Infrastructure

Railway Infrastructure and Bharatmala Project

Bharatmala Project

A total of 225 road projects with an aggregate length of 9,613 km have been appraised and approved till March, 2019 under Bharatmala Pariyojana.

- Optimizing efficiency of the movement of goods and people across the country.
- Generating large number of direct and indirect employment opportunities in the construction & infrastructure sector and also as part of the enhanced economic activity resulting from better road connectivity across the country.
- Connecting 550 Districts in the country through NH linkages.
- It calls for improvement in efficiency of existing corridors through development of Multimodal Logistics Parks and elimination of choke points.
- It enhances focus on improving connectivity in North East and leveraging synergies with Inland Waterways.

- North East Economic corridor enhancing connectivity to state capitals and key towns.
- Multimodal freight movement via 7 Waterway terminals on River Brahmaputra – Dhubri, Silghat, Biswanath Ghat, Neamati, Dibrugarh, Sengajan, Oriyamgh.
- It emphasis on the use of technology & scientific planning for project preparation and asset monitoring.
- It calls for seamless connectivity with neighboring countries:
- 24 Integrated check posts (ICPs) identified
- Transit through Bangladesh to improve North East connectivity
- Integrating Bangladesh – Bhutan – Nepal and Myanmar – Thailand corridors which will make NorthEast hub of East Asia
- Satellite mapping of corridors to identify upgradation requirements.

FEATURES

- Improvement in the efficiency of existing corridors through the development of Multimodal Logistics Parks and elimination of chokepoint.

- Multimodal Logistics Parks are a key policy initiative of the Government of India to improve the country's logistics sector by lowering overall freight costs, reducing vehicular pollution and congestion, and cutting warehousing costs.
- A chokepoint is a single point through which all incoming and outgoing network traffic is funnelled and hence, leads to congestion and traffic.
- Enhance focus on improving connectivity in North East and leveraging synergies with Inland Waterways.
- Emphasis on the use of scientific and technological planning for Project Preparation and Asset Monitoring.
- Satellite mapping of corridors to identify up-gradation requirements.
- Delegation of powers to expedite project delivery for successful completion of Phase I by 2022.

Bharatmala Phase 1: 34,800 km by December 2022

Scheme	Length (km)	Cost (Rs. crore)
Economic Corridors	9,000	1,20,000
Inter-Corridors & feeder roads	6,000	80,000
National Corridor Efficiency improvement	5,000	1,00,000
Border & International connectivity roads	2,000	25,000
Coastal & port connectivity roads	2,000	20,000
Expressways	800	40,000
Sub Total	24,800	3,85,000
Ongoing Projects, including NHDP	10,000	1,50,000
Total	34,800	5,35,000

Bharatmala Phase 2: 48,877 km (expected 2024)
The construction of roads of about 48,877 km. The construction of Multimodal logistic parks is included in phase-2 and it will also make the current corridors more effective and it will improve the connectivity with the northeast and leverage synergy with inland waterways.

Indian Railways

- Indian Railways is among the world's largest rail networks. Indian Railways route length network is spread over 1,23,236 km, with 13,452 passenger trains and 9,141 freight trains plying 23 million travellers and 3 million tonnes (MT) of freight daily from 7,349 stations.
- India's railway network is the 4th largest railway network in the world and 2nd largest in Asia, under single management.
- Indian Railway is the main artery of the country, it is also called as lifeline of India which provides both freight and passenger mode of transportation.
- It contributes in the national growth and economic integration of the country.
- Railways provide the cheapest and most convenient mode of passenger transport both for long-distance and suburban traffic.
- Railways have played a significant role in the development and growth of industries. The growth of the textile industry in Mumbai, jute industry in areas surrounding Kolkata, coal industry in Jharkhand, etc is largely due to the development of railway networks in these areas. Railways help in supplying raw materials and other facilities to the factory sites and finished goods to the market.
- Agriculture also owes its growth to railways to a great extent. Commercialization of agriculture has been possible only by the contribution of the railway. Now farmers can sell their agricultural produce to distant places and even sell them in the world market at remunerative prices. Railway helps in quick transport of perishable goods agricultural implements etc to a larger distance.

Government Initiative and investment

In Union Budget 2021, the government has given a massive push to the infrastructure sector by allocating Rs. 233,083 crore (US$ 32.02 billion) to enhance the transport infrastructure. The government expanded the 'National Infrastructure Pipeline (NIP)' to 7,400 projects. ~217 projects worth Rs. 1.10 lakh crore (US$ 15.09 billion) were completed as of 2020. Through the NIP, the government invested US$ 1.4 trillion in infrastructure development as of July 2021.

UDAY Scheme

The UDAY Scheme (Ujwal DISCOM Assurance Yojana) was launched to bring about a transformation in the state of the DISCOMs in the country, which were afflicted by high debt and losses resulting from low levels of efficiency. The focus was on two sets of parameters: financial and operational. On the financial side, the thrust was to bring about a turnaround by restructuring the debt on their books. On the operational side, the objective was to make them more robust in terms of reduction in transmission losses, better realization, better metering, supply etc.

The utility of UDAY:

- Unsustainable borrowings should be curbed to put a stop on ever-increasing loss. Under Uday, the future losses can be permitted to finance only when a discom bond is guaranteed by the State Government, thus ensuring that the discom applies a profitable discretion
- With elements like the guided intervention of the State governments and the graded manner in which it needs to be taken up, the scheme assumes an all-season ongoing approach and not a one-time settlement effort.
- Certain conditions put across by Uday involves:
- Loss reduction needs to be aided by circle-wise targets, feeder and DT Metering as well as upgrading and replacement of transformers
- Regions with sustained loss reduction should be incentivised (rewarded) by increased hours of supply
- Other initiatives that can be taken to reduce discom inefficiencies:
- Laying down a specific performance-monitoring & compliance mechanism (can be incentivised by additional funding and other inputs)
- Monitoring of lending by banks to ensure reliable supply of investment
- Ensure regular tariff setting
- Energy auditing of feeders
- Metering of distribution transformers (DT)
- Elimination of revenue gaps
- Allow fuel-cost adjustments in final tariffs
- Reduction in short-term power purchase
- Liquidation of Regulatory Assets
- Ensuring advance payments of subsidies
- Attractive to States:
- The additional liability will not be considered for assessing fiscal responsibility limits of States
- The 3 to 4 percentage point reduction in interest rates will serve as a relief

Issues with Uday

- State Subject: Electricity is not a Central subject and thus, the scheme cannot be made a compulsory one- which leaves the door open for unequal working of the Discom per State.

- No monetary assistance is being provided by the State though states willing to become a part of the scheme will be granted with subsidised funding in the government's schemes and priority in the supply of coal
- The conversion of discom debt into bonds is not as difficult as is finding a suitable buyer for those bonds, not enjoying SLR Status additionally

National LED Programme

UJALA stands for Unnat Jyoti by Affordable LEDs for All by **Ministry of Power** to To save energy consumption by distributing LED bulbs which are energy efficient

- It is zero-subsidy scheme that aims to promote efficient lighting, enhance awareness on using efficient equipment which reduce electricity bills and preserve environment.
- The scheme is being implemented by Energy Efficiency Services Limited (**EESL**), a joint venture of PSUs under the Union Ministry of Power.
- It is LED based Domestic Efficient Lighting Programme (DELP).
- Under it, LED Bulbs are distributed.
- It wants every home in India to use LED bulbs so that the net power or energy consumption rate comes down and the carbon emission rates can also be checked
- The scheme will not only help reduce consumers their electricity bills but also contribute to the energy security of India.
- LED bulbs have a very long life, almost 50 times more than ordinary bulbs, and 8-10 times that of CFLs, and therefore provide both energy and cost savings.

Urban Sector Missions in India

To help promote cities as engines of economic growth through improvement in the quality of urban life by facilitating creation of quality urban infrastructure, with assured service levels and efficient governance and for creating economically vibrant, inclusive, efficient and sustainable urban habitats, the Ministry of Housing and Urban Affairs has launched 6 key Flagship Missions :
Smart Cities Mission, AMRUT, HRIDAY, Swachh Bharat, Pradhan Mantri Awas Yojana - Housing for All (Urban) and National Urban Livelihoods Mission

Smart Cities Mission

The objective of the Smart Cities Mission is to promote cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment and application of 'Smart' Solutions. The focus is on sustainable and inclusive development and the idea is to look at compact areas, create a replicable model which will act like a light house to other aspiring cities. The Smart Cities Mission of the Government is a bold, new initiative. It is meant to set examples that can be replicated both within and outside the Smart City, catalysing the creation of similar Smart Cities in various regions and parts of the country.

Atal Mission for Rejuvenation and Urban Transformation (AMRUT)

Providing basic services (e.g. water supply, sewerage, urban transport) to households and build amenities in cities which will improve the quality of life for all, especially the poor and the disadvantaged is a national priority. An estimate of the funds required over a 20 year period, at 2009-10 prices, was made by the High Powered Expert Committee (HPEC) during 2011. The Committee estimated that Rs. 39.2 lakh crore was required for creation of urban infrastructure, including Rs. 17.3 lakh crore for urban roads and Rs. 8 lakh crore for services, such as water supply, sewerage, solid waste management and storm water drains. Moreover, the requirement for Operation and Maintenance (O&M) was separately estimated to be Rs. 19.9 lakh crore.

Therefore, the purpose of Atal Mission for Rejuvenation and Urban Transformation (AMRUT) is to

1. ensure that every household has access to a tap with assured supply of water and a sewerage connection;
2. increase the amenity value of cities by developing greenery and well maintained open spaces (e.g. parks); and,
3. reduce pollution by switching to public transport or constructing facilities for non-motorized transport (e.g. walking and cycling). All these outcomes are valued by citizens, particularly women, and indicators and standards have been prescribed by the Ministry of Urban Development (MoUD) in the form of Service Level Benchmarks (SLBs).

Five hundred cities will be taken up under AMRUT. The list of cities will be notified at an appropriate time. The category of cities that will be covered in the AMRUT is given below:

1. All Cities and Towns with a population of over one lakh with notified Municipalities, including Cantonment Boards (Civilian areas),
2. All Capital Cities/Towns of States/ UTs, not covered in 2.1(i),
3. All Cities/ Towns classified as Heritage Cities by MoUD under the HRIDAY Scheme,
4. Thirteen Cities and Towns on the stem of the main rivers with a population above 75,000 and less than 1 lakh, and
5. Ten Cities from hill states, islands and tourist destinations (not more than one from each State).

Heritage City Development and Augmentation Yojana (HRIDAY)

India is endowed with rich and diverse natural, historic and cultural resources. However, it is yet to explore the full potential of such resources to its full advantages. Past efforts of conserving historic and cultural resources in Indian cities and towns have often been carried out in isolation from the needs and aspirations of the local communities as well as the main urban development issues, such as local economy, urban planning, livelihoods, service delivery, and infrastructure provision in the areas. The development of heritage cities is not about development and conservation of few monuments, but development of the entire city, its planning, its basic services, the quality of life to its communities, its economy and livelihoods, cleanliness, and security in sum, the reinvigoration of the soul of that city and the explicit manifestation of its unique character.

Pradhan Mantri Awas Yojana - Housing for All (Urban)

"Pradhan Mantri Awas Yojana – Housing for All (Urban)" Mission for urban area will be implemented during 2015-2022 and this Mission will provide central assistance to implementing agencies through States and UTs for providing houses to all eligible families/ beneficiaries by 2022. Mission will be implemented as Centrally Sponsored Scheme (CSS) except for the component of credit linked subsidy which will be implemented as a Central Sector Scheme. A beneficiary family will comprise husband, wife, unmarried sons and/or unmarried daughters. The beneficiary family should not own a pucca house either in his/her name or in the name of any member of his/her family in any part of India to be eligible to receive central assistance under the mission. States/UTs, at their discretion, may decide a cut-off date on which beneficiaries need to be resident of that urban area for being eligible to take benefits under the scheme. Mission with all its components has become effective from the date 17.06.2015 and will be implemented upto 31.03.2022

Deendayal Antyodaya Yojana - National Urban Livelihoods Mission

The National Urban Housing and Habitat Policy (NUHHP), 2007 aims to promote sustainable development of habitat in the country with a view to ensure equitable supply of land, shelter and services at affordable prices to all sections of the society. The most vulnerable of these are the urban homeless who live with no shelter or social security / protection. Recent pronouncements of the Supreme Court of India have brought into focus the plight of the urban homeless by holding that the right to dignified shelters is a necessary component of the right to life under Article 21 of the Constitution of India. There is therefore a need to develop a policy and programme for the urban homeless.

Startups in India: Opportunities and Growth Drivers

Startups do not exist in a vacuum but are part of a broader business environment. Thus, the growth drivers of the Indian startup ecosystem need to be understood in the context of various factors: earlier economic reforms and current market trends, as well as the impact of technological change and changing attitudes on the part of government, large companies, and society overall.

This section describes the five key opportunities and growth drivers which were identified in the interviews.

- Scope and Characteristics of the Indian Market
- Technological Change
- Increased Political Will and Government Support
- Companies Increasingly Seek to Engage in Open Innovation
- Changing Perceptions towards Entrepreneurship

White Revolution and WTO

White Revolution and Operation Flood

Shri Lal Bahadur Shasri, Prime Minister of India, visited Anand on 31st October 1964 for inauguration of the Cattle Feed Factory of Amul at Kanjari. As he was keenly interested in knowing the success of this co-operative, spent a whole night with farmers in a village, even had dinner with a farmer discusses his wish to Mr Verghese Kurien, then the General Manager of Kaira District Co-operative Milk Producers' Union Ltd (Amul) to replicate this model to other parts of the country for improving the socio-economic conditions of farmers. As a result of this visit, the National Dairy Development Board (NDDB) was established at Anand in 1965 and by 1970 it launches the dairy development programme for India – popularly known as Operation Flood.

Objectives of White Revolution in India

Village milk producer's cooperatives laid the foundation of the operation flood. With the optimum use of modern technology and management, they procured milk and provided the services.

White Revolution had the objectives as stated below:

- Creating a flood of Milk by Increase production
- Increase the incomes of the rural population
- Provide milk to consumers at fair prices

When Operation Flood was implemented Dr. Verghese Kurien- the chairman of the National Dairy Development Board. With his sheer management skills, Dr. Kurien pushed forward the cooperatives to empower the revolution. Thus, he is considered the architect of India's 'White Revolution'.

The WTO

Location: Geneva, Switzerland
Established: 1 January 1995
Created by: Uruguay Round negotiations (1986-94)
Membership: 153 countries (on 23 July 2008)
Budget: 189 million Swiss francs for 2009
Secretariat staff: 625
Head: Director-General, Pascal Lamy
Functions:

- Administering WTO trade agreements
- Forum for trade negotiations
- Handling trade disputes
- Monitoring national trade policies
- Technical assistance and training for developing countries
- Cooperation with other international organizations

The World Trade Organization (WTO) is the only international organization dealing with global rules of trade between nations. Its main function is to ensure that trade flows as smoothly, predictably and freely as possible.

The result is assurance. Consumers and producers know that they can enjoy secure supplies and greater choice of the finished products, components, raw materials and services that they use. Producers and exporters know that foreign markets will remain open to them.

- Three pillars of Agreement on Agriculture:

  Domestic Support: It calls for reduction in domestic subsidies that distorts free trade and fair price.

- Under this provision, the Aggregate Measurement of Support (AMS) is to be reduced by 20% over a period of 6 years by developed countries and 13% over a period of 10 years by developing countries.
- Under this, Subsidies are categorized into:

Green Box	Amber Box	Blue Box
▪ Subsidies that do not distort trade, or at most cause minimal distortion. ▪ They are government-funded and must not involve price support. ▪ They also include environmental protection and regional development programmes. ▪ "Green box" subsidies are therefore allowed without limits, provided they comply with the policy-specific criteria.	▪ All domestic support measures considered to distort production and trade (with some exceptions) fall into the amber box as all domestic supports except those in the blue and green boxes. ▪ These include measures to support prices, or subsidies directly related to production quantities.	▪ This is the "amber box with conditions". Such conditions are designed to reduce distortion. ▪ Any support that would normally be in the amber box is placed in the blue box if the support also requires farmers to limit production. ▪ At present, there are no limits on spending on blue box subsidies.

Development Box

Article 6.2 of the Agriculture Agreement allows developing countries additional flexibilities in providing domestic support. The type of support that fits into the developmental category are measures of assistance, whether direct or indirect,

designed to encourage agricultural and rural development and that are an integral part of the development programmes of developing countries.
They include investment subsidies which are generally available to agriculture in developing country members, agricultural input subsidies generally available to low-income or resource-poor producers in developing country members, and domestic support to producers in developing country members to encourage diversification from growing illicit narcotic crops.

Agriculture Subsidy

The subsidy is a benefit given by the government to groups or individuals, usually in the form of-of a cash payment or a tax reduction. The subsidy is given to remove some type of burden and it is often considered to be in the overall interest of the public. The subsidy is very important for a welfare state and it is necessary for a country like India, which is still under the process of ongoing socio-economic development.

Farm Loan Waiver -

Following in the footsteps of Andhra Pradesh and Telangana who waived off 24000 crore and 17000 crore respectively in 2014 and Tamil Nadu waiving off 6095 crore in 2016, in 2017-18, Maharashtra has waived 34000 crore, Uttar Pradesh 36000 crore, Punjab 10000 crore and Karnataka 8000 crore of farm loans. Most recently, the newly elected governments in Madhya Pradesh, Rajasthan and Chhattisgarh also started the process in December 2018.

Agriculture Export Policy 2018-

The Union Cabinet approved an export policy for agriculture in December 2018 and lifted all restrictions on organic and processed food. This is an initiative to help the government achieve its goal of doubling farmers' income by 2022. The policy seeks to increase agriculture exports to $60 billion from $30 billion in 2017. The government will also invest 1400 crore to set up specialised clusters in different states for a variety of produce to push exports.

Soil Health Card scheme

- Launched by the Ministry of Agriculture and Farmers' Welfare on December 5, 2015.
- Under the scheme, village level Soil Testing Labs will be set up by youth having education in agriculture, Women Self Help Groups, FPOs etc.
- The scheme also focuses on enabling employment generation after appropriate skill development.
- SHC is a printed report that a farmer will be handed over for each of his holdings.
- Soil Health Card provides two sets of fertilizer recommendations for six crops including recommendations of organic manures.

- It will contain the status of his soil with respect to 12 parameters, namely: pH, Electrical Conductivity (EC), Organic Carbon (OC), Nitrogen (N), Phosphorus (P), Potassium (K), Sulphur (S), Zinc (Zn), Boron (B), Iron (Fe), Manganese (Mn), Copper (Cu) of farm holdings.

- The scheme provides for the analysis of soil composition by the State Governments once in every two years so that remedial steps can be taken to improve soil nutrients. While the Soil Health Management Scheme has turned out to be a blessing for the farmers, it is also creating jobs for the agrarian youth.

National Food Security Mission (NFSM)

National Food Security Mission was launched in 2007-08 to increase the production of rice, wheat and pulses by 10, 8 and 2 million tonnes, respectively by the end of XI Plan through area expansion and productivity enhancement; restoring soil fertility and productivity; creating employment opportunities; and enhancing farm level economy.

Objectives of the Scheme

- To improve the production and productivity of wheat, rice and pulses on a sustainable basis.
- To raise the income of farmers through enhanced technologies and farm management practices.
- To ensure food security in the country.

Major Components of NFSM

1. National Food Security Mission – Rice (NFSM-Rice)
2. National Food Security Mission – Wheat (NFSM-Wheat)
3. National Food Security Mission – Pulses (NFSM-Pulses)
4. National food Security Mission - Coarse cereals (NFSM-Coarse cereals)
5. National Food Security Mission – Nutri cereals (NFSM- Nutri cereals)
6. National Food Security Mission – Commercial crops (NFSM-Commercial crops)
7. National Food Security Mission – Oilseeds and Oilpalm (NFSM-Oilseeds)
8. National Food Security Mission – Seed village programme

KISAN CREDIT CARD (KCC)

The Kisan Credit Card has emerged as an innovative credit delivery mechanism to meet the production credit requirements of the farmers in a timely and hassle-free manner. The scheme is under implementation in the entire country by the vast institutional credit framework involving Commercial Banks, RRBs and Cooperatives and has received wide acceptability amongst bankers and farmers.

Objectives/Purpose

Kisan Credit Card Scheme aims at providing adequate and timely credit support from the banking system under a single window to the farmers for their cultivation:

a. To meet the short term credit requirements for cultivation of crops

b. Post harvest expenses
c. Produce Marketing loan
d. Consumption requirements of farmer household
e. Working capital for maintenance of farm assets and activities allied to agriculture, like dairy animals, inland fishery etc.
f. Investment credit requirement for agriculture and allied activities like pump sets, sprayers, dairy animals etc

Industrial Policy and Disinvestment

The Kisan Credit Card scheme

The Kisan Credit Card scheme is a Government of India scheme which provides farmers with timely access to credit.
The Kisan Credit Card (KCC) scheme was launched in 1998 with the aim of providing short-term formal credit to farmers and was created by NABARD (National Bank for Agriculture and Rural Development).
The KCC scheme was introduced to ensure that the credit requirements for farmers in the agriculture, fisheries and animal husbandry sector were being met. This was done by helping them avail short-term loans and provide them with a credit limit to purchase equipment and for their other expenses as well.
With the help of KCC, farmers are exempt from the high interest rates of the regular loans offered by banks as the interest rate for KCC starts as low as 2% and averages at 4%.

Features and Benefits of Kisan Credit Card

- Farmers are given credit for meeting their financial requirements of agricultural and other allied activities along with post-harvest expenses.
- Investment credit for agricultural requirements such as dairy animals, pump sets etc.
- Farmers can take out a loan of up to Rs.3 lakh and also avail produce marketing loans.
- Insurance coverage for KCC scheme holders up to Rs.50,000 in the case of permanent disability or death. A cover of Rs.25,000 is given in the case of other risks.
- Eligible farmers will be issued a savings account with attractive interest rate along with smart card and a debit card in addition to the Kisan Credit Card.
- Flexible repayment options and hassle-free disbursement procedure.
- Single credit facility/ term loan for all agricultural and ancillary requirements.
- Assistance in the purchase of fertilizers, seeds, etc. as well as in availing cash discounts from merchants/ dealers.
- Credit is available for a period of up to 3 years and repayment can be made once the harvest season in over.
- No collateral will be required for loans amounting up to Rs.1.60 lakh.

Interest and Other Charges on Kisan Credit Cards

The interest rate on the KCC differs from one bank to other along with its credit limit. However, the interest rate of KCC can be as low as 2% and averaging at 4%.
In addition, there are certain subsidies and schemes that the government offers farmers with regard to the interest rate. These would depend on the repayment history and general credit history of the cardholder.

Other fees and charges such as processing fees, insurance premium (if applicable), land mortgage deed charges etc. would be set at the discretion of the issuing bank.

Eligibility Criteria for Kisan Credit Card Loan Scheme

- Any individual farmer who is an owner-cultivator.
- People who belongs to a group and are joint borrowers. The group has to be owner-cultivators.
- Sharecroppers, tenant farmers, or an oral lessee are eligible for the KCC.
- Self-help groups (SHG) or joint liability groups (JLG) of sharecroppers, farmers, tenant farmers, etc.
- Farmers involved in the production of crop or allied activities such as animal husbandry along with non-farm activities such as fishermen.

Eligible beneficiaries under this scheme under fisheries and animal husbandry are:

- Inland Fisheries and Aquaculture
- Marine Fisheries
- Poultry
- Dairy

National Agriculture Policy

The Government of India announced a National Agriculture Policy on **July 28, 2000**.

This policy aims to attain:

(i) growth rate in excess of 4% per annum in the agriculture sector,

(ii) growth, that is based on conservation of soil, water and biodiversity,

(iii) growth with equality,

(iv) growth that is demand driven and caters, the small markets and maximises benefits from exports of agricultural products in the face of the challenges arising, from economic liberalisation and globalisation,

(v) growth that is sustainable technologically, environmentally and economically.

The important characteristic features of this policy are as follows:

(1) Privatisation of agriculture and price protection of farmers in the post QR (Qualitative Restriction) regime would be part of the government's strategy to synergise agricultural growth. The main focus is on use of resources and technology, adequate availability, of credit to the farmers and protecting them from seasonal and price fluctuations.

(2) Contract farming and land leasing is done to promote private sector participation, to allow accelerated technology transfer, capital inflow, assured markets for crop production, especially of oilseeds, cotton and horticulture crops.

(3) Private sector investment in agriculture would be encouraged, particularly in areas like agricultural research, human resource development, post-harvest management and marketing.

(4) After the dismantling of QRs (quantitative restrictions) on imports, the policy has recommended formulation of commodity wise strategies and arrangement to protect farmers from adverse impact of undue price fluctuation in the world market and promote exports.

(5) In order to minimise the wide fluctuations in commodity prices the government would enlarge coverage of future markets.

(6) Restriction on the movement of agricultural commodities within the country is reduced.

(7) Main stress is given on rural electrification.

(8) The excise duty on materials such as farm machinery and implements and fertilizers, post -harvest storage and processing would be reviewed.

(9) The use of new and renewable source of energy for irrigation and other agriculture purposes would be encouraged.

(10) Progressive institutionalisation of rural and farm credit would be continued for providing timely and adequate credit to farmers.

Pradhan Mantri Kaushal Vikas Yojana

Launched in 2015, it is a flagship program of Ministry of Skill Development and Entrepreneurship (MSDE). National Skill Development Corporation (NSDC) implements it with the help of training partners.

- It aims to mobilize youth to take up skill training with the aim of increasing productivity and aligning the training and certification to the needs of the country.
- Owing to the success of PMKVY 1.0 wherein more than 19 lakh students were trained as against the target of 24 lakh, the scheme was relaunched as PMKVY 2.0 (2016-2020) with an allocated budget of Rs. 12000 Crores that aims to train 10 million youth by the year 2020.
- The Ministry of Skill Development and Entrepreneurship (MSDE) has launched Pradhan Mantri Kaushal Vikas Yojana (PMKVY) 3.0, in a bid to empower India's youth with employable skills by making over 300 skill courses available to them.

Key Components

- Short Term Training: Training as per National Skills Qualification Framework (NSQF) is provided to those who are either school/college dropouts or unemployed.
- Recognition of Prior Learning (RPL): An individual with a certain set of skills or with prior learning experience is assessed and certified under RPL with grade according to the NSQF.
- **Special Projects:** This component ensures training in special areas and premises of government bodies and corporate. It aims to encourage training in vulnerable and marginalized groups of society.

- **Training Partners (TPs)** are mandated to organize Kaushal and Rozgar Melas every six months, thus providing placement assistance to certified ones.

RURAL INFRASTRUCTURE DEVELOPMENT FUND

Government of India created the RIDF in NABARD in 1995-96, with an initial corpus of Rs.2,000 crore. With the allocation of Rs.29,763 crore for 2020-21 under RIDF XXVI, the cumulative allocation has reached Rs.3,78,022 crore, including Rs. 18,500 crore under Bharat Nirman.

Eligible Activities

At present, there are 37 eligible activities under RIDF as approved by GoI. (Annexure I). The eligible activities are classified under three broad categories i.e.

- Agriculture and related sector
- Social sector
- Rural connectivity

Eligible Institutions

- State Governments / Union Territories
- State Owned Corporations / State Govt. Undertakings
- State Govt. Sponsored / Supported Organisations
- Panchayat Raj Institutions/Self Help Groups (SHGs)/ NGOs
- {provided the projects are submitted through the nodal department of State Government (i.e Finance Department) }

Role of RIDF

- The primary role or activity of RIDF is to assist the government in identifying the important projects and in listing them according to their priority.
- Sanction of projects from the priority list, which is done by the sanctioning committee of NABARD.
- It helps and provides the fund support that is needed and also in cost-effective ways.
- Monitors the entire process and evaluates them finally.
- Associates, along with the Government for timely delivery.

Sanctioning of RIDF Projects

- Through announcements that are made in Union Budget.
- There are different parameters through which allocation is made for each State.
- Some of the parameters are previous sanctions, the Level of payments made, rural population, and Infrastructure and Geographical land area.
- Each State Governments prepare separate reports and send to NABARD for approval.
- NABARD reviews the projects; a separate sanction committee is present in the head office which sanctions the project.
- If the project is cost-effective and is feasible, the sanction committee sanctions the project.

JAM Trinity

- JAM stands for Jan Dhan Yojana, Aadhaar and Mobile number.
- The government intends to use these three modes of identification to implement one of the biggest reforms in independent India – direct subsidy transfers to the poor.
- Current subsidy schemes take an indirect route to reach the poor of the country. Examples are the PDS, the MGNREGA, etc.
- These kind of subsidies are more costly to the exchequer, and also cause a lot of corruption, as there are a lot of intermediaries before the actual benefit reach the poor.
- With Aadhaar helping in direct biometric identification of disadvantaged citizens and Jan Dhan bank accounts and mobile phones allowing direct transfers of funds into their accounts, it may be possible to cut out all the intermediaries.

Significance

- The government spends about 4.2% of the GDP on subsidies. This is a costly affair.
- Moreover, in the current scheme of providing subsidies, most of the benefits do not reach the intended beneficiaries. The rich end up taking most of the benefits.
- Also, there is a lot of leakages in the process. Over 15% of PDS rice, 54% of wheat and 48% of the sugar is lost in leakages.
- This leaves no change in the living standards of the poor, which is why subsidies are there in the first place.
- The JAM Trinity is set to circumnavigate all these problems and directly benefit the poor people of this country

Industrial Policy Resolution of 1948

It defined the broad contours of the policy delineating the role of the State in industrial development both as an entrepreneur and authority.

- It made clear that India is going to have a Mixed Economic Model.
- It classified industries into four broad areas:

- Strategic Industries (Public Sector): It included three industries in which Central Government had monopoly. These included Arms and ammunition, Atomic energy and Rail transport.
- Basic/Key Industries (Public-cum-Private Sector): 6 industries viz. coal, iron & steel, aircraft manufacturing, ship-building, manufacture of telephone, telegraph & wireless apparatus, and mineral oil were designated as “Key Industries” or “Basic Industries”.

- Important Industries (Controlled Private Sector): It included 18 industries including heavy chemicals, sugar, cotton textile & woollen industry, cement, paper, salt, machine tools, fertiliser, rubber, air and sea transport, motor, tractor, electricity etc.
- Other Industries (Private and Cooperative Sector): All other industries which were not included in the above mentioned three categories were left open for the private sector.

Industrial Policy Statement of 1956

Government revised its first Industrial Policy (i.e.the policy of 1948) through the Industrial Policy of 1956.

- It was regarded as the "Economic Constitution of India" or "The Bible of State Capitalism".
- The 1956 Policy emphasised the need to expand the public sector, to build up a large and growing
  cooperative sector and to encourage the separation of ownership and management in private industries and, above all, prevent the rise of private monopolies.
- It provided the basic framework for the government's policy in regard to industries till June 1991.
- IPR, 1956 classified industries into three categories

- Schedule A consisting of 17 industries was the exclusive responsibility of the State. Out of these 17 industries, four industries, namely arms and ammunition, atomic energy, railways and air transport had Central Government monopolies; new units in the remaining industries were developed by the State Governments.
- Schedule B, consisting of 12 industries, was open to both the private and public sectors; however, such industries were progressively State-owned.
- Schedule C- All the other industries not included in these two Schedules constituted the third category which was left open to the private sector. However, the State reserved the right to undertake any type of industrial production.
- The IPR 1956, stressed the importance of cottage and small scale industries for expanding employment opportunities and for wider decentralisation of economic power and activity
- The Resolution also called for efforts to maintain industrial peace; a fair share of the proceeds of production was to be given to the toiling mass in keeping with the avowed objectives of democratic socialism.
- Criticism: The IPR 1956 came in for sharp criticism from the private sector since this Resolution reduced the scope for the expansion of the private sector significantly.

New Industrial Policy During Economic Reforms of 1991

The long-awaited liberalised industrial policy was announced by the Government of India in 1991 in the midst of severe economic instability in the country. The objective of the policy was to raise efficiency and accelerate economic growth.
Features of New Industrial Policy

- De-reservation of Public sector: Sectors that were earlier exclusively reserved for public sector were reduced. However, pre-eminent place of public sector in 5 core areas like arms and ammunition, atomic energy, mineral oils, rail transport and mining was continued.

  - Presently, only two sectors- Atomic Energy and Railway operations- are reserved exclusively for the public sector.

- De-licensing: Abolition of Industrial Licensing for all projects except for a short list of industries.

    - There are only 4 industries at present related to security, strategic and environmental concerns, where an industrial license is currently required-

- Electronic aerospace and defence equipment
- Specified hazardous chemicals
- Industrial explosives
- Cigars and cigarettes of tobacco and manufactured tobacco substitutes
- Disinvestment of Public Sector: Government stakes in Public Sector Enterprises were reduced to enhance their efficiency and competitiveness.
- Liberalisation of Foreign Investment: This was the first Industrial policy in which foreign companies were allowed to have majority stake in India. In 47 high priority industries, upto 51% FDI was allowed. For export trading houses, FDI up to 74% was allowed.
    - Today, there are numerous sectors in the economy where government allows 100% FDI.
- Foreign Technology Agreement: Automatic approvals for technology related agreements.
- MRTP Act was amended to remove the threshold limits of assets in respect of MRTP companies and dominant undertakings. MRTP Act was replaced by the Competition Act 2002.