

THE STORY OF A NEW INDIA

Introduction

India is rewriting its growth story in the global geopolitical economic landscape, charting new courses in its governance paradigm and striving to demolish the old images and impressions as viewed through coloured lenses in the comity of nations to evolve into a 'New India'.

New India: That is resurgent, resilient and resplendent needs to be captured in the face of crises and global threats.

Resurgent India: Demonetisation one of the most impactful steps taken to curb the three pronged menace of black money, counterfeit currency and corruption.

A move to purge the economy of the toxic black cash not only induces more efficiency and reduces corruption, but also gives room for the government and the central bank to cut tax rates and interest rates respectively.

Digital India: The aim was to inculcate a behavior change in promoting cashless transactions and converting India into a less-cash society, thereby seeking to increase transparency and accountability.

Inclusive India: Subsidy reform, which is not doing away with subsidies, but targeting them effectively so that they flow only to the intended beneficiaries.

Universal financial inclusion and bringing every citizen into the formal banking net.

The Pradhan Mantri Jan Dhan Yojana (PMJDY) which gives a much needed fillip to move towards a cashless economy and realize the dream of 'financial untouchability'.

Incorruptible India: Under the 'Give-it-up Campaign' over 1 crore users voluntarily gave up the subsidy benefit and saved the government exchequer to the tune of nearly Rs. 5000 crore.

Investor-friendly India: Making India a global manufacturing hub and reaping the economic spin offs thereon in terms of better infrastructure, better employment opportunities and leveraging on India's massive demographic dividend. Foreign investment has increased by nearly 46 per cent since the launch of Make in India.

Transformational India: The dream of one nation, One tax is now a reality. Manufacturing will get more competitive as GST addresses cascading of tax, inter-state tax, high logistics costs and fragmented market. There will be increased protection from imports as GST provides for appropriate countervailing duty.

Clean India: Swachh Bharat Abhiyan a transformational that set lofty goal of achieving Open Defecation Free India by 2019.

The infrastructure in terms of the number of toilets constructed has been augmented manifold under this scheme. The next focus of the government is to address behaviour change by shackling age old cultural, social and religious norms that prevent people from using toilets.

Skill India: Pradhan Mantri Kaushal Vikas Yojana (PMKVY) is the flagship scheme of the government launched with the objective of enabling a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. With the slogan of "Kaushal Bharat, Kushal Bharat".

Transparent India: Maxim of Minimum government, Maximum governance' and this can be witnessed in the changed work ethic of the government.

The biggest achievement of the government has been to curb widespread corruption in the system and eliminate delays and administrative bottlenecks as seen in decisions such as coal block allocations.

Transforming India: The schemes in the agriculture sector such as Pradhan Mantri Fasal Bima Yojana, Pradhan Mantri Krishi Sinchayee Yojana, Soil Health Card scheme, Neem coated urea, augmenting the minimum support prices among other initiatives have served the 'Kisans' of our nation in good stead even in the face of vagaries of the monsoon.

Around 15.86 lakh hectares brought under micro irrigation from 2014-17 under 'Per Drop More Crop' for micro irrigation, while 6.20 crore soil health cards have been distributed so far.

These numbers speak volumes about the government's commitment towards the welfare of the 'Annadaatas' of the nation.

On the infrastructure front, initiatives such as the Smart Cities project, AMRUT Mission, Pradhan Mantri Awas Yojana, Credit Linked Subsidy Scheme, Pradhan Mantri Sansad Adarsh Gram Yojana, Pradhan Mantri Gram Sadak Yojana, passage of RERA among others have enhanced the performance of the sector.

Beti Bachao Beti Padhao, Atal Pension Yojana, Jeevan Jyoti Bima Yojana (PMJJBY), Krishi Sinchai Yojana, MUDRA Bank Yojana, Sukanya Samridhi Yojana, Naya Manzil Yojana among others try to ensure a well balanced development of all sections of the society.

Emerging India: Prime Minister having visited more than 50 countries across 6 continents in a span of a little over 2 years. This is further validated by the fact that Bhutan was the first country chosen for a bilateral visit and the PM has visited all of India's neighbours at least once so far.

India's stance has changed from that of strategic restraint to greater assertion in response to terrorism from Pakistan. The attack on the Indian army retaliated through surgical strikes further reinforced this position.

India's bid to become a permanent member of the United Nations Security Council found many backers and significant progress has also been made for entry into the Nuclear Suppliers Group.

Port agreements are meant to serve as an effective bulwark against Chinese hegemony in the region. Building strategic ties with the newly emerging countries in Central Asia and Africa. India has taken the step in the direction to emerge as a natural leader.

Caring India: India's soft power has been on full display by effectively leveraging events like the International Yoga Day.

Communicating India: Concerted efforts by the government, opposition, administration, corporate, and citizens can help realize the dream of India as a developed nation emerging as a global super power.

The above are just a few of the stories that illustrate a New India with New Energy and commitment that Prime Minister Narendra Modi is building. This is the story of **Mission MODI - Making of Developing India.**

THE SWACHH BHARAT MISSION: EVERYONE'S BUSINESS

Introduction

Swachh Bharat Mission is slowly transforming into a Jan Andolan, as was envisaged by the Prime Minister from the ramparts of the Red Fort.

Since then, the sanitation coverage in rural India has gone up from 42 per cent to over 63 per cent, the number of people defecating in the open in rural India has come down from about 550 million to about 350 million, 190,000 villages, 130 districts and three states have become Open Defecation Free (ODF).

Criticality of Sanitation

- The lack of sanitation is the leading cause of diarrhoea among children under five, leading to stunting among children.
- It results in several preventable child deaths.
- It is also critical for the safety and dignity of women.

Objective

The SBM is not a toilet construction programme but a behavior change mass movement. The real key to bringing about behaviour change on the ground is to have grassroots-level trained and incentivized motivators using interpersonal communication.

The plan being to have over half a million motivators "boots on the ground", on average one per village across the country".

Initiatives for Betterment

The Ministry of Drinking Water and Sanitation (MDWS) supports the States for better implementation of the Swachh Bharat Mission through initiatives in capacity building, human resources, behavior change communication, knowledge sharing and monitoring and evaluation.

Initiatives like the Swachh Sangrah, the knowledge portal for SBM for districts and States to share best practices, and Virtual Classrooms to train hundreds of motivators across multiple locations.

Grassroots leaders like sarpanches, especially women, are playing an increasingly pivotal role in accelerating progress. The Prime

Minister lauded the leadership role of women sarpanches in the SBM as well as in other flagship programmes like Beti Bachao, Beti Padhao. He also awarded women Swachhta Champions who have been an inspiration to members of their communities.

The most “appropriate” technology for rural areas, in terms of cost, sustainability and reuse, is the twin-pit model. Emptying one of the two toilet pits by the householder himself is also a simple, safe and environmentally friendly task, with the organic compost generated ideal for agricultural purposes.

The more frequently senior officials and eminent personalities empty toilet pits themselves as examples to others, the more rural households will be persuaded to do it themselves.

Swachhta becomes “everyone’s business”. Tata Trusts volunteering to recruit and finance 600 young professionals, one for each district in India, to support Collectors in accelerating SBM.

Swachhta Pakhwaras every fortnight, each Central Ministry has prepared a Swachhta Action Plan (SAP) including a budget line, which will integrate sanitation in their main line of business.

The sustaining of ODF is also crucial since its achievement is not conceived of as a one-off exercise, unlike earlier government programmes. Achieving ODF status is one thing but sustaining it through creation of local mechanisms and incentives is another.

Effective Solid and Liquid Waste Management (SLWM) is also a critical part of the Mission. A Village Swachhta Index has been developed by the MDWS.

Conclusion

Under the leadership of the prime Minister, the support of political leaders across states, civil servants and, most importantly, the leadership of grassroots level leaders like sarpanches, especially women, there is a clear sense across the country that the Jan Andolan will succeed.

AGRICULTURAL INPUTS TOWARDS NATIONAL GROWTH

Introduction

Inputs have contributed immensely to the growth of production and productivity in India’s agriculture.

It was the inputs which brought the green revolution to India and studies show that inputs, particularly, High Yielding Variety (HYV) seeds, fertilizers, and irrigation played a huge role in increasing yields and rapidly boosting the country’s food production.

Rising population and incomes, coupled with the scarcity of basic natural resources such as land and water, have been major drivers for the modernization of agriculture and input growth in India.

Inputs which has raised Production & Productivity

- Better genetics/high yielding variety seeds.
- Better plant nutrition through fertilizers.
- Better water provision through water sourcing technology and management.
- Better pest control through pesticides.
- Farm power and machinery for better physical and time efficiency.

This has galvanized the development of various new agro-industries and agribusinesses.

Growth of major Agricultural input

Irrigation

Net irrigated area has increased substantially from 38 million hectares in 1980-81 to 66 million hectares in 2012-13. The gross irrigated area has increased from 49 million hectares to 92 million hectares from 1980-81 to 2012-13.

Around 24 percent of the irrigated area is irrigated through canals whereas about 62 percent is irrigated through wells.

The major engine of growth has been tubewell irrigation which has expanded rapidly.

Groundwater irrigation and its equipment business has more than doubled in giving coverage from 187.4 to 412.6 lakh hectares.

Fertilizers

It addresses the problem of soil fertility which is critical for yields. Fertilizer use has grown quite rapidly at the rate of about 4.5 per cent from 55 million tons to 255 million tons between 1980-81 and 2014-15.

The changes appear be related to changes in the fertilizer subsidy and pricing policies. With the shift to nutrient based subsidy (NPS) policy, the quantum of subsidy on phosphatic (P) fertilizers as well as potassic (K) fertilizers has been substantially reduced.

Seeds

The distribution of the seeds reached a high of 313 lakh quintals in the year 2012-13 and the major share was that of cereals which constituted 204 lakh quintals.

Pesticides

The consumption of pesticides has increased from 45 thousand tons in 1980-81 to 75 thousand tons in 1990-91 but has fallen to 40 thousand tons by 2005-06. Since then it has risen to 58 thousand tons in 2013-14. Overall the growth rate is negative at -0.82 percent and is slightly negative even after 2010-11.

Insecticides are showing a significant negative growth rate of -3.39 percent, fungicides are showing a strong positive growth rate of 12.40 percent and herbicides/weedicides are also showing an uptrend between 2006-07 and 2013-14.

Farm Machinery and Equipment

The number of tractors sold has increased almost 10 times from about 70 thousand in 1980-81 to almost 700 thousand in 2013-14. The 1980-81 to 2014-15 growth rate is 6.87 percent.

Holdings using Diesel pumpsets are showing a relatively steady growth at about 7 per cent, whereas those using electric pumpsets show a growth at 5.79 percent overall between 1984-81 to 2011-12.

The holdings using power tillers and tractors are also showing a deceleration in growth rate to 8.44 percent and 13.31 percent respectively during 2001-02 to 2011-12.

Conclusions

Modern technology and inputs have played a huge role in the growth of agricultural production in India especially after the green revolution.

The need and demand for these inputs has stimulated the growth of various input industries/agribusinesses including the seed industry, fertilizer industry, irrigation equipment industry, agro-chemical industry, and farm machinery industry. These are now making huge contributions to agriculture.

Policy changes are required to monitor the land use; else diversion of agricultural land will further constrain agricultural growth. The major shifts in agriculture and food demand towards high value products such as vegetables, fruits and livestock products also needs to be seriously recognized and addressed.

TOWARDS A CLEAN AND TRANSPARENT ECONOMY

Introduction

India continues to remain very low in the UN's Human Development Index with the poor and needy largely remaining so. Last year (HDI-2016), it was ranked a poor 131 among 188 countries.

Serious efforts have, however, been made to take the reforms to next level, benefitting those who were in fringes of economic growth. The main pillars of this strategy are inclusion, transparency and decentralization. Of these three segments, perhaps, transparency is the most important prerequisite for secular economic growth.

Towards a Clean Economy

India's tax to GDP ratio is a mere 16.6 per cent, with a tax base of around 5.5 crore persons which includes companies, individuals and other business forms. India has only 7 taxpayers for every 100 voters.

Black money generated through tax evasion is an economic challenge as well as a social menace which distort economic and financial integrity. On the whole it deepens the economic inequality and corrodes the social fabric of the nation.

Measures taken to Address the Menace of Black Money

- Special Investigation Team (SIT)– headed by former SC judge M.B. Shah was formed to probe black money.
- The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 with stringent penal provisions including rigorous imprisonment of 3-10 years.
- Tax evasion has been made a predicate offence, under Prevention of Money Laundering Act (PMLA).
- Multi-Agency Group (MAG) was set up for facilitating coordinated and speedy investigation of cases of Panama Papers leaks.
- Joining Multilateral Competent Authority Agreement in respect of Automatic Exchange of Information to support global efforts against black money.
- Renegotiation of DTAA with Mauritius, Singapore and Cyprus to curb treaty abuse, tax evasion and round-tripping of funds.
- SEBI mandate increased disclosure requirements and restricted transfer of PN to curb money laundering in order to keep track of their beneficial owners.
- Enactment of Benami Transactions (Prohibition) Amendment Act, 2016 which empowers the government to confiscate benami properties–assets (without any compensation) held in the name of another person or under a fictitious name. The act has a provision for imprisonment up to seven years.
- 64,275 declarants made disclosure of Rs. 65,250 crores under the Income Declaration Scheme (IDS), 2016 which provided a chance to domestic black money holders to come clean.

Reforms initiated by Government against Black Money

- Cash expenditure upto Rs. 10,000 only is allowed as deduction to businesses.
- Charitable trusts can receive cash donations up to Rs. 2,000 only from a single source.

- Restricting cash expense to Rs. 2 lakh only for a single transaction and in case of violation a penalty of equal amount would be levied.
- Primary Agriculture Credit Societies are to be computerized and integrated with the Core Banking System of District Central Cooperative Banks.
- Aadhar has been made mandatory for filing of income-tax returns as well as for obtaining and retaining the PAN.

Rewarding Honest Taxpayers

- Without forgoing its sovereign right to undertake retrospective legislation, government has made it very clear that it would exercise this with extreme caution and judiciousness.
- E-Sahyog launched in 2015 to provide an online mechanism to resolve mismatches in Income-tax returns of those taxpayers whose returns have been selected for scrutiny to be expanded to reduce compliance cost, especially for small taxpayers.
- CBDT and CBEC to issue periodic clarifications on tax laws, on the recommendations of a High Level Committee setup to interact with trade and industry.
- Time bound grievance redressal through PMO monitored 'Centralized Public Grievance Redress and Monitoring System (CPGRAMS)' and 'e-nivaran' portal.
- One page ITR form 'Sahaj' for select taxpayers.
- Income tax Department is working on the 'Project Insight' to strengthen non-intrusive information-driven approach for improving tax compliance and speedy investigation.

Demonetisation

Demonetisation of high denomination currency, a regime shift by punitively raising the costs of tax evasion and striking at the roots of corruption. It was also aimed at countering fake currencies, greater digitalization of the economy, increased flow of financial savings, and greater formalization of the economy, all of which could eventually lead to higher GDP growth, better tax compliance and greater tax revenues.

As part of Operation Clean Money, the department of income tax sent e-mails and text messages to 18 lakh individuals in the first phase. This would help the department to eliminate genuine cases from further investigation.

Pradhan Mantri Garib Kalyan Yojana under which those who declared cash deposits, (till 31st March, 2017) could pay a tax of 50 per cent and deposit 25 per cent of the amount declared into the noninterest-bearing PMGK Deposit Scheme for four years.

Digital Economy

Around 98 percent of all transactions by volume and 68 percent of the total value of transactions are conducted in cash in India.

Top ranking countries in the Corruption Perception Index of Transparency International have reported less than 10 per cent of the total transaction in cash. India stands at a distant 79th position in this ranking.

The National Payments Corporation of India has successfully implemented the Unified Payments Interface platform which facilitates inter-operability; BHIM and Aadhar Pay will facilitate peer-to-peer transactions and digital payments over the counter respectively.

Goods and Services Tax (GST)

It will create a common Indian market, streamline tax administration, improve tax compliance, boost investment and growth and result in higher revenue collection; by subsuming all indirect taxes (other than custom duty) levied by the Central and State Government.

Electoral Funding Reforms

Political parties received Rs. 7,833 crore funding from unknown sources between 2004-05 and 2014-15, which is 69 per cent of their total income, as per the report of the think tank, Association of Democratic Reforms, leaving us to guess the unknown sources.

Limiting of cash donations to political parties from a single source to Rs. 2,000.

The concept of electoral bond has been proposed whereby corporate donations will be kept anonymous safeguarding the interest of the donor but the source can be traced.

Bypassing Corruption

The Economic Survey for FY 2015-16, for instance revealed that 40-50 per cent of the benefits under the flagship scheme of PDS are lost due to leakages.

The government has used an innovative mechanism namely Direct Benefit Transfer (DBT), to transfer the money value of the benefits directly into the accounts of the deserving poor, bypassing corruption.

Government has also streamlined and removed scope for grand corruption by mandating auction as the only route for allocation of natural resources, through amendment of Mines and Minerals (Development and Regulation) Act.

Unfinished Agenda

- Simplification of tax laws and procedures is sine qua non for an effective and corruption free tax administration.
- Prevention of misuse of legal persons is another area that requires strengthening.
- Reduce human interface between the tax men and the tax payers.
- The Financial Action Task Force (FATF), in which India is a member, has recommended that nations should consider requiring their financial institutions to identify their business relationships with politically exposed persons.

Conclusion

The bold steps taken by the Government to combat corruption and to clean the economy are showing appreciable results. If the campaign is pursued with equal vigour and imagination it will usher in an economic architecture spawning myriad benefits from the poor to the rich, removing poverty, creating employment for many and upgrading the much needed skills. The process cannot be without certain amount of pain which is inevitable in any transition. Nothing comes without sacrifice and in this case, too small a price to pay for a clean and transparent economy.

TRANSFORMING INDIA INTO A DIGITALLY EMPOWERED SOCIETY

Introduction

At the backdrop of creating a participative, inclusive, responsive and transparent government, Digital India beckons a new innings in transforming the largest democracy into a deepening democracy by empowering citizens digitally.

The Need of Digital India Programme

As India is evolving to become a global emerging economy, it is imperative for the country to advance in participatory democracy - a suitable setup in which all citizens should have access to public information, debate on government policies, and contribute towards policy making of the nation irrespective of economic and social divides.

Governance is not a one-way process now; it is more about inclusiveness, deliberations, and co-creations.

The current government endeavours to empower citizens by making them digital by providing access to information for smart governance with transparency in the system. And that is the vantage point for bringing Digital India to the centre-stage of governance – good governance for all citizens, rich and poor.

What Drives Digital India Programme?

The catchphrase - Indian Talent (IT) + Indian Technology (IT) = Indian Tomorrow (IT) – emphasizes on making India a digitally connected nation. The vision is to transform India into a digitally empowered society and knowledge economy. Digital India hinges on three key vision areas: digital infrastructure as a core utility to every citizen, governance and services on demand, and digital empowerment of citizens.

Digital infrastructure as a core utility to every citizen: The objectives of the Government are to facilitate the remotest Indian villagers to be digitally connected through broadband and high speed internet.

Governance and Services on demand: Although many state governments have initiated eGovernance since decades, inclusion of citizens in government schemes and programmes is still in a state of progress.

Digital empowerment of citizens: The Digital India programme aims to transform India into a digitally empowered society by concentrating on digital literacy, digital resources, and collaborative digital platforms.

The Building Blocks of Digital India Programme

- **Broadband Highway:** Plans to connect 2.5 lakh village panchayats via National Optical Fibre Network (NOFN).
- **Universal Access to Mobile Connectivity:** Intends to provide mobile connectivity to all inaccessible regions in the connectivity.
- **Public Internet Access Programme:** The government plans to create 2.5 lakh common service centres (CSCs), mapping one CSC to each Gram Panchayat.
- **e-Governance - Reforming Government through Technology:** Enables the government to use IT to simplify and transform government processes more efficiently.
- **e-Kranti - Electronic Delivery of Services:** e-Kranti carries the vision of Transforming e-Governance for Transforming Governance.
- **Information for All:** Under Open Data platform, ministries/departments release information proactively for public use.
- **Electronics Manufacturing:** In order to give electronics manufacturing a boost, the Government has launched several initiatives for the development of electronics sector in the country.
- **IT for Jobs:** The government targets to train 10 million students from smaller towns and villages for IT sector jobs over the next 5 years.
- **Early Harvest Programmes:** Comprises the projects which can be implemented within a short timeline.

Digital India Initiatives for Good Governance

In order to make Digital India a transformative programme for the entire nation and ensure good governance, the Government of India has adopted multi-pronged strategies to bring forth a slew of initiatives. Some of these initiatives are:

- Digi Dhan Abhiyaan initiative was a novel programme to enable citizens and merchants to undertake real time digital transactions in a seamless fashion.
- Digi Dhan Melas across the country, the government aims to handhold citizens in downloading, installing and using various digital payment systems.
- Bharat Interface for Money (BHIM): BHIM enables payment transaction simple, easy and quick using Unified Payments Interface (UPI).
- Based on the biometric authentication process, Aadhaar Pay will allow an Aadhaar-linked account holder to carry out all banking transactions just by the use of thumb impression.
- The Government introduced Digi-Locker, a flagship programme under Digital India, to provide a shareable private space on a public cloud and making all public documents/certificates available on this cloud.

Conclusion

With government's initiatives and reinforcements, Digital India programme is set to achieve its targets with significant success. As citizens have pitched in to cooperate in this programme, it will not be difficult for India to become the most digitally empowered society in the world. The government and citizens of India can achieve many new targets to ensure the Digital India programme transforms India into a digitally developed nation in times to come.

EASE OF DOING BUSINESS: CHALLENGES AND WAY FORWARD

Introduction

One of the important aspects of the economic reforms in India has been to reduce the regulatory role of the government in business clearances and approvals, and replacing it with a more facilitative role, thereby, improving the Ease of Doing Business (EoDB).

Manufacturing constituting bulk of industrial output and crucial for the success of the 'Make-in-India' campaign of the government, has been particularly impacted by the lack of EoDB reforms.

Infrastructure, which is crucially vital for any economic activity, also suffers from cumbersome requirements of procedures, compliances and approvals.

World Bank's 'Doing Business' (DB) Report (2016), where it currently ranks 130 out of 190 countries. It is important to mention here that DB is based out of only two cities, Delhi and Mumbai, and hence may not fully reflect the situation prevailing in most of the other states in the country.

New Initiatives

As many as 20 central government services, including industrial license and employer registration, have been integrated with the e-Biz platform.

Ministry of Corporate Affairs has introduced Form 29, which integrates 3 processes such as Name Availability, Director Identification Number, and Incorporation of Company into just one single process.

A company can now be registered within 1-2 working days. ESIC and EPFO are also completely online with no physical touch point for registration or document submission.

The Central Board of Excise and Customs (CBEC) has launched the Single Window Interface for Facilitating Trade (SWIFT), which enables importers to file a common integrated declaration on the e-portal.

Business Reforms Action Plan (BRAP)

The Department of Industrial Policy and Promotion (DIPP) in 2015 took a landmark initiative to launch the Business Reforms Action

Plan (BRAP), entailing annual 'Assessment of State Implementation of Business Reforms' and making the results public.

This has been popularly cited as the 'name-and-shame' policy of the central government. Unlike the World Bank's DB ranking, which covers only Delhi and Mumbai DIPP's assessment of reforms is much broader in terms of coverage of parameters as well as states.

Further, rather than making the assessment based on perception of users (industry), as is the case with the World Bank's ranking, DIPP's assessment is based on the actual reforms implemented by states.

Implications

There is commendable progress on EoDB reforms by states over the last one year. The national implementation average now stands at 48.9 per cent, significantly higher than last year's national average of 32 per cent (DIPP, 2016).

The highest score in 2nd survey stands at 98.8 per cent (Andhra Pradesh and Telangana), much higher than 71.1 per cent (Gujarat) in the 1st survey.

This indicates that DIPP has been successful in generating competition among states to work on EoDB reforms.

Now 16 states have scored more than 75 per cent on overall EoDB reforms agenda.

This improvement in the EoDB front is also echoed in a 16-rank jump (to 39th position) for India in the latest Global Competitiveness Index prepared by the World Economic Forum that lists 138 countries (WEF, 2016).

NEEDED REFORMS

Several States Doing Well; Can do Much Better

The leading 18 states have performed exceedingly well in majority of the 10-indicators of EoDB. Commercial dispute resolution enablers and availability of land related issues, however, showed scope for improvement.

Many States at the Bottom, Requiring Different Approach

On the bottom side of 18 states, scoring less than 50 per cent overall, states have performed extremely poorly. The States/UTs (Lakshadweep, Andaman & Nicobar Islands, Meghalaya, Chandigarh,

J&K, Arunachal Pradesh, Sikkim, Mizoram, Manipur, Nagaland etc.) have weak presence as well as potential to leverage manufacturing, and need to be treated differently for reforms.

One-size-fits-all approach may not work in a country of the size and variability of India. It may be helpful to divide the States/UTs in at least two broad categories and place their reforms priorities accordingly.

Delhi Lagging Behind, Requires Special Attention

Even though Delhi is not expected to be one of the leading manufacturing producers, it is strategically important from the point of view that it, along with Mumbai, determines the ranking of the country in the World Bank's DB Report, where India is desired to improve to 50th ranking (currently at 130th) in next 3 years (BS, 2015). Efforts should, therefore, be made to help Delhi, along with Mumbai, to join the league of top 10 states on EoDB performance.

Industry's Perception: Vital

A huge gap exists between the perceptions of government and industry on the reforms in majority of the states. For instance, while many states have scored more than 90 per cent in single window reforms, the system is far from effective in virtually all states. Rigorous efforts need to be put in place to narrow the gap between the perception of a state government and industry on a reform.

Rwanda is perhaps the best example of this. The country has significantly improved its World Bank ranking from 139th in 2006 to 56 now, yet it continues to remain one of the world's poorest economies.

Spreading Best Practices

The list of top 3 states scoring between 90-100 per cent in each of the 10 indicators of EoDB. It shows that states, by and large, exhibit strengths in different parameters of EoDB and can be a good source of learning for other states in implementation of reforms. What is most significant to note here is that the majority of these top scoring states are historically not industrial states, yet they have managed to introduce business reforms rather quickly.

Competitiveness: Ranking Necessary

While ease of doing business is an important criterion to assess the business environment of a

state, this by no means ensures that a state is competitive for doing business. There are several other factors, beyond EoDB, that are also important in investment decision making. "When deciding on investing, entrepreneurs look at a host of factors from cost of inputs, to reliability of infrastructure, to quality of institutions".

Entrepreneurs also look at the provision of public goods such as public labs, research and development facilities, vocational and technical training institutes, provision of health and infrastructural facilities, and sanitary & phytosanitary standards.

Concurrent List Laws: Reduction

DIPP should encourage states to amend pertinent laws in the Concurrent list, which help improve the ease of doing business. The central government has already requested state governments to take the lead in framing such laws, with its backing. Rajasthan and Madhya Pradesh, among a few others, for instance, have significantly increased the threshold limit for applicability of Industrial Disputes Act, 1947; Contract Labour Act, 1970; and Factories Act, 1948.

Moving in the direction of cooperative federalism, many such policy functions need to be removed from the Concurrent list and transferred to the state governments.

Conclusion

Amid the country's poor performance on the ease of doing business front (as reflected in the World Bank's Doing Business ranking), and the launch of the 'Make-in-India' initiative, improvement in EoDB is a top priority for the central government.

To conclude, Central as well state governments need to be lauded for undertaking a wide range of initiatives on EoDB front. While these initiatives have started bearing fruits at the ground level, they need to be sustained and continually supplemented with more measures if India's doing business ranking is to improve to top 50 in the world in the next 3 years and 'Make-in-India' initiative is to be truly successful. Even more importantly, it must be ensured that the improvement in ranking on EoDB translates into commensurate enhancement in the overall economic well-being of the country.

SOCIAL SECTOR INITIATIVES OF THE GOVERNMENT

Schemes for Welfare of Minorities

Nai Manzil: The scheme aims to benefit the minority youths in the age group of 17 to 35 years who are school-dropping or educated in community education institutions like Madarasas, by providing them an integrated input of formal education and skill training along with certification, with a view of enabling them to seek better employment in the organized sector and equipping them with better lives. Minimum 30 per cent seats are earmarked for minority girls. The scheme covers the entire country.

USTTAD (Upgrading the Skills and Training in Traditional Arts/Crafts for Development): This scheme has been launched to preserve rich heritage of traditional arts/crafts of minorities and build capacity of traditional artisans/craftsmen. It targets minority youths of 14-35 years of age and minimum Class-V qualified. The Scheme aims at capacity building and updating the traditional skills of master craftsmen/artisans; documentation of identified traditional arts/crafts of minorities; set standards for traditional skills; training minority youths in identified traditional arts/crafts through master craftsmen.

The scheme will also establish linkages of traditional arts/crafts with the national and international market and ensure dignity of labour.

MANAS (Maulana Azad National Academy for Skills): MANAS established linkages with concessional credit to Skill Development to provide sustainable livelihood to Minority Communities with primary focus on self-employment and entrepreneurship. MANAS has signed MoUs with NSDC and sector skill councils of Health, Security, Leather, Logistics, and Media and Entertainment and the lending bodies of trade and industry.

Nai Roshni: This scheme is for Leadership Development of Minority Women. The scheme aims to empower and instill confidence among minority women by providing knowledge, tools and techniques for interacting with Government systems, Banks and other institutions at all levels.

The scheme is implemented through Non-Governmental Organizations (NGOs), Civil

Societies, Trust etc. The scheme provides one week training programmes followed by handholding for one year. The training is provided on various training modules covering issues relating to women viz. Leadership of Women through participation in decision making, Educational Programme for Women, Health and Hygiene, Legal Rights of Women, Financial Literacy, Digital Literacy, Swachh Bharat, Life Skills and Advocacy for Social and Behavioural change.

Nai Udaan: This scheme is for giving financial support to minority candidates clearing preliminary exams conducted by Union Public Service Commission (UPSC), Staff Selection Commission (SSC) and State Public Service Commissions (SPSCs) for preparation of Mains Examination.

Community-wise details of beneficiaries to whom financial assistance has been provided under 'NAI UDAAN' Scheme during the last three years and the current year are given below:

Padho Pardesh – Interest Subsidy on Educational Loans for Overseas Studies: Under this, interest subsidy is provided on educational loans for overseas studies to minority students for approved courses at Masters, M. Phil. and Ph.D. level.

Hamari Dharohar: This scheme is launched to preserve the rich heritage of minority communities of India. The scheme aims at curating iconic exhibitions, supporting calligraphy, preservation of old documents, research and development, etc. To begin with, the Government has decided to provide support to iconic exhibition of Parsis i.e. "The Everlasting Flame" to showcase the civilization and culture of the Parsis (Zoroastrians) under "Hamari Dharohar" during 2015-16.

Ministry of Minority Affairs has also sanctioned a project to Dairatul Maarifil Osmaniam Osmania University, Telangana for translation from Arabic language into English, digitization and re-printing of 240 invaluable documents belonging to Moghul period on the subjects of Medicines, Mathematics, Literature, etc.

Initiatives for Welfare of SC/ST Communities

Stand up India Scheme

The "Stand up India Scheme" was launched in 2015 to promote entrepreneurship among

Scheduled Caste/Scheduled Tribe and Women. The scheme envisages extending bank loans between Rs. 10 lakh to Rs. 1 crore for Greenfield Enterprises set-up by SC, ST and Women entrepreneurs and extending effective handholding support to them.

Under 'Stand up India', each bank branch is to extend loans to at least one SC/ST and one woman entrepreneur. Enterprises covered under the scheme may be in manufacturing, services or the trading sector.

Credit Guarantee Fund Scheme for Stand-Up India (CGFSI) is operational with a corpus fund of Rs. 5,000 crore. A dedicated portal (www.standupmitra.in) for the Stand-Up India Scheme is active.

National SC/ST Hub

The public procurement order mandates 4 per cent annual procurement by Central Ministries/Departments and Public Sector Undertakings from SC/ST enterprises w.e.f. 01.04.2015. It was reported that the Government of India procurement from SC/ST enterprises was less than 1 per cent in 2016 due to low participation of the community. Thus a need was felt for an initiative targeted towards developing a supportive ecosystem towards SC/ST entrepreneurs. So, keeping this objective in mind, National SC/ST Hub was launched in October, 2016. The Hub primarily aids in strengthening market access/linkage, monitoring, capacity building, leveraging financial support schemes and sharing industry best practices etc.

Pradhan Mantri Vidya Shakti Yojana

The existing scheme of construction of Hostels for SC girl students will be strengthened and modified to include setting up of residential schools for Scheduled Caste girls studying in Class VI to Class XII with the objective of reducing the dropout rate of Scheduled Caste girls.

Priority would be initially given to educationally backward blocks. In order to promote inclusive education, while 70 per cent seats would be reserved for Scheduled Caste girls, balance would be open to girls of other communities. An allocation of Rs. 150 crore has been earmarked in the Budget 2017-18 for this purpose.