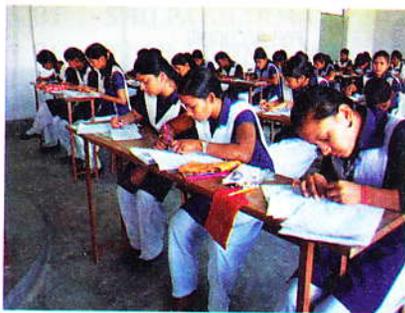


Socio-Economic Welfare Initiatives

R C Rajamani



India, no doubt, is one of the fastest growing economies of the world. It is expected to rank amongst the world's top three growth economies and amongst the top three manufacturing destinations by 2020. The plan agenda of the government truly seeks to achieve this goal.

After it took over power at the Centre in May 2014, the government of India unveiled a brave, new programme of inclusive economic growth and social welfare. The plan envisages enhanced health, nutrition, basic education, especially of the girl child, women and child development. There is a special scheme for the educational needs of children of the largest minority community – Muslims.

The Government has used the two budgets that it has presented so far to unveil its economic and social agenda. The gestation period of development programmes to bear fruits in any substantial and sustained fashion is usually long and patience testing. Yet, the balance sheet of the government after 15 months of its existence is modestly encouraging and gives enough reason for optimism for the future.

The government received parliamentary approval for additional spending of Rs 40,882 crore to finance MGNREGA, the National Food Security Act and the Integrated Child Development Scheme. The bulk of additional funds will go to ICDS that provides free food to 85 million children. The main health department will see its budget rise by 2 per cent, while the budget to fight HIV/AIDS will see a nominal increase. The HIV prevention programme has been suffering funding shortages in several states.

Government will also provide more resources for flagship schemes such as Atal Pension Yojana and also launch their new variants. Social security schemes — the Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Atal Pension Yojana (APY) — were launched in May with the objective of providing universal social security.

So far, 7.84 crore people have registered under PMSBY, 2.70 crore under PMJJBY and 4.69 lakh subscribers have joined APY. At present, only 11 per cent of the population is covered under pension schemes while only 20 per cent of the people are insured and the government wants to improve the situation by bringing maximum people under these benefits.

Pradhan Mantri Jan Dhan Yojana (PMJDY) has seen opening of 16.73 crore accounts within a year with a total deposits of Rs 19,990.52 crore. Under the PMJDY, the number of zero balance accounts has come down from initial 75 per cent to 52 per cent. As on July 8, 2015, as many as 14.86 crore RuPAY cards had been issued under this scheme to account holders. Also 114 claims were made till July 10, 2015 and 54 already settled.

Under the pension scheme, 4.69 lakh people have subscribed and out of that, 3.48 subscribers have already received their Permanent Retirement Account Number (PRAN). A total corpus of Rs 14.91 crore has been accumulated so far under the scheme.

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Education Sector

The highlights of the education sector during the last one year include the establishment of a national digital library, provision of scholarship for differently abled to pursue technical education and connecting institutions of higher education to villages.

A key feature of the new initiatives is a focussed attempt to utilise the modern tools of information technology in the best possible manner. For instance, a project has been taken up to create a national digital library of eBooks and other e-contents on various subjects and topics and another to set up a platform through which highly qualified faculty of centrally sponsored institutions like IITs, IIMs and central universities would offer online courses free of cost.

Government has launched a scheme called 'Saksham' under which the differently abled students will be provided with a scholarship of up to Rs. 30,000 per year to pursue diploma and undergraduate level courses in technical institutions approved by All India Council for Technical Education. A special scheme called Udaan for girl students is a mentoring and scholarship scheme to enable meritorious girl students to transit from schools to technical education without much difficulty. It also aims to enrich and enhance teaching and learning of mathematics and science at Senior Secondary school level by providing free online resources for all.

The recently approved Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is a flagship scheme for imparting skill training to youth, focussing on improved curricula, better pedagogy and trained instructors. The training includes soft skills, personal grooming and behavioural change. A new National Policy for Skill and Entrepreneurship Development has also emerged to cover the entire gamut of initiatives in this direction. The Policy is to lay a roadmap for boosting growth creating quality manpower. It has set a target for skilling 500 million persons by the year 2022.

An integrated education and livelihood scheme called 'Nai Manzil' will be launched this year to enable Minority Youth who do not have a

formal school-leaving certificate to obtain one and find better employment. Further, to show-case civilisation and culture of the Parsis, the Government will support, in 2015-16, an exhibition, 'The Everlasting Flame'.

Make in India

The 'Make in India' campaign was instrumental in promoting the idea of "Competitive Federalism" in the country as states are competing with each to provide a better suited ground for setting up manufacturing facilities. For instance, in far off north-eastern state Sikkim, the government is busy designing a policy based on its organic products to attract investment to set up a manufacturing facility which could produce packaged organic products.

Ease of Doing Business

The government has set in motion a slew of far-reaching economic reform measures. Important decisions include re-establishing the primacy of the Cabinet, dismantling the Planning Commission and replacing it with NITI Aayog, deregulation of diesel prices to stem the oil marketing companies' under-recovery, availing of the abundant food stocks to cool down food prices, increasing FDI limits in insurance and opening FDI for railways and defence and transparent and triumphal conduct of coal block auctions and spectrum allocation auction.

The creation of the National Infrastructure Fund is a mechanism to use the core resources of the fund or leverage it to borrow funds from the market and deploy these to augment investment in infrastructure. The Government has approved a plan for construction of about 1000 km Expressways at an estimated cost of Rs.16, 680 crores on Design Build Finance Operate and Transfer (DBFOT) mode under NHDP Phase VI. Based on the traffic intensity and commercial potential, the project shall be prioritised.

The Union Budget 2015-16 too announced steps towards ease of doing business in India. The budget proposed to introduce a regulatory reform law that will bring about a cogeny of approach across various sectors of infrastructure. This will help infrastructure companies that have multiple businesses like ports, power,

roads and airports.

The budget further simplified the procedures for Indian corporates to attract foreign investments. It has done away with the distinction between different types of foreign investments, especially Foreign Institutional Investor (FII) that comes under portfolio investments, and Foreign Direct Investment (FDI). The pragmatic governance approach has ensured that approvals for over 400 projects with investments over \$70 billion have been expedited. This will help expedite the approval of more than 400 projects, with estimated investments exceeding US\$70bn.

Meeting power demand is going to be a gigantic task as more power would be required not only for increased industrial and agricultural activity but also the domestic consumption with improving standard of living and growing middle class numbering over 300 million. The Government, which is spending \$1 trillion in infrastructure development, is expected to spend at least \$300 billion in the power sector in the next five years. Government has embarked upon a massive programme to provide 24 into 7 power across the country by 2019. This means connecting to the grid 1, 25,000 of the six lakh villages in the country. These 1.25 lakh villages have not yet been connected.

Landmark decisions have been taken in thermal power generation, hydel and nuclear power and more importantly in solar, wind and other green energy. Stress has been placed on strengthening of transmission and distribution, separation of feeder and metering of power to consumers. There is a special focus on the North-East region by giving approval to the north eastern power system improvement project and comprehensive scheme for strengthening of transmission and distribution in the north eastern states.

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