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INCREDIBLE RESULTS

CSE 2018 Results

11 Ranks in Top 50 | 28 Ranks in Top 100 | 183 Ranks in the Final List

Rank 11
Pujya Priyadarshni

Rank 16
Dhodmise Trupti Ankush

Rank 21
Rahul Jain

Rank 24
Anuraj Jain

CSE 2017

5 Ranks in top 50 | 34 Ranks in top 100 | 236 Ranks in the final list

Rank 3
Sachin Gupta

Rank 6
Koya Sree Harsha

Rank 8
Anubhav Singh

Rank 9
Soumya Sharma

Rank 10
Abhishek Surana

CSE 2016

8 Ranks in top 50 | 18 Ranks in top 100 | 215 Ranks in the final list

Rank 2
Anmol Sher Singh Bedi

Rank 5
Abhilash Mishra

Rank 12
Tejaswi Rana

Rank 30
Prabhash Kumar

Rank 32
Avdhesh Meena

CSE 2015

5 Ranks in top 50 | 14 Ranks in top 100 | 162 Ranks in the final list

Rank 20
Vipin Garg

Rank 24
Khumanthem Diana Devi

Rank 25
Chandra Mohan Garg

Rank 27
Pulkit Garg

Rank 47
Anshul Agarwal

CSE 2014

6 Ranks in top 50 | 12 Ranks in top 100 | 83 Ranks in the final list

Rank 4
Vandana Rao

Rank 5
Suharsha Bhagat

Rank 16
Ananya Das

Rank 23
Anil Dhameliya

Rank 28
Kushaal Yadav

Rank 39
Vivekanand T.S

CSE 2013

5 Ranks in top 50 | 62 Ranks in the final list

Rank 9
Divyanshu Jha

Rank 12
Neha Jain

Rank 23
Prabhav joshi

Rank 40
Gaurang Rathi

Rank 46
Udita Singh

YOJANA – MARCH 2020 ISSUE

UNION BUDGET 2020-21

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Chapter 1: Union Budget 2020-21: A Fine Balancing Act

The Union Budget of India for 2020–2021 was presented by the Finance Minister, Nirmala Sitharaman on 1st February 2020, as her second budget.

Union Budget 2020-21 is woven into three major themes:

1. Aspirational India
2. Economic Development
3. Caring Society

It aims to provide better standards of living through improved access to health and education. It also aims to promote the private sector and ensure we develop a harmonious and caring society.

Overview of Union Budget 2020-21:

Agriculture and Allied Activities Sector:

- The Government remains committed towards the target of doubling farmers' income by 2022.
- The budget highlights 16-action points which cover almost all aspects of the agriculture and allied activities sector and address supply bottlenecks.
- The budget aims to provide support for an end-to-end value chain and puts emphasis on warehouse storage and development.
- The move to create a cold supply chain, and launching refrigerated coaches with the help of the Indian Railways is a welcome move.
- Prominence has also been given to the development of the blue economy.

Industries:

- Budget recognizes the need to keep pace with frontier technologies.
- The upcoming policy to enable the private sector to build data centre parks and create a national mission on quantum technologies will ensure India is well-placed and geared up for the next industrial revolution.
- It is important for India to take advantage of its demographic dividend through appropriate skilling for improving productivity. This would be addressed by the New Education Policy.
- To further encourage entrepreneurship, the budget has made provisions to provide tax relief in Employee Stock Ownership Plan (ESOPS) held by employees in start-ups.
- Decision has been taken to set up a seed fund to support start-ups in their early stages.
- Certain trade restrictions have been increased to protect the domestic industries from increasing Chinese imports for a relatively short period of time.
    - The government might consider moving towards more liberal trade policies that focus on increasing the competitiveness of domestic industries in the future.

Financial Sector:

- Bond markets have been opened up to foreign investors.
- The investment limit in outstanding corporate bonds by Foreign Portfolio Investors (FPIs) has been extended to 15 % from the current 9%.
- The government also plans to launch a new Debt-ETF (Exchange Traded Fund), comprising primarily of Government securities.

- The benchmark 10-year bond would be a great place to start given its high liquidity.
- As the major lenders of MSMEs sector, finances from NBFCs will now be facilitated through the TReDs platform to facilitate the strained working capital.
- Moreover, in lieu of the on-going struggle faced by NBFCs, the budget proposed to move their eligibility limit for debt recovery under SARFAESI Act to an asset size of Rs. 100 crore or loan size of Rs. 50 lakh.
- The move to float LIC publicly will not only bring in additional revenues for the government, but also increase transparency in the functioning of the organisation.
- The government's step to increase the decades old deposit insurance coverage of Rs. 1 lakh is a welcome move.

Infrastructure:

- An important step towards long-term sustainable growth and employment is the government's announcement of the National Infrastructure Pipeline (NIP).
- The budget provides adequate funding to the tune of Rs. 22,000 crore equity supports to infrastructure finance companies. This could be leveraged further and long-term debt finance could be created for projects.
- In order to ensure transparency and improve the credibility, it has been decided, through the budget, for the first time, to report extra budgetary items, in terms of bonds and loan borrowings.

Taxation:

- The budget also makes an important shift from the past by encouraging wealth creation.
- The move towards gradually simplifying the corporate and personal tax regimes is an important step to restore the confidence back in the economy.
- Taxpayers' charter will also help to enhance the trust of investors and corporates in the government.

Also read: Union Budget 2020

Chapter 2: Tax Proposals: Benefits to Common Man

Budget 2020-21 is a reformative budget in the current economic scenario. This is the budget to boost people's incomes, to provide more money in their hands, to enhance their purchasing power, to boost consumption and therefore, demand.

- In this endeavour, tax policy is critical as tax revenue is essential for undertaking spending on priority sectors and welfare schemes which safeguards the welfare of the marginal sections of the population.
- Tax policy is also used to provide impetus to certain industries, regions and financial instruments by channelizing savings and investment into specific areas based on the priorities of the Government with regards to economic policy and growth.
- With these objectives, the Budget 2020-21 focuses on fundamental structural reforms and inclusive growth.
- The distinctive structural changes that the government is bringing in the direct tax domain have made the direct tax system more transparent, more accountable and accessible.

Budget highlights with respect to Direct and Indirect Taxes:

Indirect Taxes - GST:

- Revised Estimate of CGST for current FY 2019-20 is Rs. 5,14,000 crore and the Budget Estimate of CGST for upcoming FY 2020-21 is Rs. 5,80,000 crore.
- A simplified return currently under pilot run shall be implemented from 1 April, 2020. It will make return filing simple with features like SMS- based filing for nil return, return pre-filling, improving input tax credit flow and overall simplification.
- Refund process has been simplified and has been made fully automated with no human interface.
- Several measures for improving compliance have been announced.
- E-invoice will be implemented in a phased manner to facilitate compliance and return filing.
- Aadhar-based verification of taxpayers is being introduced.
- Dynamic QR-code is proposed for consumer invoices.
- A system of cash reward is envisaged to incentivize customers to seek invoice/s.
- GST rate structure is also being deliberated so as to address issues like inverted duty structure.

Indirect Taxes - Customs:

- The Revised Estimate of Customs Duties for 2019-20 is Rs. 1,25,00 crore. Budget Estimate for 2020-21 is Rs. 1,38,000 crore.
- To give boost to domestic industry, import duty on a number of products such as footwear, furniture, and a number of domestic appliance and items of common use that are locally produced especially by the MSME sector, are being increased.
- A concerted effort has been made to increase domestic value addition in sectors like mobile phones, electric vehicles, battery, etc. through proper phasing of manufacturing activity.
- A health cess is proposed, by way of custom duty, on the imports of medical equipment keeping in view that these goods are now being made significantly in India.
    - The proceeds of this cess shall be used for creating infrastructure for health services in the identified districts.

Direct Taxes:

- The Indian economy has displayed high tax buoyancy with a buoyancy factor greater than 1 (the rate of growth of direct taxes has been greater than the rate of growth of GDP).

- Apart from high tax buoyancy, between 2014-15 and 2018-19, the direct taxes have recorded a growth in collection of 64%.
- Further between FY 2013-14 to FY 2018-19, the number of return filers has grown by 91.02% while the number of taxpayers has increased by 60.55%.
- The Budget emphasizes on simplifying the direct tax administration and making the proposed Tax Charter a part of the statute.
- The Income Tax Act states taxpayers' responsibilities. The taxpayers' Charter would state the tax administration's accountabilities towards taxpayers.
- In September 2019, the government slashed corporate tax making it comparable with countries in South-East Asia.
- In the budget, Dividend Distribution Tax (DDT) has been proposed to be abolished.
    - The dividend now shall be taxed only in the hands of the recipients at their applicable tax slab rate.
- It proposes to bring a new and simplified personal income tax regime wherein income tax rates will be significantly reduced for the individual taxpayers who forgo certain deductions and exemptions.
    - Such relief is expected to give an impetus to the demand at estimated revenue forgone of Rs, 40,000 crore per year.
- The new tax regime shall be optional for the taxpayers, hence an individual who is currently availing more deductions and exemptions under the Act may choose to avail them and continue to pay tax in the old regime.
- There have been consistent efforts on the part of the government to reduce litigations in taxation, earlier through Sabka Vishwas Scheme and now with Vivaad se Vishwas Scheme.
    - The basic purpose of the proposed scheme is to help business and industry to come out of litigation and concentrate on wealth creation.
    - The Scheme gives complete waiver of interest and penalty if the Scheme is availed before 31 March, 2020.
- With the objective of enhancing the efficiency of the delivery system, the Budget proposes to provide that the Central Board of Direct Taxes (CBDT) shall adopt a Taxpayer's Charter and issue necessary direction for the implementation of the same.
- In order to provide relief to co-operative societies, the Budget proposes to reduce the tax rate for co-operatives on the lines of corporate tax reduction from 30% to 22%.
- The Budget proposes to extend the concessional corporate tax rate of 15% to new domestic companies engaged in the generation of electricity.
- To incentivize the investment by Sovereign Wealth Fund of foreign governments in priority sectors, the Budget proposes to grant 100% tax exemption to their income for investments made in India.
- In order to enable start-ups to attract talented employees by providing them Employee Stock Option Plan (ESOP), the Budget proposes to allow deferment of the tax payment by the employee for five years in respect of income relating to ESOP.
- To further incentivise the start-up ecosystem, budget also proposes to provide tax holiday to the large Start-ups having turnover up to Rs. 100 crore and also to extend the period of availing the deduction from 7 years to 10 years.
- The Budget proposes to raise the turnover threshold for compulsory audit from the existing Rs. 1 crore to Rs. 5 crore.

Chapter 3: Union Budget to Transform Urban Landscape

As India undertakes its journey to leapfrog towards a five trillion-dollar economy by 2024-25, supporting the process of urbanisation requires substantial flow of infrastructure investment. To achieve this target, India needs to spend about $1.4 trillion (Rs. 100 lakh crore) over these years on urban infrastructure (Economic Survey 2019-20).

- In spite of promising economic growth in urban centres, not all have adequate infrastructure and basic services.
- Recognizing the severity of urban infrastructure deficits, the Government of India has embarked upon transformative initiatives in the sector.
- The World Urban Prospects, 2018 estimates the **urban population in India at 34%** of total population which is likely to be 40% by 2030 and 50% by 2050.
- The new wave of urbanization is expected to bring both opportunities and challenges.
- The urban share of GDP is projected to be 75% in 2030, an increase from 62-63% in 2009-10 (HPEC, 2011).

Missions for Urban Transformation 2014-19:

- The government has initiated one of the most comprehensive programs of planned and systematic urban development in the entire world.
- More than 4500 Urban Local Bodies (ULBs) have been covered with flagship schemes such as Swacch Bharat Mission-Urban, Pradhan Mantri Awas Yojana - Urban, Deendayal Antyodaya Yojana - National Urban Livelihood Mission (DAY-NULM) to address the issues of sanitation and cleanliness, affordable housing, and urban poverty alleviation.
- In addition, provision for universal water supply and sewerage, septage in 500 cities (with over 1 lakh population) have been taken up under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT).
- Heritage City Development and Augmentation Yojana (HRIDAY) was launched in 12 cities with the aim to preserve and rejuvenate the soul of their heritage character.
- A big push in urban transport, largely in the form of support to Mass Rapid Transit Systems (MRTS) has been initiated. Last but not the least, the Smart Cities Mission (SCM) was launched in 100 cities aimed at improving core infrastructure and providing a decent quality of life to urban citizens using smart solutions.

Enhanced Budgetary Support and Fund Availability:

- The Budget 2020-21 has allocated a total of Rs. 50,040 crore to the Ministry of Housing and Urban Affairs (MoHUA). Over and above this, there is provision of Rs. 10,000 crore as Extra Budgetary Resource (EBR) for housing.

Cities as Engines of Economic Growth:

- Budget has set a definite goal i.e. aspiration to take the economy to US $ 5 trillion level, backed with Aastha (Hope), Vishwas (trust) and Akanksha (Aspirations) of 130 crore Indians.
- To boost infrastructure development, the Government has launched the National Infrastructure Pipeline (NIP) for the period 2020-2025.
  - It intends to facilitate supply-side interventions in infrastructure development to boost GDP growth.
- Out of the projected total infrastructure investment of Rs. 103 lakh crore during the period FY 2020 to 2025, 16% has been earmarked for urban rejuvenation.

Urban Infrastructure: Focusing on Connectivity:

- In the Budget 2020-21, a total of Rs. 20,000 crore has been allocated for total Mass Rapid Transit system (MRTS) and Metro Projects.
    - Construction of 148 km long Bengaluru Suburban Transport project has been proposed for the Railways Ministry.
    - Budget earmarks provisions for Mumbai-Ahmedabad High Speed Rail, Chennai-Bengaluru Expressway, Delhi-Mumbai Expressway and promotion of economic activities along river banks with waterways.
- Focus has been provided on digital connectivity through BharatNet program for the ULBs along with prepaid smart electricity meters with options for individual consumer to choose rates and provider/sources (thermal or RE) of electricity.

Promoting Water Conservation: Jan Andolan:

- The Ministry has launched Jal Shakti Abhiyan to make water conservation a Jan Andolan with four major thrust areas: a) Rain Water Harvesting; b) Re-use of treated waste water; c) Rejuvenation of water bodies and d) Plantation.
- So far, 2.39 lakh Rain Water Harvesting points have been installed, and another 2.22 lakh are under construction.

Smart Cities Mission towards Smarter Urban India:

- As the Smart Cities Mission completes five years of implementation, over 80% of the proposed projects are at different stages of implementation.
- Innovative projects like Integrated Command and Control Centers (ICCC), Smart Streets/Roads, Smart Water, Integrated Smart Traffic/Transit Management are pioneering efforts being undertaken by Indian cities for the very first time.
- This Budget has allocated Rs. 13,750 crore for Smart Cities Mission and AMRUT for 2020-21.

Affordable Housing for All

- More than 1 crore houses have already been sanctioned; more than 62 lakhs have been grounded for construction and 32 lakhs have been completed/delivered.
- A separate mechanism through creation of National Urban Housing Funds (NUHF) has been approved by Union Cabinet to mobilise resources through Extra Budgetary Resources (EBR) to the tune of Rs. 60,000 crore for funding housing scheme.
- Government has created an Affordable Housing Fund (AHF) in the National Housing Bank with an initial corpus of Rs. 10,000 crore using priority sector lending shortfall of banks/financial institutions.
- The Budget 2020-21 has allocated a total of Rs. 8,000 crore in the Budget and provision for extra-budgetary resources (EBR) of Rs. 1000 crore for PMAY-U.

Poverty alleviation, livelihood and Skill Development:

- The primary target of DAY-NULM is the urban poor, including the urban homeless.
- In the Budget 2020-21, DAY-NULM allocation is Rs. 795 crore.
- The Finance Minister has proposed to provide 1 year internships to fresh engineers in all ULBs in order to enhance the skill of the youth to fulfil the dream of the Prime Minister.

Ease of Living and Ease of Doing Business:

- MoHUA released the first-ever ‘Ease of Living Index’ in 2018 covering 111 cities, and assessment for ‘Ease of Living Index 2019’ is currently in progress.

- As per the World Bank's Doing Business Report-2020, India's rank in Ease of Doing Business is 63, compared to rank 77 in 2019.
- Currently, India ranks 27 in terms of construction permits, compared to a rank of 185 in 2017. This is due to the fact that the Online Building Permission System (OBPS) has been implemented.
- The Municipal Performance Index, launched by MoHUA in 2019, aims to build capacity and assess the performance of India's municipal bodies on the five pillars of governance, technology, services, planning and finance.

Climate Change and Sustainable Urbanisation:

- A total of Rs. 4400 crore have been allocated for clean air and climate action in the cities.
- MoHUA has already initiated the Climate Smart Cities Assessment Framework, a pioneering effort towards building capacity of its 100 smart cities on climate change-adaptation and mitigation practices.

Chapter 4: Transport Infrastructure in India

The infrastructure portion of the budget was introduced by primarily referring to the National Infrastructure Pipeline (NIP).

- NIP has a five-year vision with an investment of Rs. 102.51 trillion.
- Of this, the transport infrastructure investments consist of Rs. 19.64 lakh crore for roads, Rs.13.69 lakh crore for the railways sector, Rs. 1.43 lakh crore for airports, Rs.1.01 lakh crore for ports, and parts of urban and housing (metro, public transport and Electric Vehicles), rural infrastructure (rural roads) and agriculture (storage infrastructure and refrigerated transportation).
- To ensure that such a funds flow happens, it is important that the policy direction is sustainable, and the use of funds is efficient.

Roads Sector:

- In the roads sector, the policy thrust is on increased categorisation of national highways (from the current 1.3 lakh kms to 2.0 lakh kms), building expressways, increased use of electronic tolling and advanced technologies for traffic control.
- The Delhi-Mumbai expressway is getting immediate attention.
- This sector has experimented with different forms of Public Private Partnerships (PPPs), including Build Operate Transfer (BOT), Hybrid Annuity Model (HAM) and Toll Operate Transfer (TOT), enabling more projects to be undertaken.

Concerns:

- The roads sector is still affected by land acquisition and environmental clearances causing significant holdups and time overruns.
- Many of the projects have turned into non-performing assets for lending institutions.
- Safety, which is a crucial outcome parameter for the road user, has still not been addressed comprehensively.
- On the matter of climate impact, the direction seems to be one to getting away from petrol and diesel and moving towards electric vehicles (EVs), though the pace of adoption must be accelerated.

Railways Sector:

- The idea of involving private sector participation in passenger trains is a welcome move.
- Having such service providers will increase the need for up-gradation and accountability of the hard infrastructure sector, which is a good thing.
- The recent two examples of the Tejas Express is, in a sense, a halfway house, since the service provider IRCTC is really a subsidiary of the Indian Railways and was not brought in through a competitive bidding process.
- The merging of railways services into a single cadre is a welcome push.
    - Breaking down inter-departmental barriers has been debated for over four decades. However, there is still internal resistance and the debate is out as to whether all cadres should be merged or an intermediate position would be better.
- There are also proposals for Semi High Speed Rail Corridors.
- The Western and the Eastern Dedicated Freight Corridors (DFCs) are under construction with parts of them already operational. The corridors are expected to be fully operational by 2022.
- Operation of 150 passenger trains would be done through PPP mode.
- The High Speed Rail (HSR) as a dedicated corridor is under construction between Ahmedabad and Mumbai.

- This would run the Japanese style bullet trains at a maximum speed of 320 kmph, bringing the best train time between these two cities from six hours to two hours.

Concerns:

- There are concerns about pricing and track access charges, and how it can be best leveraged to ramp up traffic on the DFCs.
- Another concern is the availability of rolling stock to utilise the DFC standards. While such rolling stocks would be useful for pure DFC movement, there would be a difficulty for moving on the conventional railway lines.
- The fundamentals of how PPPs would be encouraged, and focus on research and development for indigenous manufacturing of rolling stock are still not clear. These two are critical for continuous modernisation of the Indian Railways.

Aviation Sector:

- In the airports sector, there are two focus areas.
  - The first is on increasing capacity and services levels in the top 30 airports, primarily through the PPP route.
  - The second is on increasing the number of airports to about 100 and ensuring that all tier II and many tier III cities have own airports.

Concerns:

- Regarding the increase in airports to serve lower ties cities, the issue is one of viability.
- Attracting PPPs may be difficult in such airports, though with appropriate viability gap funding/subsidies, it is workable.

Port Sector:

- In the port sector, Sagarmala is a large project-oriented scheme, which is not proceeding quite at the pace.
- Ports need modernization for increasing efficiency and infrastructure for better connectivity.
- Capacity additions through new locations may not be a need, unless it is for captive purpose.

Concerns:

- Some of the earlier PPPs are not able to do their best due to restrictive concession agreements.
  - The restructuring of the regulatory regime needs to be hastened.
- Connectivity issues on the land size, especially by rail, should improve both the DFCs and the formation of the Indian Port Rail Corporation Limited (IPRCL). IPRCL was formed in 2015 to improve rail port coordination.

Public Transport Sector:

- Based on the demonstrated success of the Delhi Metro Rail Corporation (DMRC), 12 other cities are developing metros as part of public transport infrastructure.

Concerns:

- While PPPs were attempted, the success has not been good, except possibly Hyderabad.
- This is understandable since the complexity of government interfaces in the building and operating of a metro would make it very difficult for a private party.

- Intermodal seamless connectivity with metro transportation is yet to be addressed for urban mobility.
- It is important to plan public transport in tier II and tier III cities from a climate impact point of view.

Way forward:

- Bus corridors, including optimization over the size of the bus, needs to be properly planned.
  - Use of analytics on travel pattern would be of help.
- While rural roads are developing, the opportunities in agri-supply chain are yet to be fully exploited.
- The focus on cold chains including the announcement of the ‘Kisan Rail’ is a welcome move.
- Rail based reefer movement with multimodal connectivity can enhance the market of agricultural products including for exports.

While budget has appropriate announcements, attention must be laid on execution. Concession agreements and contracts need a lot more attention, both for sharpness and flexibility. Finally, the role of regulators becomes important, since the need is for ‘light-touch’ regulation with maturity.

Chapter 5: The Industry Perspective

Micro, Small and Medium Enterprises (MSMEs) are the lifeblood of a vibrant economy; therefore, the Union Budget 2020-21 has a focus on improving credit access and increasing cash in hand for these businesses. There is also a strong message towards gaining people's confidence and trust through assurance about the stability of the banking system, making proposals like decriminalizing the Companies Act, re-looking other laws, fine-tuning the Contract Act, creating a taxpayers' charter in the statute to prevent harassment.

Highlights:

- The Government of India proposes to spend 12.7% higher than the revised estimates of 2019-20.
- The receipts (other than net borrowings) are expected to increase by 16.3%, owing to higher estimated revenue from disinvestments.
- The Government has assumed a nominal GDP growth rate of 10% (i.e. real growth plus inflation) in 2020-21.
- Revenue deficit is targeted at 2.7% of GDP & Fiscal deficit is targeted at 3.5% of GDP.
- The Government is estimated to breach its budgeted target for fiscal deficit (3.3%) in 2019-20 and the medium term fiscal target of 3% in 2020-21.
    - The deviation of 0.5% is consistent with Section 4(3) of Fiscal Responsibility and Budget Management (FRBM) Act.
- Section 4(2) of the FRBM Act provides for a trigger mechanism for a deviation from the estimated fiscal deficit on account of structural reforms in the economy with unanticipated fiscal implications.
- Measures for improving the Ease-of-Doing Business such as the NIRVIK (Niryat Rin Vikas Yojana) scheme, removal of Dividend Distribution Tax and simplification of the GST regime will boost investors' confidence.
- Enabling NBFCs to extend invoice financing to MSMEs through Trade Receivables Discounting System (TReDS) will enhance the opportunities to fuel the Indian economy and widen the acceptability and trust by the Banking financial services and insurance (BFSI) sector.
- The extension of Government e-Marketplace (GeM) as a unified procurement channel will bring more vendors onto the platform.
- On the Debt Recovery side for lenders, the allowance to smaller NBFCs to approach the Debt Recovery Tribunal (DRT) for smaller ticket-size loans would be beneficial in lowering NPAs and improving the asset quality.

Themes:

The Budget 2020 - 21 seeks to strike the right note with the prominent themes of aspiration, economic development and caring society. These three broad themes are held together by:

- Corruption free, policy-driven good governance
- Clean and sound financial sector
- Ease of living

Aspirational India:

- The components of Aspirational India are: Agriculture, Irrigation, and Rural Development, Wellness, Water and Sanitation, and Education and Skills.
- Rs.2.83 lakh crore are allocated for three components with 16 Action Points; such as Blue Economy, Kisan Rail, Krishi Udaan for both national and international routes, One- Product One-District for better marketing and export in the Horticulture sector, Jaivik Kheti Portal, Zero-Budget Natural Farming, PM-KUSUM to be expanded for 20 lakh farmers for setting up stand- alone solar pumps, another 15 lakh farmers to be helped to solarize their grid-connected pump sets, Village storage

Scheme to be run by the SHGs to provide farmers a good holding capacity and to reduce logistics cost, Deen Dayal Antyodaya Yojana.

Economic Development for all: "Sabka Sath, Sabka Vikas, Sabka Vishwas"

- This part includes Industry, Commerce and Investment.
- Investment Clearance Cell proposed to be set up to provide "end to end" facilitation and support and to work through a portal.
- National Technical Textiles Mission to be set up with four-year implementation period from 2010- 21 to 2023-24 to position India as a global leader in Technical Textiles.
- New scheme NIRVIK to be launched to achieve higher export credit disbursement, which provides for higher insurance coverage, reduction in premium for small exporters, simplified procedure for claim settlements, turnover of GeM proposed to be taken to Rs. 3 lakh crore.
- A scheme for revision of duties and taxes on exported products to be launched. All Ministries have to issue quality standards orders as per "Zero Defect-Zero Effect" manufacturing.
- Infrastructure Sector-Rs. 100 lakh crore to be invested over the next 5 years.
- National Logistics Policy to be released soon to clarify roles of the Union Government, State Government and key regulators. A single window e-logistics market to be created.
- For the mapping of India's genetic landscape - two new national level Science Schemes to be initiated to create a comprehensive database. Early life funding proposed, including a seed fund to support ideation and development of early stage Start-ups.

Caring Society:

- The focus of caring society is on - Women & Children, Social Welfare; Culture and 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 on-site Museums: Rakhigarhi (Haryana), Hastinapur (Uttar Pradesh), Shivsagar (Assam), Dholavira (Gujarat), Adichanallur (Tamil Nadu).
- Museum on Numismatics and Trade to be located in the historic Old Mint building in Kolkata.
- Support for setting up a Tribal Museum in Ranchi (Jharkhand).
- Maritime museum to be set up at Lothal - the Harappan age maritime site near Ahmedabad, by Ministry of Shipping.

Conclusion:

- The budget is a step forward towards meeting the aspirations of New India, but one of the most critical parts will be the implementation of the measures announced in the budget to support growth.
- The fiscal path leans heavily on the divestment proceeds targets over Rs. 2 trillion to achieve the growth rates realistically in the current scenario.
- Any slippage on the underlying assumptions on revenue will impact the actual deficits and the growth ambitions of being a US$ 5 trillion economy.
- The budget has addressed some challenges faced by budding start-ups and has made it easier for them to receive funding from investors.
- Government has taken a positive step towards enhancing the start-up ecosystem by allowing 100% profit deduction for 3 years out of the 10 years for start-ups with turnover up to Rs. 100 crore.
- Simplified processes for faster claim settlements will be beneficial for both the exporters and the general insurers. It will lead to providing high insurance cover, reduction in premium for small exporters and simplified procedures for claim settlements, which will in turn encourage export finance and boost exports.
- The announcement for the subordinate debt for MSMEs is a positive step and will help the MSME sector benefit in a substantial way.

- Raising the turnover threshold for audit for businesses to Rs. 5 crore is a welcome relief for small businesses.
- It is expected that the budget will boost employment, increase consumption and attract global investments in India.

Chapter 6: Fiscal Sustainability Framework and Deficit Indicators

Fiscal policy plays a vital role in economic development and helps in seizing economic uncertainty of a country. Fiscal consolidation through fiscal prudence is one of the prerequisites to restore the economic stability of a country. To achieve fiscal consolidation and prudent fiscal management, the Government of India has enacted FRBMA (Fiscal Responsibility and Budget Management Act-2003).

Also read: Fiscal Policy

Fiscal Deficit: Estimated vs. Actual:

- The excess of total expenditure over total receipts excluding borrowings is called Fiscal Deficit.
- It indicates the total borrowing obligation to finance its deficit during a particular fiscal year and is used to measure fiscal discipline and governs the long-term economic policy of a country.
- In spite of a lot of pressing need, the budget has kept the targeted fiscal deficit at 3.5% of GDP.
- In addition to above, budget has also made provision for higher capital expenditure, with a clear indication towards positive outcome through sustainable development.
- However, the government has embraced 'Escape Clause' to deviate 0.5% in the set fiscal deficit to accommodate structural complexities and uncertain fiscal changes due to uncertain macroeconomic environment.
- Owing to implementation of FRBMA as a mechanism and policy intervention, the estimated fiscal deficit has decreased till 2008-09, but later did not follow the path of fiscal discipline.

Linkage between Fiscal Deficit and Revenue Deficit

- Key constituents of fiscal deficit are revenue deficit and capital spending.
- Revenue deficit is defined as "the excess of government revenue expenditure over government's revenue receipts".
- Revenue deficit indicates that the government is unable to meet its current/revenue expenditure from its current/revenue receipts.
- So, the government adheres to borrowing (fiscal deficit) to finance the revenue short fall or in meeting the capital expenses.
- Fiscal consolidation can be possible through revenue augmentation, without curtailing the development expenditure.
- Containing fiscal deficit at its set target by reducing expenditure at the cost of socio-economic well-being of the nation can never be a welcome step. That's why the only and ultimate way to reduce fiscal deficit is to reduce revenue deficit.

Fiscal Glide and Initiatives

- Based on FRBM (Fiscal Responsibility and Budget Management Act-2003), initially it was recommended to keep the fiscal deficit at 3.0% of GDP but it was not attained due to lack of seriousness or due to various macroeconomic disturbances and instabilities.
- The first phase of fiscal deficit reduction followed a steady path up to 2008-09, but later fiscal deficit has shot up to 6.8% of GDP in 2009-10 and remained above 4.6% for the next four years due to adoption of expansionary fiscal stimulus package to combat ill-effects of global meltdown.
- Further, Kelkar Committee (2012) has recommended that the fiscal deficit should be kept at 3% of GDP by 2016-17, by the end of 12th plan. However, it was delayed by next two years to house the fiscal and structural challenges like demonetization and global uncertainties.
- Post-budget 2017-18, the Finance Minister set a committee under the leadership of N. K. Singh to appraise the FRBM Act after a gap of 13 years.

- The committee recommended shifting the focus of budget analysis in terms of 'fiscal deficit' to 'debt-GDP ratio' and set the target to keep the same at 60% by 2023 and keeping fiscal deficit at 3% for next three years.
- Further, the government has suggested to have the value of fiscal deficit to be in a 'range' rather than a 'fixed value'; in order to provide fiscal space to the government to accommodate any global shocks and economic uncertainties.

Fiscal Sustainability and Fiscal Focus

- Budget has set the fiscal deficit target of 3.5% of GDP, with a plan for augmented capital expenditure.
- Besides, emphasis is given to rationalizing and scrutinizing all kind of revenue expenditure in tune with the long-term fiscal goals and adhering to quality expenditure. This is where the beauty of quality and sustainability intersects.
- The current budget provides fiscal space to the policymakers in augmenting agriculture, health, education and infrastructure development. Increase in sharing of fund for capital expenditure symbolizes the fiscal outlook of the current budget.
- Besides, net market borrowing of the government is restricted to Rs. 5.36 lakh crore which indicates the intent of the government to restrict the debt liabilities.

High Fiscal Deficit: Not Advisable

- Another 'School of Thought' opines that continuous adherence to high fiscal deficit over the set deficit reflects fiscal distress of an economy.
- Based on the historical perspective (2003-04 to 2020-21), fiscal deficit in India will continue to be a concern over the years to come; unless supported by corresponding increase in capital expenditure and rationalization of revenue expenditure.
- The crowding out effects of private investment on account of high fiscal deficit should not suppress the benefits of higher capital expenditure. The debt liabilities (both principal and interest payment) always pose threat to an economy and hence fiscal consolidation is the main aim to achieve long-term growth.

Conclusion:

- The success of budget depends on the outcome and not the outlay. Its efficacy relies on how the government implements all the schemes and programs for the development of the nation.
- Effective administration of expenditure, increase in revenue base and potent tax buoyancy are the keys to fiscal consolidation.
- Fiscal deficit can be reduced to its desired level only by reducing the revenue deficit, not the capital expenditure.
    - This can be possible through revenue augmentation and expenditure rationalization.
- Efficient management of expenditure is the key to fiscal consolidation; centrally sponsored schemes are restructured for greater synergy and effective implementation by which unnecessary overlapping expenditure can be curbed.

Chapter 7: Union Budget 2020-21: Safer Deposits, Stronger Cooperative Sector Banks & Major Boost to MSME

Three most important proposals related to the banking sector were declared to be implemented. They continue to be the highlight of the entire budget. These are:

Insurance Cover on Deposits:

- Insurance cover on deposits means how much money will be paid to the depositor if the bank is closed due to some reason or goes bankrupt.
- The responsibility of providing insurance cover on deposits is with the Deposit Insurance and Credit Guarantee Corporation (DICGC), which is a fully-owned subsidiary of the Reserve Bank of India (RBI).
- In the beginning, the insurance cover per depositor was Rs. 1500.
- This amount is now Rs. 5 lakh from February 2020. For the purpose of insurance cover on deposits, the banks have to pay the premium amount, not the depositors.

Strong Regulation System for Cooperative Banks:

- The complex system of rules is one of the big reasons for the deterioration of cooperative banks. Under the federal system, cooperative societies have been kept under the state list.
- If these societies act like a bank; they will have to follow the rules and regulations of the Reserve Bank of India.
- To strengthen the Cooperative Bank, 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.
- Among Urban and Rural Cooperative Banks, State Co-operative banks (StCBs) and District Central Cooperative Banks (DCCB) have to register under the Co-operative Societies Act of the respective States or Multi-State Cooperative Societies Act.
- Banking Law was enforced on cooperative societies from 1 March, 1966. Therefore, the state level Cooperative Society Registrar or Central Registrar of Cooperative Societies and Reserve Bank of India have double control over UCB, DCCB and StCB today.
- The Cooperative banks (Multi-State Cooperative Bank) functioning in various states and UCB will be **brought under the jurisdiction of the Reserve Bank of India**.
- Banking related issues will be under the jurisdiction of the Reserve Bank of India, while the **registrar has been authorized to deal with the administrative issues** of cooperative societies.

Micro, Small, and Medium Enterprises (MSMEs)

- The budget proposes to support MSME sector through the banking system and also has the provision of easy loan returns.
- The budget has proposed to introduce a scheme to provide subordinate debt for entrepreneurs of MSMEs. This subordinate debt to be provided by banks would count as quasi-equity and would be fully guaranteed through the Credit Guarantee Trust for Medium and Small Entrepreneurs (CGTMSE).
- In addition, an app-based invoice financing loans product will be launched. This will obviate the problem of delayed payments and consequential cash flow mismatches for the MSMEs.

General Budget: Important proposals associated with Banking Sector:

- Insurance cover on deposits is now Rs. 5,00,000 per depositor.
- RBI has been provided more powers regarding regulation of cooperative banks.
- The time limit of credit restructure extended for MSMEs.

- New measures to be announced to enhance professional efficiency in public sector banks.
- The government will sell its remaining stake in IDBI Bank.
- The limit for Non-Banking Financial Companies (NBFCs) to be 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 Rs. 500 crore to asset size of Rs. 100 crore or loan size from existing Rs.1 crore to Rs. 50 lakh.

Chapter 8: The Economics of Water and Sanitation

The Ministry of Finance has aligned itself to the larger goal of an open defecation free (ODF) India with an investment in excess of one lakh crore rupees over the past five years. The Finance Ministers have acknowledged, year by year, the importance of investing in sanitation and its far reaching effects. A majority of these funds have gone towards incentivizing crores of poor and marginalised households to construct toilets, and they have also been used to bring about behavioural change, trigger the Jan Andolan and build capacities of field functionaries.

Swachh Bharat Mission:

- The Swachh Bharat Mission (SBM) is regarded as the largest behavioural change programme for sanitation the world has ever seen.
- The most important differentiating factor which allowed the SBM to leverage the collective strength of 1.3 crore people was exactly the political leadership.
- In January 2020, a Ministerial Round Table discussion was held in Addis Ababa on ‘Scaling up Sanitation in Africa’. It was primarily based on the major lessons coming from the implementation of the Swachh Bharat Mission (SBM).

Economics of Sanitation:

- UNICEF recently estimated that the investments in sanitation in India are yielding a 400% return, with each rural household in an ODF village saving Rs. 50,000 on account of avoided medical spends, time savings and lives saved.
- Meanwhile, moving ahead, the Toilet Board Coalition has estimated that the sanitation infrastructure and services market in India will be worth over $60 billion by 2021, creating many new jobs, even in the most rural areas of the country.
- It is fairly clear now that investment in sanitation is actually a facilitator of broader economic, health and social gains.

Budget Provisions:

- The Finance Minister, in the budget for 2020-21, has announced about Rs. 10,000 crore for rural sanitation to focus on ODF sustainability, biodegradable waste management, faecal sludge management and most importantly, plastic waste management for all villages by 2024.

Jal Jeevan Mission:

- The government is committed to delivering its piped water supply.
- The PM announced the Jal Jeeven Mission (JJM) with the goal of ensuring piped water supply for all households of India by 2024.
- Backing its commitment, in the budget for 2020-21, the government has already allocated a central share of Rs. 11,500 crore for the JJM, with an additional provision for extra budgetary resources of Rs. 12,000 crore.
- The biggest impetus to the rural water and sanitation sector is the earmarking of 50% of the Rs. 90,000 crore grant to rural local bodies under the 15th Commission for Drinking Water and Sanitation.
- This approach will ensure that just like sanitation, provision of water supply and its upkeep will also become everyone's business.

Chapter 9: Indian's Quest for Universal Coverage

The new vision for health for India rests on four pillars, namely - ensuring preventive health, providing affordable healthcare, improving supply of quality health services and effectively implementing government schemes in a mission mode.

Preventive Health Care:

- Under the first pillar of preventive health, there is special emphasis on Yoga, Ayurveda and fitness.
- To reign in the harmful effects of smoking, the Government of India has gone on to put a complete ban on e-cigarettes.
- The Government of India launched an ambitious scheme Ayushman Bharat.
  - It is India's bellwether in its efforts towards achieving UN Sustainable Development Goal 3.8 - Universal Health Coverage (UHC).
- Ayushman Bharat, through its two components Health and wellness Centres (HWCs) and Pradhan Manti Jan Arogya Yojana (PM-JAY), addresses health holistically covering preventive care.

Affordable Healthcare:

- The second pillar is affordable healthcare, which is addressed by the second component of Ayushman Bharat scheme—PM-JAY.
- PM-JAY is the world's largest publicly funded health assurance scheme.
- It provides more than 50 crore poor and vulnerable citizens with a health cover of Rs.5 lakh for cashless secondary and tertiary inpatient care.
- Special pharmacies have been set up under which 800 critical drugs have been made available at affordable prices.
- Because of this initiative, the price of cardiac stents has been reduced by 80% and that of knee implants reduced by 50-70%.
- Under the Pradhan Mantri National Dialysis Programme, lakhs of people are able to avail free dialysis at district hospital.

Supply side expansion:

- As the third pillar of this vision, supply side expansion focuses on building medical infrastructure and providing quality medical education.
- A key reform in this area is the National Medical Commission Act, 2019.
- This will transform healthcare in the country by paving the way for the establishment of India's new regulator of medical education and certification – the National Medical Commission (NMC).

Implementation of Schemes in Mission Mode:

- The fourth pillar - effective implementation of government health schemes in mission mode is essential to achieve the above goals.
- The Government of India has also launched Poshan Abhiyan or National Nutrition Mission to tackle anaemia and stunting.
- As a signatory to Sustainable Development Goals, other mission mode interventions by India include eliminating tuberculosis by 2025 and single use plastic by 2022.

Demonstration of strong political will towards health:

- The union budget 2020-2021 demonstrates a strong commitment towards health.

- The increase in the budget allocation for health from Rs 62.398 crore in 2019-2020 to Rs 69.000 crore for 2020-2021 reaffirms this promise.
- This budget gives a prominent place to citizen's health.
- Several schemes have been strengthened giving emphasis to universal immunisation; Mission Indradhanush has been expanded to cover 12 related diseases, including five new vaccines. The Fit India Movement is a vital part of fight against diseases resulting from lifestyle issues.
- Reaffirming the Government's promise to end Tuberculosis by 2025, it is proposed to strengthen efforts under the "TB Harega Desh jeetega''campaign.
- To address the supply side constraints, especially in tier-2 and tier -3 cities, viability gap funding for setting up hospitals in the smaller cities has been announced.
    - In the first phase, priority will be given to aspirational districts where no empanelled hospitals are current available.
- A tax on medical devices has been announced in the budget.
    - Proceeds from this tax would be used to support this vital health infrastructure.
- Addressing the challenge of strengthening fraud and abuse control and safeguarding security of patient data, the government has proposed a slew of measures like making use of frontier technologies such as Artificial Intelligence and Machine Learning.

Chapter 10: An Analysis of Education Sector Budget

The education component of the Union Budget 2020 continues to reflect the Government's commitment to strengthen quality and standards in education. On many fronts, the budget recognizes key prospects to reform schools as well as higher education sectors. The Indian education system has witnessed major structural changes in recent years. The focus has shifted from merely providing access to schools and colleges towards pursuit of quality in education, in line with the SDG-4.

- The education budget allocation amounts to a total of Rs. 99,311 crore. The current allocation reflects an increase of 5% from the previous year.
- There has been significant emphasis on higher education which is evident from the increased share of higher education from 34% in 2014-15 to 42% in 2017-18 in the total budgetary outlay of MHRD.

Key Initiatives Proposed Under Union Budget 2020-21:

Teacher Education:

- The government is already focusing on training all the untrained teachers in the country through various institutions including National Institute of Open Learning (NIOS).
- The government is also striving to utilize ICT in teacher training (e.g. Diksha Portal).

Equalisation of Opportunities to Access Higher Education

- The current budget, by proposing a degree level full-fledged online education programme, will attract youth towards higher education.
- A degree level full-fledged online education programme will help in increasing Gross Enrolment Ratio in higher education.
- These programs can only be offered by institutions ranked within the top 100 in the National Institutional Ranking Framework.

Global Higher Education:

- To enhance the inflow of international students, the current budget has proposed to initiate Ind-SAT which is to be held in Asian and African countries under the 'Study in India' programme.

Improved Financing:

- The current budget proposes to introduce sourcing External Commercial Borrowing (ECBs) and FDI so as to be able to deliver higher quality education.

Training:

- The current budget has adopted a unique approach by proposing the establishment of a National Police University and a National Forensic Science University.

Enhancing and Ensuring Employability:

- The budget has proposed to address the issue of unemployment with the initiative of apprenticeship embedded degree/diploma courses in about 150 higher education institutions.
- Another important initiative pertains to the proposed internship program for engineering students with urban local bodies for a period of up to one year. This is expected to bring in transformation in the way urban local bodies work.

Chapter 11: Skills, Employment and Human Resource Development

The budget has covered all the areas of education and skill development comprehensively – beginning from the reforms required to the ground-level implementation with the help of integrated approach – and the best part is that education and skill development have been made an integral part of the sectoral growth strategies. The budget states that it has provided Rs. 99,300 crore for the education sector in 2020-21 and about Rs. 3,000 crore for skill development.

Details:

- It has proposed starting apprenticeship embedded courses through 150 higher educational institutions by March 2021.
- To increase apprenticeships within the country, it was proposed to start a program where urban local bodies across the country would provide internship opportunities to fresh engineers for a period of up to one year.
- In the fisheries sector, the government will involve the youth in fishery extension through 3,477 sagar mitras.
- A National Police University and a National Forensic Science University are being proposed in the domain of policing science, forensic science, cyber-forensics, etc.
- It is proposed that special bridge courses be designed by the Ministries of Health, Skill Development.
- In the medical field, it has been proposed to build a Medical College in an existing district hospital in a PPP mode.
- A special Nirman Kaushal Vikas Yojana with an initial outlay of Rs. 50 crore is proposed.
- Supported by the National Infrastructure Pipeline covering 6,500 projects with the allocation of 100 lakh crore, infrastructure development will create a demand for skilled workforce.
- However, since skills programmes are spread across different ministries, the amount is actually higher.
- The budget also talks about improving the financial support mechanism for capitalizing on foreign financing wherewithal, which is also necessary for attracting foreign institutions and students, besides the much needed enhancement of the teaching and training standards.

Conclusion:

- Developing a robust education and skill development infrastructure based on the emerging needs is central to achieving a higher growth trajectory that leads India to the $5 trillion economy goal quickly.
- The Budget for 2020-21 has taken significant strides in this direction.

Chapter 12: Action Plan for Prosperity of Farmers

The Government of India has made a strong commitment to double farmers' incomes by 2022. In the Union Budget, the Finance Minister announced a 16-point action plan with a wide range of activities and measures critical to farmers' welfare. This budget aims to fulfil aspirations of crores of Indian farmers who are at the core of the Indian economy and more importantly, in national food security. This budget proposes integration of farming, storage, financing, processing and marketing.

Reforms and Resources:

- Model Agricultural Land Leasing Act, 2016 facilitates leasing of land to landless farmers under standard conditions.
- Model Agricultural Produce and Livestock Marketing (Promotion and Facilitation) Act, 2017 strives to remove barriers of inter-state boundaries for trade of agricultural produce and livestock.
- Model Agricultural Produce and Livestock Contract Farming and Services (Promotion and facilitation) Act, 2018 was enacted with a view to integrate farmers with bulk purchasers (exporters, agro-industries, etc.) for better price realization.
- Moving towards resource management, the government is proposing comprehensive measures for 100 water-stressed districts, so that water does not become a limiting factor in enhancing productivity of crops.

Farms, Farming and Energy:

- In the year 2019, the government announced PM – KUSUM (Kisan Urja Suraksha evam Utthan Mahabhiyan) to value-add farmers (annadata) as energy providers (urjadata).
- The government now proposes to expand the scheme to support 20 lakh farmers for setting-up standalone solar pumps.
- Integrated Farming Systems (IFS), that combine crops, livestock and subsidiary enterprise in a more productive and sustainable way, have emerged as one of the most effective measures to enhance farmers' incomes.
- But most of the IFS models developed so far are inclined towards irrigated conditions. Hence, the Government's announcement to expand Integrated Farming Systems in rainfed areas is a welcome step.

Storage, Transport, and Trade:

- India has an estimated capacity of 162 million metric tonnes of agri-warehousing, cold-storage, reefer van facilities, etc.
- But for making optimum and efficient use of these facilities, now NABARD will undertake an exercise to map and geo-tag them.
- The Government has announced further creation and expansion of warehousing facilities by roping in Food Corporation of India, Central Warehousing Corporation and other stakeholders.
- To support these warehouses at farm level, a village storage scheme is proposed that will be run by SHGs.
- In the Budget 2020-21, the Government has announced to build a seamless national cold supply chain for perishables (including milk, meat, and fish) by collaborating with Indian Railways through PPP arrangement.
- A dedicated Kisan Rail will be launched and refrigerated coaches in express and freight trains will also be added.
- The Ministry of Civil Aviation will launch 'Krishi Udan' on national and international routes to help improve value realization especially in northeast and far flung tribal districts.
- 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 has also 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 the last five years. National Animal Disease Control Programme (NADCP) for eradicating Foot and Mouth Disease and Brucellosis in cattle was launched in 2019.
- Proposal to increase coverage to artificial insemination from the present 30% to 70% will help in the 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 108 million tonnes by 2025 is a welcome move.
- Blue economy is a sunrise sector being supported and promoted by the Government.
- Fisheries sector is now one of the major contributors of foreign exchange earnings with India being one of the leading seafood exporting nations in the world.
- The budget proposed to raise fish production to 200 lakh tonnes (current production is nearly 140 lakh tonnes) by 2022-23 and also committed to promote cultivation of algae and sea-weed along with the novel practice of cage-culture.
- The Government hopes to raise fishery exports to Rs. 1 lakh core by 2024-25, and proposes to involve youth in fishery extension through 3477 'sager mitras' and 500 Fish Farmers' Producer Organizations.

Credits and Allocations:

- Financing on Negotiable Warehousing Receipts is proposed to be integrated with e-National Agriculture Market (e-NAM) to bring in more expansion in the interest of farmers.
- The Government is set to make agriculture credit more accessible and transparent.
- Agriculture credit target for 2020-21 has been set at Rs.15 lakh crore which was Rs. 13.50 lakh crore during the last fiscal.
- The NABARD re-finance scheme will be further expanded and all eligible beneficiaries of PM-KISAN will be covered under Kisan Credit Scheme.

Chapter 13: Environment and Forest

Air pollution is one of the biggest global environmental challenges of today. According to the WHO, 91% of the world's population breathes polluted air which causes cancers, strokes and heart diseases, stunting children's growth and development. The World Bank estimates that air pollution costs India the equivalent of 8.5% of GDP, a huge drain on resources.

The Union Budget 2020-21 allocations of the Ministry of Environment, Forest and Climate Change is enhanced by nearly 5%.

- The Union Finance Minister, while delivering the budget speech, made several announcements for the environment and climate change.
- The 'Clean Air policy' has been allocated Rs. 4,400 crore.
- It was announced that all coal-fired power plants not meeting prescribed standards will be closed down.
- The Government of India, in 2019, launched a five-year National Clean Air Action Plan (NCAP), a time bound national-level strategy to achieve 20-30% reduction in concentration of particulate matter by 2024.
    - The plan was to focus on 102 non-attainment cities with consistent poor air quality than the national ambient Air Quality Standards.
- Experts have lauded the big step up in the allocation of clean air policy but significant investment is needed for transition to clean fuel.
- Allocations have been increased for Green India Mission (GIM).
    - The objective of the Green India Mission is to increase green cover in India to the extent of five million hectares (mha) and improve the quality of existing green cover on another 5 mha.
- In the wildlife arena, the Government-Initiated projects—Project Tiger and Project Elephant—saw some changes with the former getting reduced by Rs. 50 crore and the other being raised by Rs. 5 crore.
- The allocation for Project Tiger, has reduced to Rs. 300 crore from Rs. 350 crore and for Project Elephant, it has increased to Rs. 35 crore from Rs. 30 crore.
- The budget for the National Tiger Conservation Authority (NTCA), a statutory body under the ministry responsible for tiger census and conservation of wild cats, saw a minor raise of Rs. 50 lakh.
- The budget for National Coastal Mission was also raised slightly with the government allotting it Rs. 103 crore this year, compared to Rs. 95 crore in the last fiscal.
- Expansion of PM KUSUM - Pradhan Mantri Kisan Urja Suraksha evem Utthan Mahabhiyan, will augment farmers' incomes and greener power generation in the country.

Chapter 14: Gender Budgeting and Senior Citizens

Inclusive development ensures that all marginalised and excluded groups are stakeholders in development processes. The United Nations Development Programme maintains that many groups are excluded from development because of their gender, ethnicity, age, sexual orientation, disability or poverty. Consequently, there is inequality around the world because of such exclusion. Development cannot effectively reduce poverty unless all groups contribute to the creation of opportunities, share the benefits of policies and participate in decision making.

Three pronged plan for Ease of Living:

In the Union Budge 2020-21, the Finance Minister (FM) clearly emphasized on this with a three-pronged agenda of “Aspirational India”, “Economic Development”, and “Caring Society” to achieve ease of living for all its citizens.

‘Caring India’ to take care of Mother and Child:

- The Government announced setting up of a task force to recommend steps to lower maternal mortality rate.
- Categorising women and children under the larger budgetary theme of “Caring India”, the FM announced an allocation of Rs. 35,600 crore for nutrition-related programmes.
- Gross enrolment ratio of girls across all levels of education is now higher than boys.
  - At elementary level, it is 94.32% as against 89.29% for boys.
  - At secondary level, it is 81.32% as compared to 78% for boys.
  - At higher secondary level, girls have achieved a level of 59.70% as compared to 57.54% for boys.
- The Poshan Abhiyan, which aims to bring down stunting of children in the age group of 0-6 years from 38.4% to 25% by 2022, has been a key focus area of the Ministry.
- The allocation for the Pradhan Mantri Matru Vandana Yojana (PMMVY), a maternity benefit programme has been increased.
- The allocation for the Child Protection Services Programme under the Integrated Child Development Services has been increased to Rs.1500 crore from Rs.1350 crore. The announcements relating to the “Blue Economy”, especially fisheries, will also benefit women due to their significant participation in the sector.

Senior Citizens:

- Budget 2020-21 announced allocation of Rs.9,500 crore for the welfare of senior citizens and Divyang.
- In the 2019 Union Budget, senior citizens' (aged 60 years or above but less than 80 years) income up to Rs. 3 lakh were exempted from tax. For super senior citizens aged 80 years and above, income up to Rs. 5 lakh is exempt from tax.
- Besides, the Finance Minister also allocated Rs. 53,700 crore for the upliftment of Scheduled Tribes, and Rs.85,000 crore for the welfare of Scheduled Castes and other backward classes.

Conclusion:

A path to development must include health, education and empowerment of women who constitute almost 50% of the Indian population. Senior citizens are equally important. A multidirectional organised approach to their development is sure to take the country way beyond this path. And in India, the forces are marching in the right direction to take the nation to new horizons.

Chapter 15: Key Highlights of Economic Survey 2019-2020

The Department of Economic Affairs, Ministry of Finance presents the Economic Survey of India in Parliament every year, just before the Union Budget. This document is submitted to both houses of Parliament during the Budget Session. The Economic Survey reviews the developments in the Indian economy over the period of the previous 12 months. It highlights the policy initiatives of the government, summarizes the performance on major development programs, and shows the growth prospects of the economy. It is presented by the Chief Economic Advisor (CEA).

To read the Key Highlights of Economic Survey 2019-2020, click here.