

WEBINAR HANDOUT



Yojana and Kurukshetra

Yojana (September 2020) and Kurukshetra (August, 2020)

CONTENTS

S. No.	Topics	Page No.
01.	ACCOUNTABILITY IN GOVT	2
02.	CORPORATE ETHICS	4
03.	GANDHIAN PERSPECTIVES ON ETHICS	6
04.	REBOOTING RURAL ECONOMY	8
05.	FOOD PROCESSING: POTENTIAL DRIVER	10
06.	MSME- THE CATALYST OF DEVELOPMENT	12

Webinar Link: <https://attendee.gotowebinar.com/register/9132284505227161358>

Note : Please open the above link using Google Chrome.

1. ACCOUNTABILITY IN GOVT

Context:

Accountability mechanisms in functioning of the State have been engaging the attention of the civil society, academicians and lawmakers in general and international financial institutions and donors in particular. It is in this context that accountability institutions assume importance and form the core of any good governance mechanism helping in bridging the gap between the stakeholders and the decision makers

Introduction

- Accountability refers to the process as well as norms that make decision makers answerable to ones for whom decisions are taken i.e. the decision maker and the beneficiary.
- It is not limited to accountability to seniors in hierarchy only as part of chain of command but also the stakeholders including citizens and civil society.
- Accountability has an answerability component to justify the action and an enforcement component that is to take action in cases where an act of omission or commission is established.
- It provides for remedial measures including punishment in case of deviations from norms.

The ultimate accountability to stakeholders, the citizens is to be ensured through a transparent, responsive and responsible administration.

Accountability to whom?

- As the electorate, citizens have the right to seek accountability of the elected representatives, what is referred to as external accountability. Internal accountability mechanisms refer to systems of checks and balances and incentives on one hand and oversight mechanisms coupled with expectations of the stakeholders.
- At the same time, they empower the stakeholder to seek justification from the decision makers who in turn are obligated to provide necessary explanation.

Institutional Mechanism

- Existence of strong and independent accountability institutions is a necessary condition for good governance.
- These institutions call to detect the violations and deviations from prescribed norms as well as the instincts of poor administration.
- External accountability between the Government and the citizens is established through the elections.
- Internal accountability mechanisms refer to systems of checks and balances and oversight mechanisms.
- The institutions of horizontal accountability in Indian context include the institutions of Comptroller and Auditor General (CAG), the Election Commission, the Vigilance Commission, the Central Information Commission and the Ombudsman.
- Financial accountability is rather critical for overall functioning of the government.

- The budget is passed by the Parliament allocating specific sums of money to different ministries and departments to implement the schemes and projects.
- In order to ensure accountability of the executive to the legislature, the manners of the constitution created an independent oversight agency namely CAG of India as per Article 148 of the Constitution of India.
 - The role of CAG is not limited to financial audit of accounts. In addition, CAG of India conducts Compliance Audit and Performance Audit.

Conclusion

- The concept of accountability should not be limited to a fault finding perspective or blame game but should encompass the larger perspective of correcting and improving the systems.
- Responsibilities must be fixed for violation of norms, deviation from processes etc., and acts of deliberate omission and commission should not go unnoticed and unpunished.
- Focus should be on identification of systematic errors/ failures and suggesting improvements thereof.
- It also needs to be recognised that in a scenario of collective decision-making, it becomes a case of collective responsibility and accountability.
- The accountability mechanisms also need to keep pace with developments of modern government structure particularly in the era of digitisation.

2. CORPORATE ETHICS

Integrity at the Core of the Individual

- Honesty and integrity are among the primary principles within the moral code of conduct which is laid out in the scriptures of almost every religion. The moral code of conduct essentially serves as a guide to virtuous living at an individual, familial and societal level.
- In the real world, where grey area situations largely exist, these learnings are put to test. Due to competitive and organizational pressures, sometimes even meaning individual might give in to the temptation of taking small risks for small easy returns.

With the rise in the number of scandals that have shaken multinationals, many professionally managed organizations have always strived to focus on good governance and compliance measures.

Business Ethics

- There is a growing need to introduce governance mechanisms and ethical practices to preempt practices and by doing so, organizations strive to promote value creations for all stakeholders.
- Good governance calls for stringent compliance and pervasive ethical practices. It is a misconception that compliance and ethics are one and the same. Compliance is about doing what is required for the given process or statute.
- For example : Promoting alcohol consumption is banned on national television, so if a company advertises an alternative product with the same brand name then it is indirectly trying to increase brand recall to the intended product.

Code of Conduct

- One of the basic corporate ethics requirements is formulating the Code of Conduct which conveys the company's value statement and defines the ethical foundation on which decisions will be made to achieve business objectives.
- All levels of employees should mandatorily abide by the code and that is often incorporated for allegiance and adherence as part of the employee's contract and induction programme.
- Ethical dilemmas do not always have perspective and clear cut answers, hence an effective training programme to understand and live the code will only be beneficial for employees and other stakeholders, but also enable them to steer clear of ethical dilemmas.

Building a Check Mechanism-What needs to be done?

- Building a culture ethics of an organization to review the integrity index of employees at two levels such as the hiring process and every performance appraisal cycle.
- To institute a check mechanism to help the organization and stakeholders navigate ethical dilemmas.

Company's code of conduct must ideally provide adequate guidance on such matters, with some principles :

- Timing of the gift
- Presence of Obligations
- Value of Gift
- Known to others
- Disclosed to the organization
- Accountability in the organization's book of account

Also, employees and stakeholders must be encouraged to speak up against any suspected or known situations or person. A channel report and log concerns must be made available to all employees and shareholders. Care must be taken to ensure confidentiality of concerns to protect the complaint from any act of retaliation or redistribution. There is a need to weigh matters carefully where employees weaponize the code of conduct against their colleagues.

Conclusion

- Organization needs to set the tone, all the top and leaders need to lead by example. As ethical dilemmas encompass a range of issues and concerns, each matter needs to be considered objectively. Ethics involves a conscious understanding of what is right or what is wrong.
- In these uncertain times, ethical behaviour and moral values that undergird an organization are crucial not just to exist but to endure, survive and thrive.

3. GANDHIAN PERSPECTIVES ON ETHICS

Gandhi's ideas of ethics

- Gandhi outgrows the **condescending position of a social scientist and revolutionary thinker and social activist** that was assigned to him by commentators and historians.
- If science is 'truth-seeking', by making his life "Experiments with Truth", **Gandhi went far beyond the traditional parameters of classifications.**
- Gandhi who initially held the view that 'God is Truth' reversed it later as. 'Truth is God' thereby **asserting the supremacy of truth over everything, he reminds us here of Einstein's statement that imagination is greater than knowledge.**
- This also implies that there is a **greater power within every human being in his/her consciousness.** The outer world has been effectively influenced by changing what is within us.
- The inner world constitutes a vast reservoir of untapped energy which, if used diligently, has the power to take on the material world. **The courage to make every crisis into an opportunity and every obstacle into a possibility springs from the inner and spiritual liber of the individual.**
- Gandhi pursued his 'Experiments with Truth' with the **precision and devotion of a scientist.** He was guided by the teachings of Gita.
- He could see **how science outgrew the importance of religion in the life of individuals as more and more intelligent men of science and technology** devoted their time in unraveling and developing scientific truth and capability.
- The champions and custodians of the spiritual domain relapsed into just meditative and contemplative lifestyles thereby becoming status quoists.
- Science and technology with its manifold focus and application came into the daily life of people with surprising and hitherto unbelievable results.
- **Gandhi's seminal contribution lies in the area of blending science and spirituality** as revealed in the philosophy and practice of Satyagraha.
- The **Satyagraha as enunciated by Gandhi seeks to integrate spiritual self-reliance with a view to empower individuals, families, group, Villages, towns and cities.**

It may be remembered that:

- Satyagraha was never used by Gandhi to score political points.
- Gandhi's Satyagraha movement was principle-centered and spiritually guided.
- Gandhi's Satyagraha was never aimed as a coercive tactic.
- Gandhi's language, body language and activities were dignified and always left room for dialogue and reconciliation.
- Gandhi's Satyagraha always highlighted moral principles.
- Gandhi had the courage to withdraw his movement when he realised that unprincipled elements would infiltrate and would use the base for selfish or opportunistic goals.
- The ancient Vedic philosophy of "**Sana Dharma Samabhav**" or "**Respect for all religions**" formed the basis of Gandhiji's religious humanism which was rooted in ethical, moral and spiritual considerations.

- **The casteless and classless society he was striving to establish** aims at the realisation of both material and spiritual moorings, he described the society that he was aiming as **Ram Rajva**.

Conclusion

- Several symbols and concepts Gandhi used in his long public career in both South Africa and India in his efforts **to usher in a new era of clean politics and orderly development** also revealed his **commitment and devotion to ethical values and moral principles** which will eventually characterise the texture of civilisation.
- The **voluntary abdication of his highly attractive income from his legal profession** and taking to a simple life and his profound conviction of equality of all men and women **show the essential Gandhi who grew into a Mahatma**.
- The **ethical and moral standard he set for himself** reveals his **commitment and devotion to eternal principles** and only someone like him who regulated his life and action in conformity with the **universal vision of human brotherhood** could describe his life, 'My Life is My Message'

KURUKSHETRA-AUGUST 2020

4. REBOOTING RURAL ECONOMY

Context

- India has an estimated 497 million workers, of which about 94 percent work in the private or unorganised sector, the government is emphasising more on the unorganised sector which primarily affects the rural economy.
- The government has launched Atma Nirbhar Bharat Abhiyan (Self-Reliant India Mission) with a huge package of Rs.20 lakh crore to accelerate the pace of growth in rural economy by introducing systemic changes in the near future.

COVID-19 Pandemic and the Economy

With the outbreak of COVID-19 pandemic, the world has witnessed unprecedented crisis in the areas of consumption, manufacturing, exports, and capital flows, posing numerous challenges before the rural economy.

Government of India launched 'Self-Reliant India Mission' with special focus on health care, employment and financial support.

The package provides enough budget for emergency healthcare requirements of the hospitals, safeguarding the employees and employment during the crisis as well as post-crisis, and for the support of the poor and vulnerable sections in the form of direct financial assistance, food and livelihood support.

Doubling of Farmers' Income (DFI) by 2022

Government has set up the Inter-Ministerial Committee on Doubling Farmers' Income (DFI) to examine and prepare the blueprint considering all the issues and challenges relating to DFI. The Committee identified seven sources to double farmers' income by 2022 which include:

Within the Domain of Agriculture:

- Improvement in crop productivity.
- Improvement in livestock productivity.
- Efficiency in the use of resources/ savings in the cost of production.
- Increase in the cropping intensity.
- Diversification towards high value crops.
- Improvement in real prices received by farmers.

Outside the Domain of Agriculture

- Shift from farm to non-farm occupations (like backyard poultry; goat rearing; fisheries etc.)

Steps taken to implement the recommendations of the DFI Committee

- **Advocating progressive market reforms** through the State Governments and Union Territories.
- **Supporting contract farming through the State Governments** by promulgating the Model Contract Farming Act.
- **Up-gradation of Gramin Haats** to work as centers of aggregation and for direct purchase of agricultural commodities from the farmers.

- **Providing e-NAM to farmers** which is an electronic online trading platform;
- **Distributing soil health cards** to farmers so that the use of fertilizers can be rationalised.
- **Increasing water efficiency through Pradhan Mantri Krishi Sinchayee Yojana (PMKSY)**- "Per drop more crop";
- **Better insurance coverage to crops for risk mitigation** under Pradhan Mantri Fasal Bima Yojana (PMFBY).
- **Extending the facility of Kisan Credit Card (KCC) for animal husbandry and fisheries** related activities to the farmers;
- **Increase in the Minimum Support Price (MSPs)** for all Kharif and Rabi crops.
- **Old age pension of Rs. 3000 to the eligible small and marginal farmers** and cover around 5 crore beneficiaries in the first three years.

What needs to be done?

Despite the substantial rise of urbanisation, nearly more than half of India's population is projected to be rural by 2050. Therefore, boosting the rural economy is a key to overall growth and inclusive development of the country. Some of the crucial areas which require immediate reforms include:

- **Streamlining the MGNREGA** to provide maximum benefit to the poor by avoiding any sort of mismanagement in implementation and execution.
- **Grooming and promoting youth as Entrepreneurs or Self-employed (YSE)**, who are linked to local livelihood eco-systems.
- **Promoting backyard poultry and goat rearing** with provisions for improvement on sheds, vaccines and other support.
- **Encouraging Farmer Producer Organisation (FPOs)** to support Small and Marginal Farmers (SMFs);
- Working with farmers towards adopting **sustainable eco-friendly agriculture practices**.
- **Connecting villages physically and digitally** is essential for village enterprise to prosper.
- Development of cluster-based specialised farming, promotion of organic farming, support for farmers' organisations, extension of farmer credit to fisheries and animal husbandry farmers.

Conclusion

- India doesn't advocate a self-centered system by becoming self-reliant, but in India's self-reliance there is a concern for the whole world's happiness, cooperation and peace.
- Today, rural India is the growth engine not just for fast moving consumer goods, but also durables, two-wheelers, farm equipment, construction and many other sectors.
- We need to without uplift the rural economy as without it the rest of India will not pick up momentum that easily. Therefore, revisiting the rural segment with strategic financial plans is inevitable.

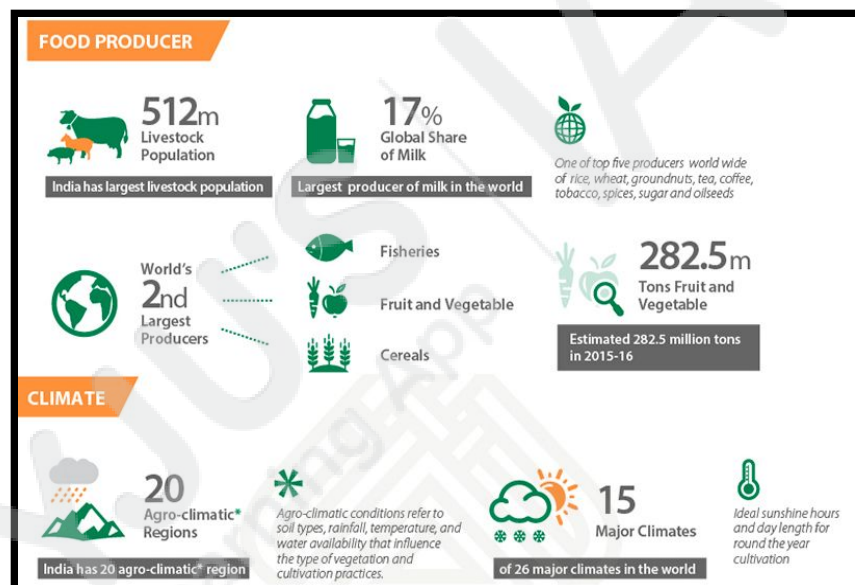
5. FOOD PROCESSING: POTENTIAL DRIVER

Significance of Food Processing Sector

- **Food processing units/industries promote industrial growth in rural areas**, create livelihood/employment opportunities, check rural-urban migration and ultimately improve rural economy for greater socio-economic benefits.
- **From farmers' perspective, the food processing sector is a promise of prosperity** as significant rise in demand of agricultural produce for processing ensures better prices to farmers.
- Also this sector links the **unorganised farming community with the formal industrial sector** to advance rural economy.
- It is also capable of addressing critical issues of **food security, food inflation, food wastage and nutritional security to the masses.**

Role of Ministry of Food Processing Industries

- It is striving to create and ensure a conducive environment for healthy growth of the food processing industry.
- Formulation and implementation of sector-friendly policies and schemes have made a positive impact on the food processing sector, especially during the last six years, the food processing sector has been growing at an average annual growth rate of around 8.19 percent as compared to around 3.45 percent in agriculture at 2011-12 prices.



Potential of Food Processing Sector

India's food value chain is poised to create multiple opportunities for investment and employment in various verticals of the food processing sector, such as value addition, transport, storage infrastructure, farming, retail chains and quality control.

- **It can provide a perfect blend of traditional and hygienic foods**, processed and packaged according to global standards with state-of-art technology.
- India is the world's sixth largest food and grocery market.
- **Consumers are becoming more health conscious**, the demand for nutritious food is growing proportionately.
- **Rising number of working women in urban areas and the growing trend of nuclear families** are also pushing demand for ready-to-eat and frozen food.

- **Increasing urbanization and rise in disposable incomes** has substantially increased spending on food products.
- **Growth of organised retail and penetration of e-commerce companies** have further helped increase in demand of processed food products.

Initiatives taken

- Holistic and inclusive development of the food processing sector vis-a-vis the rural economy desires to have sustainable supply chains that will link the farmer to the processing and marketing centres seamlessly.
- Government launched an integrated umbrella scheme- **Pradhan Mantri Kisan Sampada Yojana** providing financial support to create and develop infrastructure for mega food parks, integrated cold chain and value addition, food processing and preservation capacities and agro-processing clusters.
- **39 mega food parks and 298 cold chain projects have been sanctioned** throughout the country for seamless transfer of perishables from production to consumption areas.
- **Preservation facilities are created** for enhancing shelf-life of perishable agricultural produce resulting in better remunerative price to farmers.

Entrepreneurship and Engagements

- Food processing sector, due to its close linkage with farms and farmers, provides a huge opportunity for entrepreneurship in rural areas.
- Many government agencies and technical institutions are providing training, technical guidance and hand holding services to start-ups.
- Prime Minister Employment Generation Programme, ASPIRE (Scheme for promoting innovation, rural industry and entrepreneurship) and SFURTI (Scheme for regeneration of traditional industries) are some of the specific schemes to address capital needs of agri-entrepreneurs.
- Food processing sector has been identified as one of the key and priority sectors of the Government's ambitious 'Make in India' campaign.
- Green shoots are emerging fast in the food processing sector due to promotional activities and initiatives by the Government of India.

Conclusion

- Food processing has the potential to act as an engine of growth for the rural economy and to bring prosperity in rural areas.
- India needs to develop its strategy in a way which takes care of small-scale players along with attracting big investments from domestic and global food giants.
- Food processing sector is on the pathway of building a New India where the rural economy is as bright as its urban counterpart.

6. MSME- THE CATALYST OF DEVELOPMENT

Importance of MSME

- Today, MSMEs are the strongest drivers of economic development, innovation and employment for the global economy.
- These enterprises are responsible for significant employment and income generation opportunities across the world and have been identified as a major driver of poverty alleviation and development.
- As per the data gathered by the International Council for Small Business (ICSB), formal and informal MSMEs make up over 90 percent of all firms and account and on average, for 70 percent of total employment and 50 percent of the world GDP.
- In developing countries like India, where the majority of the population resides in the rural areas, these MSMEs are crucial - socially and economically.
- According to the estimates of the World Bank, 600 million jobs will be needed by 2030 to absorb the growing global workforce, which makes Small and Medium Enterprises (SME) development high.
- The International Finance Corporation (IFC) estimates that 65 million firms, or 40 percent of formal MSMEs in developing countries, have an unmet financing need of \$5.2 trillion every year, which is equivalent to 1.4 times the current level of the global MSME lending.

Growth and Development of MSMEs

- The country has vast aggregates of 6.33 crore MSMEs out of which 99.4 percent are micro-enterprises. The sector contributes about 45 percent to manufacturing output, more than 40 percent of exports, over 28 percent of the GDP while creating employment for about 111 million people.
- To provide impetus to the manufacturing sector, the recent National Manufacturing Policy envisaged raising the share of the manufacturing sector in GDP from 16 percent at present to 25 percent by the end of 2022.
- In order to enable identification and facilitate development of MSMEs, Government of India had enacted the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

Schemes related to MSME Sector

- Prime Minister's Employment Generation Programme which is a credit-linked subsidy programme aimed at generating self-employment opportunities through establishment of micro-enterprises in the non-farm sector by helping traditional artisans and unemployed youth.
- Scheme of Fund for Regeneration of Traditional Industry which is a cluster-based scheme for development of khadi, village industries and coir clusters by providing them with improved equipment, common facilities centers, business development services, training, capacity building and design and marketing support, etc.
- Scheme for Promotion of Innovation, Rural Industry and Entrepreneurship was launched in 2015 to set up a network of technology centres, to set up incubation centres, to accelerate entrepreneurship and also to promote start-ups for innovation and entrepreneurship in agroindustry.

- Credit Guarantee Scheme for Micro and Small Enterprises facilitates credit to the MSE units by covering collateral-free credit facility (term loan and /or working capital) extended by eligible lending institutions to new and existing micro and small enterprises.
- Credit linked Capital Subsidy Scheme facilitates technology upgradation of small scale industries, including agro & rural industrial units by providing 15 percent upfront.
- Micro and Small Enterprises-Cluster Development Programme has been adopted as a key strategy for enhancing the productivity and competitiveness as well as capacity building of Micro and Small Enterprises (MSEs) and their collectives in the country.

Bracing the Challenge of COVID-19 Pandemic

In the aftermath of COVID-19 pandemic, the Central Government was quick in introducing the Atma Nirbhar package to support the revival of MSME sector

- The ₹3 lakh crore emergency credit line announced will ensure that 45 lakh units will have access to working capital to resume business activity and safeguard jobs.
- Provision of ₹20,000 crores as subordinate debt for 2 lakh MSMEs which are stressed or deemed non-performing assets.
- A ₹50,000 crore equity infusion is planned through an MSME fund of funds with a corpus of ₹10,000 crores.
- The definition of an MSME is being expanded to allow for higher investment limits and the introduction of turnover-based criteria.
- Global tenders will not be allowed for government procurement up to ₹200 crores.
- The government and central public sector enterprises will release all funds due to MSMEs within 45 days.

Apart from this, the leading e-commerce companies in India are also helping to tackle some of the challenges that MSMEs face in adopting e-commerce technologies like assisting MSMEs in funding, training and adoption of technology and encouraging them to engage with customers on a real-time basis. State Bank of India is working on setting up an e-commerce portal for marketing of products by micro, small and medium enterprises (MSMEs) in the country.

Way ahead

- There is a need to create skill training hubs in each district of the country with a dedicated nodal office in each district by roping in all the stakeholders.
- There is a need to establish higher institutions of learning to impart knowledge and skills that can train the manpower in the efficient management of resources, human resource issues, tax laws, labour laws, etc.
- The course curricula should also be customized to suit the needs of the MSMEs specifically like the MBA programme of two years in entrepreneurship etc.

Conclusion

Innovations, infusion of new technologies, skilled manpower and availability of finances in the MSMEs can transform the lives in the rural landscape of the country.

Congratulations to our toppers

04 Ranks in Top 10 | **09** Ranks in Top 20 | **13** Ranks in Top 50 | **22** Ranks in Top 100



RANK 03

Pratibha Verma



RANK 06

Vishakha Yadav



RANK 08

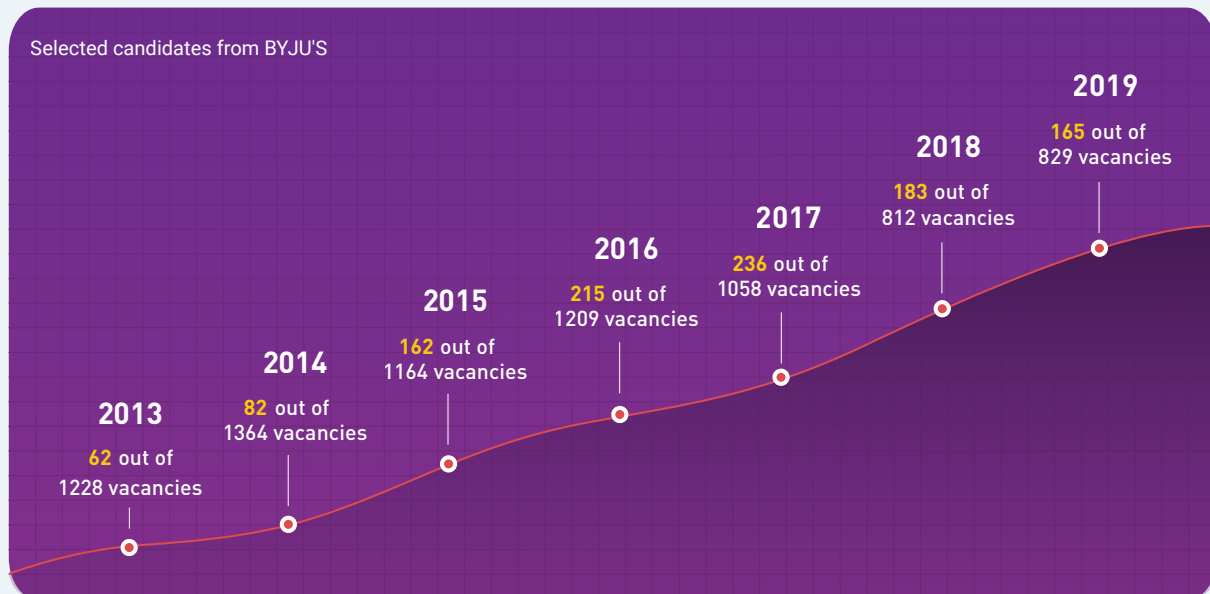
Abhishek Saraf



RANK 10

Sanjita Mohapatra

Incredible results year after year!



To book a FREE COUNSELLING SESSION with our IAS Mentors call: 9241333666
Visit <https://byjus.com/ias/> for more details



byjus.com

Awards



Education Company
Of The Year 2016, 2018



Business Standard
Start-up of the year 2017



Google Play's 'Best Self Improvement'
App in India - 2016



Google Design
Award 2018



Deloitte Technology Fast 50 India
and Fast 500 Asia Award Year
2012, 2013, 2014, 2015, 2016,
2017



EXPRESS
IT AWARDS
Express IT Awards for IT newsmaker
of the year 2017



NASSCOM Design4India Design
Award 2018 for the 'Best Design'
Mobile Category - 2018