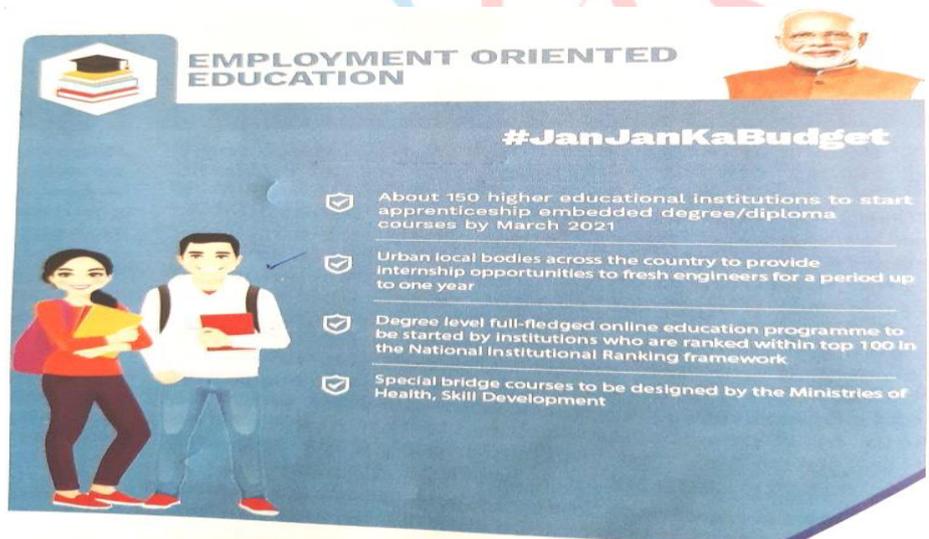


## 5. SKILL DEVELOPMENT AND EMPLOYMENT OPPORTUNITIES

- India is aiming to become a \$ 5 trillion economy riding on the twin planks of a demographic dividend and digital transformation.
- Reskilling the current workforce, training youth gearing up for their jobs, upgrading and redesigning curriculums to meet the needs of the industry, and ensuring enough institutional infrastructure for imparting knowledge is the need of the hour to bridge the skill demand-supply gap and propel the economy to a new growth trajectory.

### Budget Proposals for Skill Development:

- Besides above measures, steps will be taken to enable sourcing of External Commercial Borrowings (ECB) and FDI to ensure greater inflow of finance to attract talented teachers, innovate and build better labs that will carry out cutting-edge research.
- To ensure India should be preferred destination for higher education, “Study in India” programme was launched.
- A National Police University and a National Forensic Science University have also been proposed in the domain of the policing science, forensic science, cyber-forensics in the Budget.



### Making Rural Youth Employable:

- **Eligibility criteria:**
  1. Rural Youth: 15 - 35 Yrs
  2. SC/ST/Women/PVTG/PWD: upto 45 Yrs

## Features

- Enable Poor and Marginalized to Access Benefits  
Demand led skill training at no cost to the rural poor
- Inclusive Program Design  
Mandatory coverage of socially disadvantaged groups (SC/ST 50%; Minority 15%; Women 33%)
- Shifting Emphasis from Training to Career Progression  
Pioneers in providing incentives for job retention, career progression and foreign placements
- Standard in Wages for Placed Candidates  
Minimum remuneration of Rs. 6000/- per month or minimum wages whichever is higher and more Rs. 25000/- per month in for foreign placement
- Greater Support for Placed Candidates  
Post-placement support, migration support and alumni network of trained youth

### Pradhan Mantri Kaushal Vikas Yojana:

- The MSDE implementing this scheme through NSDC, with the aim to provide skill 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 being implemented by State Skill Development Missions.
- NSDC has facilitated creation of Sector Skill Councils (SSCs) which are industry-led bodies to ensure addressing skill requirements of various sectors.
- **There are three kinds of training routes under the scheme:**
  - ✓ Short Term Training for fresh skilling of school/college drop outs and unemployed youth
  - ✓ Recognition of Prior Learning (RPL) to recognize the existing skills
  - ✓ Special Projects to address skilling requirements of the vulnerable groups and permit flexibility in conducting of Short Term Training.
- NSDC, through its Pradhan Mantri Kaushal Kendras (PMKKs) and other training partners, 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 Environment Information System (ENVIS) scheme of MoEFCC, the Green Skill Development Programme (GSDP) was launched in June 2017, on a pilot basis to skill youth in environment, forest and wildlife sectors and enabling them to be gainfully employed or self-employed.

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### Conclusion:

- The budget reiterates the government's focus on skill development, reforms in education and training, rural and social entrepreneurship and Livelihood Enablement.

