

**Budget For Strengthening Agriculture, Farmers And Rural India**

- In budget 2020-21 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.
- **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**.
- By improving the conditions of agriculture and farmers, not only standard of living of 70% of the population can be transformed, but the dream of 'New India' can also be realized.

**Budget Announcements:****A. Agriculture**

- 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.
- A **16-point action plan** has been introduced for agriculture, irrigation and rural development. A provision of **Rs. 2.83 lakh crores** has been made in the Budget.

**B. Agriculture Credit**

- 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 of agricultural operations.
- All the beneficiaries of **PM-KISAN Yojana will be linked to Kisan Credit 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.

**C. Irrigation & Income Enhancement**

- To transform **Annadata (food giver) to Urjadata** (energy provider), the Budget has proposed to make "PM Kusum Yojana" comprehensive. Under this, **solar units will be installed** in the fields and connected to power grid.
- This plan envisions **production of 25750 MW solar power** by the year 2022. Under PM Kusum Yojana, *20 lakhs 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.

**D. Storage & Marketing**

- The government has announced **introduction of Kisan Rail Service** through PPP for transportation of farm produce. **AC farmer goods train** will be run for transportation. Refrigerated coaches will be attached in express and goods trains.
- 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 NE region and tribal areas to reach the market in a short time. Krishi Udaan will also make it possible to sell agricultural products abroad.

- The government has also decided to build a **warehouse in every village** for safe storage of farmers' grains. Farmers will be **linked to storage systems** operated by SHGs with the *aim of reducing logistics costs on products*.
- 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.

#### **E. Blue Economy**

- **Under the blue economy**, the target for **export of fish by 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**. The cultivation of **algae and sea weeds and cage culture** would be promoted.
- 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.

The <b>subsidy on fertilisers</b> is estimated to be around <b>Rs. 80 thousand crores</b> during 2019-20.
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#### **F. Sustainable Agriculture & Horticulture**

- In order to improve the marketing and export system in the horticulture sector, "**One Product One District**" scheme has been chosen in the budget.
- Emphasis has been laid in the budget on promoting use of conventional organic fertilisers in order to curtail the excessive use of chemical fertilisers.
- "**Organic framing portal**" will be launched to strengthen online national market of organic products.

#### **G. Women & Agriculture**

- The proposal to strengthen natural farming and to **expand integrated farming system in rainfed areas** for irrigation has also been made in this Budget.
- The budget has given full attention to the **self-reliance of women** in rural areas and as 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 SHGs of these women to involve them on a large scale in various storage schemes.

#### **H. Livestock:**

- Livestock has recorded 8% increase during the last five years. Currently, India is the **largest milk-producing** in the world.
- The Budget has set a target of **doubling milk production by the year 2025**.
- 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% to 70%. 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.**
- In 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% on imports of upto 10,000 tonnes of Skimmed Milk Powder in any financial year.
- That concession under the extant Tariff Quota Regime has been withdrawn and all imports would henceforth attract a uniform 60% duty.
- What the govt. 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 WTO in order to help facilitate better procurement prices for farmers in the dairy business.

#### **I. Infrastructure:**

- The govt 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.
- Under UDAN scheme, **100 new airports will be developed** by yr. 2024. Currently, there are only 600 airplanes in the country. There is plan to increase this number to 1200.
- Before 2024, 6000 kms of highways will be laid and 9000 kms of economic corridors 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.
- The government will soon come up with a policy to create **Data Centre Parks** across the country through the private sector. This year, under the **BharatNet**, one lakh gram panchayats will be connected to Fiber-to-the-Home (FTTH).

#### **J. Environment**

- The budget provision of Rs. **4400 crore for clean air programme** is an important announcement of the government.

#### **Conclusion:**

- 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.

### **Budget 2020-21: Changing The Landscape of Rural Economy**

- Inclusive development is multifaceted and can be achieved through growth with equity – social, economic and political.
- 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.

#### **Overview of Agriculture:**

- 70% of its rural households still depend primarily on agriculture for their livelihood, with 82% of farmers being small and marginal.

- The share of agriculture and allied sectors in the Gross Value Added (GVA) of the country at current prices has declined from 18.2% in 2014-15 to 16.5% in 2019-20, on account of relatively higher growth performance of non-agricultural sectors.

**Budget Overview:****Agricultural Credit:**

- 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.

**Storage and Marketing**

- India has an **estimated capacity of 162 million MT** of agri-warehousing, cold storage, reefer van facilities etc.
- 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.

**Digital Rural Connectivity**

- The new economy is based on innovations that disrupt established business models. Artificial Intelligence (AI), 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.
- 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.

**Conclusion:**

- Increase in agricultural productivity and realization of reasonable prices for agricultural production is essential for doubling the farmers' income by 2022.
- Now a days, agriculture sector is facing formidable challenges and a large number of farmers want to quit agriculture due to failure of crops, higher labour costs etc.
- The shift of focus of the Budget 2020-21 towards rural development and farmers' welfare is no doubt a welcome step.

**Accelerating Financial Inclusion in Rural India**

- RBI under the aegis of Financial Inclusion Advisory Committee initiated the process of formulation of National Strategy for Financial Inclusion for the period of 2019-24.
- The strategy 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, payments banks, among others to provide banking access to every village within a 5 km radius of 500 households in hilly areas by March 2020.

**What is Financial Inclusion (FI)?**

- FI 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.
- As per the Census 2011, only 58.7% of households are availing banking services in the country. 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.

**Approaches adopted by RBI for encouraging FI:**

<u>Regulatory approach</u>	<u>Product approach</u>	<u>Private sector approach</u>	<u>Technology approach</u>	<u>Financial literacy approach</u>
<ul style="list-style-type: none"> <li>➤ Simplified KYC forms</li> <li>➤ Simplified branch authorization</li> <li>➤ Simplified savings account opening</li> <li>➤ Other rural intermediaries</li> <li>➤ Regional Languages</li> <li>➤ Self-regulators for MFI</li> </ul>	<ul style="list-style-type: none"> <li>➤ No Frills Account/BSBD As</li> <li>➤ Kisan Credit Card</li> <li>➤ General Purpose Credit Card</li> <li>➤ Overdraft Facility</li> </ul>	<ul style="list-style-type: none"> <li>➤ Business facilitator/Business Correspondents</li> </ul>	<ul style="list-style-type: none"> <li>➤ Mobile banking</li> <li>➤ Mobile wallet</li> </ul>	<ul style="list-style-type: none"> <li>➤ Financial literacy centers</li> <li>➤ Financial Stability Development Council</li> </ul>

**Steps Taken to Increase Financial Inclusion:**

- 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.
- With a clear understanding that deep penetration at affordable cost is possible only with effective use of technology, use of **e-KYC to ease the account opening process**, use of Aadhar-enabled payment system for interoperability, 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.

**Achievements:**

- Almost **80% of adult Indians** have bank accounts, according to the Global Findex Database published in April 2018.

- **Financial Inclusion Plan (FIP)** has been implemented in two phases up to August 2018.
- **The first phase**, until 2015, aimed at **providing universal access to banking 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. 5000 to Jan Dhan account holders and created the Credit Guarantee Fund as well.
- 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.

#### **Steps needed for achieving the most important objective of true financial inclusion:**

- 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.
- **Financial literacy** is one area where India still needs to do a great deal 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.
- Provide rural communities with **additional and alternative income streams**. Microcredit products, for example, have the potential to transform the financially weak into micro-entrepreneurs.
- There is need to include **FI as a mandatory subject** at different levels right from school to higher levels of education.

#### **Budget 2020-21**

- It exerts more focus on building emerging technologies to drive Financial Inclusion in the country. As part of it, **knowledge transfer centres** are expected to be set up across new emerging sectors.
- **National Mission on quantum technology** is proposed to be launched.
- The govt.'s vision is to provide **100% digital access to all public institutions**. **Fibre-to-the-home through BharatNet** will link 100,000 Gram Panchayats in the FY 2020-21.
- Another step proposed towards combating financial exclusion is mobilizing more and more SHGs. Under **Deen Dayal Antyodaya Yojana** for alleviation of poverty, 58 lakh SHGs have been mobilized.
- Through **Dhaanya 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.
- 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.
- 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.
- 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.
- The **refinance scheme of NABARD** has been **extended to NBFCs that are into agri-related lending**. However, the mega challenges is around credit growth and the resultant liquidity crisis, which has not been addressed.

**Conclusion:**

At 4-5% growth now, problems appear aplenty but given our favorable demographics and with the significant reforms of the past few years such as GST, Insolvency code, and the thrust on formalization and digitalization of the economy, we have a solid framework to build on.

**Rural Infrastructure In Union Budget 2020-21**

- 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.
- The National Infrastructure Pipeline envisions improving the ease of living for each individual in the country. It will also bring in generic and sectoral reforms in development, operation and maintenance of these infrastructure projects.

**I. Agriculture**

Various provisions in budget 2020-21 related to agriculture is mentioned in the first chapter of this summary.

**II. Transport and Logistics**

- **Pradhan Mantri Gram Sadak Yojana** (PMGSY) was launched in December 2000 to provide connectivity to unconnected habitations as part of a poverty reduction strategy.
- The outlay for this budget is **only 2.63% higher** than the budget outlet of 2019-20. The scheme needs to be boosted up and implemented fast to get the desired results.
- **Logistics** – Railways will set up a “**Kisan Rail**”. “**Krishi Udan**” will be launched. A National Logistics Policy will be launched soon.
- **Inland Waterways** – 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. This has been conceptualized as “**Arth Ganga**”.

**III. Energy**

- The **PM-KUSUM** scheme removed farmers' dependence on diesel and kerosene and linked pump sets to solar energy.
- **Deen Dayal Upadhyay Gram Jyoti Yojana** (DDUGJY) was launched in 2015 with two components: (i) to separate agriculture and non-agricultural 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.
- **LPG Connections to Poor Households** in the form of **Pradhan Mantri Ujjwala Yojana** (PMUY) was launched in May 2016 to provide 8 crore deposit-free LPG connections to women of poor households. The scope of PMUY has now been expanded to cover all the poor families in the country subject to fulfilling terms and conditions.
- **Pradhan Mantri Sahaj Bijli Har Ghar Yojana** in the form of “**Saubhagya**” was launched in September 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.

- The scheme also provides **Solar Photovoltaic-based standalone system** for un-electrified households located in remote and inaccessible villages/habitations.

#### **IV. Water and Sanitation**

- The govt. is proposing **comprehensive measures for one hundred water stressed districts**. Focused programmes to assure **safe water (Jal Jeevan Mission) and comprehensive sanitation (SBM)** have been launched to support the health vision.
- **Water Supply** – PM had announced Jal Jeevan Mission in August 2019. The govt. has approved Rs. 3.60 lakh crore for this mission.
- Sewage Collection, Treatment and Disposal System – Govt. is committed to Open Defecation Free (ODF) plus in order to sustain ODF behavior and to ensure that no one is left behind.
- The total outlay for Dept. of drinking Water and Sanitation is Rs. 21,518 crore, which is 7% higher than the previous outlay.

#### **V. Communication/IT**

- The govt.'s vision is that all **“public institutions” at gram panchayat level** should be provided with **digital connectivity**.
- **Mapping of India’s genetic landscape** is critical for next generation medicine, agriculture and biodiversity management. To support this development, the govt. will initiate two new national level science schemes to create a comprehensive database.

#### **VI. 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 scheme provides assistance for construction of 2.95 crore pucca houses for eligible rural households by March 2022 in phases.
- Education – The new Education Policy will be announced soon.

#### **Conclusion:**

- 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 govt. 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.

#### **15<sup>th</sup> Finance Commission**

- The report of the 15<sup>th</sup> Finance Commission (FC) for the year 2020-21 along with action taken on the same was laid in the Parliament.
- The FC has proposed crucial reforms on vital sectors for grant-in-aid to states by prescribing performance-based fillips.
- 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 liberalizing agricultural markets, provide for seamless trading, promote competition and catalyse organized investment from the private sector for healthy growth in farm sector.



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**VAJIRAM & RAVI**  
**16 Action Points For Agriculture**

1. Proposed to encourage implementation of following model laws:
  - a. Model Agricultural Land Leasing Act, 2016;
  - b. Model Agricultural Produce and Livestock Marketing (Promotion and Facilitation) Act, 2017;
  - c. Model Agricultural Produce and Livestock Contract Farming and Services (Promotion and Facilitation) Act, 2018
2. Proposed comprehensive measures for one hundred water stressed districts
3. Proposed Expansion of PM-KUSUM to provide 20 lakh farmers for setting up stand alone solar pumps; help to be provided to another 15 lakh farmers solarize their grid-connected pump sets.
4. Encourage balanced use of all kinds of fertilisers including the traditional organic and other innovative fertilisers
5. NABARD will undertake an exercise to map and geo-tag them. Proposed to create warehousing, in line with Warehouse Development and Regulatory Authority norms. Govt. to provide Viability Gap Funding for setting up such efficient warehouse at the block/taluk level.
6. A village storage scheme is proposed to be run by the SHGs. Women, SHGs shall regain their position as “Dhaanya Lakshmi”.
7. The Indian Railways will set up a “Kisan Rail” – through PPP arrangements.
8. Krishi Udaan to be launched by Ministry of Civil Aviation
9. Horticulture sector with its current produce of 311 million MT exceeds production of foodgrains. For better marketing and export, it proposed to support 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 shall 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. The NABARD refinance 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. Proposal 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% to 70%. MNREGS would be dovetailed to develop fodder farms. Govt. shall facilitate doubling of milk processing capacity from 53.5 million MT to 108 million MT by 2025.
14. Blue Economy – Proposal to put in place a framework for development management and conservation of marine fishery resources.
15. Proposal to raise fish production to 200 lakh tonnes. Growing of algae, sea-weed and cage culture will also be promoted. Proposal to involve youth in fishery extension through 3477 Sagar Mitras and 500 Fish Farmer Producer Organisations. Proposal 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 mobilized.

**Budget 2020-21: Rural Economy and Rural Women**

- 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.
- 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 proposed 16 action points will help 1.5 million farmers especially rural women.

**'Caring Society': Health Benefits to mother and child**

- The Government announced **setting up of a task force to recommend steps to lower maternal mortality rate, look into the of age of motherhood and measures for improving in nutrition levels**. The task force will submit its report within six months.
- 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.
- The **gross enrolment ration 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 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 2019-21.
- 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** in the ministry. The allocation for **'One stop Centre' scheme saw a major boost**.
- The following programmes especially rural women and child development have been given a boost in this Budget
  - a) Rashtriya Poshan abhiyan
  - b) 'One stop Centre'
  - c) Matru Vandana Yojna
  - d) Pregnant and lactating women
  - e) Bal Suraksha seva
  - f) Beti Bachao, Beti Padhao Yojna
  - g) Mahila Shakti Kendra
  - h) The announcements relating to the 'Blue Economy' especially fisheries will benefit rural women due to their significant participation in the sector.

**Conclusion:**

- 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 and economic crises and climate change.
- 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.

**Rural Resurgence through Trade, Tourism and Technology**

The **three Ts, viz. Trade, Tourism and Technology**, play a meaningful role in boosting rural economic growth. Budget 2020-21 has an emphatic stress on these three Ts, both directly and indirectly.

**Tapping Trade Potential**

- 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**.
- As per Ministry of Commerce & Industry, **agricultural products account for 12% of India's total exports**.
- Budget has proposed the setting up of a **Kisan Rail through PPP**. It also announced **One Produce One District**, i.e. adoption of a product each by a district. It will lead to an encouragement to specialization of particular areas in exporting particular 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.
- 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 later 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 refund under any other existing mechanism.

**Promoting Tourism**

- Statistics released by Ministry of Tourism show that the **number of foreign tourists visiting India have grown to 1,05,57,929 in 2018**.
- In Budget 2020-21, it is proposed to establish an **Indian Institute of Heritage and Conservation** which will have a status of Deemed University.
- **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 Harappan age maritime site near Ahmedabad, by Ministry of Shipping.
- As per the Budget a **National Logistics Policy** will be announced. The policy will create a **single window e-logistics market** and focus on employment, skills and make MSME competitive.
- The Budget has announced augmenting connectivity through accelerated development of highways, including 2500 km access control highways; 9000 km of economic corridors; 2000 km of coastal and land port roads; and 2000 km of strategic highways.

### **Technology and Integrated Development**

- The Budget's vision is to provide digital connectivity to all public institutions at Gram Panchayat level such as Anganwadis, health and wellness centres etc.
- The target is to achieve **Fibre-to-the-Home connections through BharatNet**. It also seeks to improve **efficiency of sea ports by using technology**.
- The Budget also mentions about creating a digital platform which would facilitate seamless application and capture of Intellectual Property Rights (IPR); 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.
- A pragmatic approach towards using technology in providing quality education has been adopted by the budget. The budget proposes to start online degree level full-fledged education programmes by institutions which are ranked within top 100 in the National Institution Ranking Framework.

### **Conclusion:**

- 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.

### **Rural Livelihood And Employment**

- The recently published Gol's 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 is underscored the importance of agriculture and rural development in achieving the objective of inclusive growth as agriculture and allied sectors contributed 16.5% to the Gross Value Added of the country at current prices in 2019-20.

### **Budget Allocation to Priority Areas:**

- 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**.
- 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.

- Considering the importance of rural and agriculture sector, the Budget has prioritised agriculture, skill creation, dairy and fishery development and MSMEs.

#### **Livelihoods & Employment through Agri-development**

- 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.
- 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; (iii) Model Agricultural Produce and Livestock Contract Farming and Services Act (APLCFSA) 2018 in consultation with state govts.
- 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 process.
- 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 Farmers Producer Organisations (FPO) would consolidate and collectivise public and private efforts.

#### **Livelihoods & Employment through Rural Development**

- 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.
- The resource allocation of Rs. 61,500 crore to MGNREGA needs to be synergised with the outcome of 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.
- 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.

#### **Conclusion:**

- 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.

### **Skill Development And Employment Opportunities**

- In a changing workspace landscape, skill development is of utmost importance.
- 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.

#### **Budget Proposals for Skill Development**

- 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**.
- 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.
- 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.
- 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.
- **Degree level full-fledged online education programme** will be started. The budget announced that 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.
- 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.
- **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 police science, forensic science, cyber-forensics in the Budget.

#### **Education In Rural India**

- In our country lot of progress has been made in field of school education especially post-independence.
- Today we have more than 15 lakh schools in 2020. About 75% 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. 59845 crores in comparison to Rs. 56,536 crores allocated last year. There is an increase of Rs. 3304 crores (5.84%).

**A. Skill Development**

- In the budget Rs. 3,000 crores for skill development have been allocated.

**B. 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.

**C. Digital Connectivity**

- Govt. has announced to provide digital connectivity in all schools and the expenditure will be met from the budget allocated to school education.

**D. Higher Education**

- At present more than 1000 universities are functioning in the country and this has increased more than five times. The budget for UGC has been allocated Rs. 4693.20 crores.

**E. Study in India**

- The govt. 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 FDI in education sector and draw external commercial borrowings and make in India a preferred destination for higher education.
- At present planning is underway to set up 20 higher educational institutions of international standard.

**F. Online Courses**

- According to 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 to 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 Ministry 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.

**G. Medical Colleges**

- The Budget proposes to attach a medical college to an existing district hospital in PPP mode.

**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 for rural areas.
- **The rural areas require special attention**, efforts and support of the government for implementing different schemes and programmes.

- The Education Budget 2020 needs to focus on education and employment generation in the rural areas.
- More and more programmes on the pattern of National Initiative For School Heads And Teacher Holistic Advancement (NISHTHA) need to be planned.
- Internet reach in rural areas needs to be improved.
- There is need to improve the investment allocated under different schemes of education with a focus on education of rural India.