

WEBINAR HANDOUT



Yojana and Kurukshetra

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YOJANA (MARCH 2021) AND KURUKSHETRA (FEBRUARY 2021)

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Note: Please open the recorded link using Google Chrome.

YOJANA- UNION BUDGET 2021-22

1. FINANCE COMMISSION

About Finance Commission

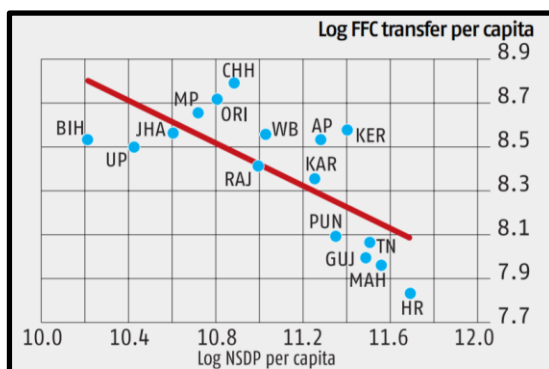
- Article 280 of the Constitution of India provides for the constitution of the Finance Commission.
- The 15th Finance Commission was constituted on November 2, 2017, under the Chairmanship of N K Singh.
- It submitted its report, titled “Finance Commission in Covid Times”, to the President of India, for the period 2021-2026.
- The Finance Commission transfers are made under Articles 270, 275 and 280 of the Constitution, which provides a mechanism for sharing of taxes and revenues vertically between the Centre and states; and horizontally among all states.
- The additional Terms of Reference (ToR) for the 15th Finance Commission were:
 - Reviewing and commenting on the design of fiscal principles for various grants that are typically provided alongside revenue shares.
 - Consider performance-based incentives to support and motivate the efforts of State and/or local governments – the “appropriate level of government” – in a variety of policy areas.
 - Recommending a funding mechanism for defence and internal security.
- Challenges faced by the 15th Finance Commission:
 - The difference in opinion on the use of the population census of 2011 to allay the fears of certain efficient States that they would be penalised for efficient demographic management, non-lapsable defence fund and use of certain parameters for performance incentives.
- **Vertical Transfer: Approach and logic**
 - By the Constitutional design of distribution taxation powers between the Union and the States, the Union has higher and more buoyant taxation and resource raising powers while the States have higher responsibilities for incurring the expenditure. This creates structural vertical imbalances which require the orderly transfer of resources from the Union to the states.
 - The 15th Finance Commission(FC), in its final report, recommended devolution of 41 per cent to states.
 - The 15th FC has only made the required adjustment of about 1 per cent due to the changed status of the erstwhile State of Jammu and Kashmir into the new Union Territories of Ladakh and Jammu and Kashmir as resources of these UTs will now be provided by the Union.

HORIZONTAL DEVOLUTION FORMULA IN THE 13TH AND 14TH FINANCE COMMISSIONS		
Variable	Weights accorded	
	13th	14th
Population (1971)	25.0	17.5
Population (2011)	0.0	10.0
Fiscal capacity/Income distance	47.5	50.0
Area	10.0	15.0
Forest cover	0.0	7.5
Fiscal discipline	17.5	0.0
Total	100	100

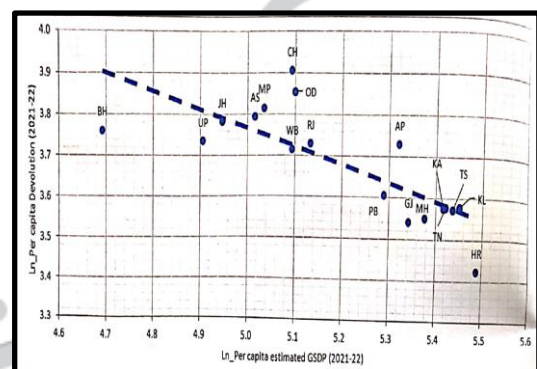
Source: Reports of 13th and 14th Finance Commission

Table 1: Criterion Recommended by Fifteenth Finance Commission for Horizontal Distribution of Taxes	
Criteria	Weight (per cent)
Population	15.0
Area	15.0
Forest & Ecology	10.0
Income Distance	45.0
Tax & Fiscal Efforts	2.5
Demographic Performance	12.5
	100

- Population, Area and Forest & Ecology represent the need-based principle, while the Income Distance criterion represents an equity-based principle.
 - Tax & Fiscal Efforts and Demographic Performance are used as a performance criterion to allay the fears of the more efficient States in the country.
- ToR of 15th FC mandated it to use the population data of the most recent Census, which would have changed the resource allocation to few States. It would have been unfair to States which have performed well.
- Also, the ToR of 15th FC itself mandated it to incentivise States for the efforts and progress made in moving towards the replacement rate of population growth. Hence, Demographic Performance is used as a criterion.



14th Finance Commission



15th Finance Commission

- **Grants-in-aid:** 15th FC has recommended five different categories of grants:
 - Revenue **deficit grants:** An allocation of 1.92 per cent of the gross revenue receipts of the Union as revenue deficit grants to specific States.
 - **Grants for local governments:**
 - Urban local bodies have been categorised into two groups, based on population, and different norms have been used for the flow of grants to each, based on their specific needs and aspirations.
 - For rural local bodies, the allocations cover all the three Panchayati tiers—village, block and district—as well as the Excluded Areas exempted from the purview of Part IX and Part IX-A of the Constitution.
 - The Rural-Urban distribution increases in the favor of Urban bodies from 67:33 in 2021 to 65:35 in 2026, due to the rapid urbanisation witnessed from 2001 (28 per cent) to 2011 (31 per cent).
 - Grants to both rural and urban local bodies (less than a million category) contain a mix of basic, tied as well as performance grants such as sanitation, solid waste management, ease of breathing in metro cities.
 - **Grants for disaster management:**
 - 15th FC recommended Mitigation Funds to be set up at both the national and state levels.
 - It should be used at local level to reduce risks and promote environment-friendly settlements and livelihood practices.

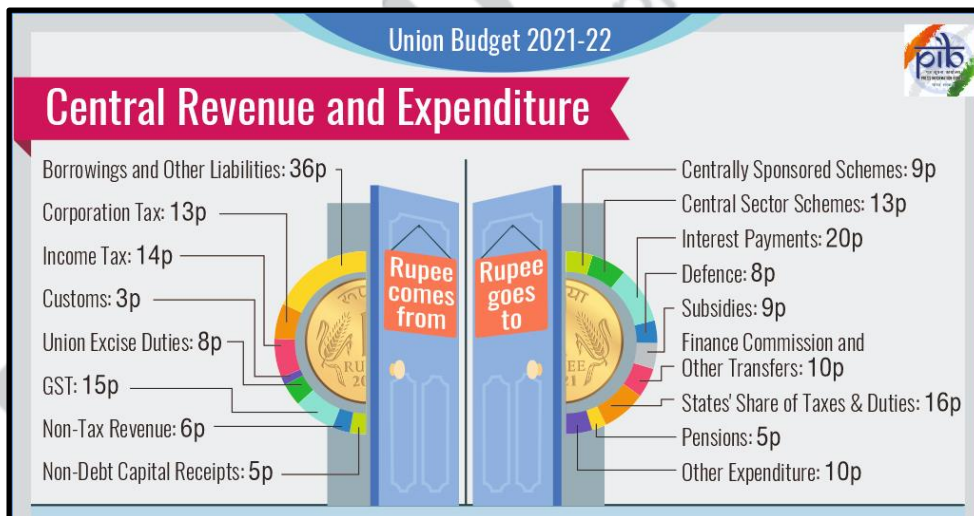
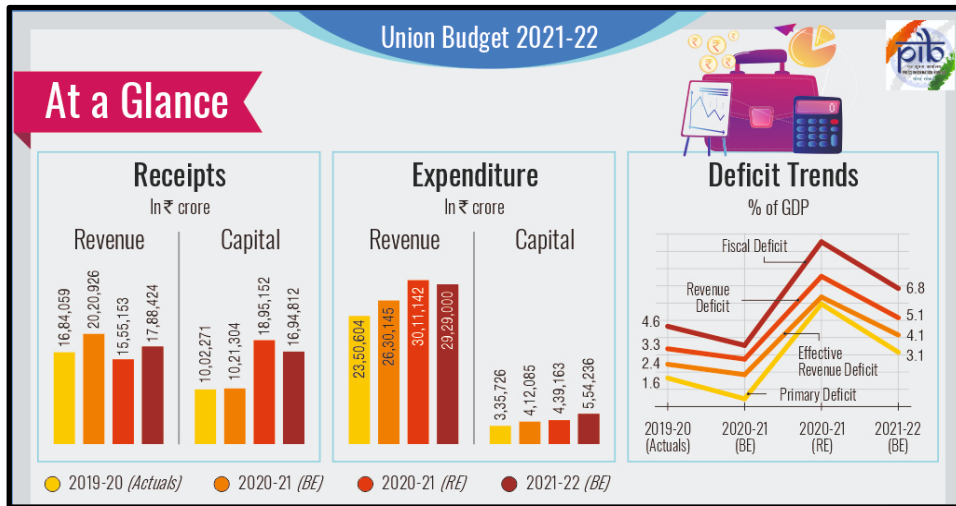
- Sector-specific grants and State-specific grants:
 - Under it, the 15th FC recommended performance-based grants and incentives for sectors like health, education, agriculture, PMGSY roads, judiciary, statistics and aspirational districts and blocks.
 - The FC recommended 10.3 per cent, of the total grants-in-aid recommended by it, to the health sector.
- **Defence Fund:**
 - It has been recommended that the Union Government may constitute in the Public Account of India, a dedicated non-lapsable fund, Modernisation Fund for Defence and Internal Security (MFDIS).
 - Rs. 40,000 crores per annum would be available for defence, Rs. 10,000 crore per annum would be available for the home ministry to upgrade paramilitary forces and Rs. 1,000 crore per annum has been recommended as Jawan Welfare Fund.

S.N.	Grant Components	2021-26
1.	Revenue Deficit Grants	294514
2.	Local Governments Grants	436361
3.	Disaster Management Grants	122601
4.	Sector-specific Grants	129987
i	Sectoral grants for Health	31755
ii	School Education	4800
iii	Higher Education	6143
iv	Implementation of Agricultural Reforms	45000
v	Maintenance of PMGSY Roads	27539
vi	Judiciary	10425
vii	Statistics	1175
viii	Aspirational Districts and Blocks	3150
5.	State-specific	49599
	Total	1033062

2. BUDGET OVERVIEW (BASED ON A BOOSTER SHOT FOR ECONOMIC GROWTH)

Context

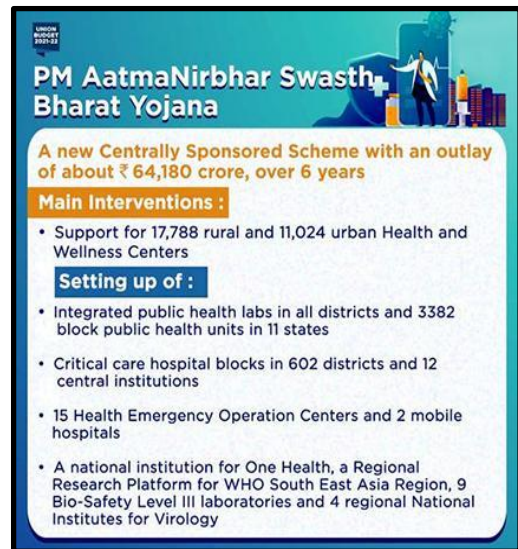
As the economy gradually comes out of the pandemic, Union Budget 2021-22 has brought in new optimism with a focus on improved ease of doing business and ease of living in the country.



Booster Shots in different sectors

1. Healthcare Systems

- (a) A **significant outlay** on health and well-being sectors is a timely step in the context of the present health crisis.
- (b) The **Aatmanirbhar Swasth Bharat Yojana** is launched that will strengthen the primary, secondary, and tertiary healthcare infrastructure and create new institutions, addressing huge gaps in healthcare facilities in the country. It will be launched as a **Centrally Sponsored Scheme** for a period of **6 years**.
- (c) Recognising the role of a **cleaner environment in health and well-being**, several environment-related initiatives are also announced - Urban Swachh Bharat 2.0 Mission, Jal Jeevan Urban Mission and Mission POSHAN 2.0.
- (d) To give a fillip to the on-going immunisation program, a commitment of **Rs. 35,000 crore is made for the Covid-19 vaccine**.



2. Impetus on Growth of Economy

- (a) The Budget has given huge thrust to **capital expenditure** - both physical and social infrastructure - to revive consumption and investment cycle.
- (b) Higher public investment in infrastructure projects is expected to **crowd-in** private investments, thereby generating more jobs.
- (c) The establishment of **7 Mega Investment Textiles Parks** is also announced to boost export opportunities in this labour-intensive sector.



3. Agriculture

- (a) By linking **1000 more mandis** with the **eNAM** and making available the **Agriculture Infrastructure Fund** for augmenting infrastructure facilities of APMC, continuous efforts are being made to strengthen the farm ecosystem.



- (b) **Micro Irrigation Corpus** has been doubled to promote the idea of more crops per drop.
- (c) 22 additional perishable crops are introduced under **Operation Green Scheme**.
- (d) **The agriculture credit target** has been **enhanced** to meet the financing needs of the farmers.

4. Financial Sector

- (a) The Budget has announced the decision to **privatise** two public sector banks and one public sector insurance company, reflecting the idea of the Government to give larger space to the private sector.

5. Banking Sector

- (a) **Asset Reconstruction and Asset Management Company** is announced. This will assist the banks to unlock stuck capital and use it for more productive purposes.

6. Investment

- (a) Development **Finance Institution** will be set up with seed money of Rs. 20,000 crore.
- (b) It will target a lending portfolio of Rs. 5,00,000 crore over the next 3-4 years for financing the planned infrastructure outlay.
- (c) The FDI limit in the **insurance** sector is increased to 74%.

Conclusion:

With the multi-sectoral interventions, the Budget 2021-22 has promoted the principle of 'minimum government, maximum governance, triggering hopes of better economic prospects going ahead.

3. SOCIAL SECTOR AND BUDGET (BASED ON ENABLING THE SOCIAL SECTOR)

Context:

Health and Well-Being and Reinvigorating Human Capital are among the 6 pillars of Budget 2021-22.

1. Health

- An allocation of Rs. 2,23,546 crore for 2021-22, a 137% increase is made to the health sector.
- Prime Minister Atmanirbhar Swasth Bharat Yojana was announced, with an outlay of about Rs.64,180 crore over six years.



(a) Main interventions:

- Support for 17,788 rural and 11,024 urban Health and Wellness Centers.
 - Establishing critical care hospital blocks in 602 districts and 12 central institutions.
 - Setting up integrated public health labs in all districts and 3382 block public health units in 11 states.
 - Setting up of a national institution for One Health, a Regional Research Platform for WHO South East Asia Region, 9 Biosafety Level III laboratories and 4 regional National Institutes for Virology.
 - Setting up of 15 Health Emergency Operation Centers and 2 mobile hospitals.
- Proposed setting up 5 regional branches of the National Centre for Disease Control (NCDC).
 - Expansion of the Integrated Health Information Portal (IHIP) to all States and Union Territories to connect all public health labs.
 - Made in India Pneumococcal Vaccine to be rolled out across the country.

	Actuals (2018-19)	Actuals (2019-20)	Budget Estimates (2020-21)	Budget Estimates (2021-22)	Per cent change in 2021-22 BE over 2020-21
Ministry of Health and Family Welfare					
Department of Health and Family Welfare	52954	62397	65012	71269	+9.6
Department of Health Research	1728	1934	2100	2663	+26.8
Ministry of AYUSH	1554	1784	2122	2970	+40
Sub Total		66115	69234	76902	+11
COVID vaccination		-	-	35000	-
Department of Water and Sanitation	18412	18264	21518	60030	+179
National Nutrition Mission (Poshan Abhiyan)	2622	1880	3700	2700	-27
Jal Jeevan Mission	5484.15	10030	11500	50011	+334.9
Total	82754.15	162404	175186	301545	

Source: Author's compilation from Union Budget of various years, Government of India

- Proposed to merge the existing Supplementary Nutrition Programme (SNP) and the Poshan Abhiyan and the launched Mission Poshan 2.0 with focus on 112 aspirational districts.
- To bring about transparency, efficiency and governance reforms in the nursing profession, The National Nursing and Midwifery Commission Bill will be introduced.

● **Budget Allocations:**

Rs. 35,000 crore to give COVID-19 vaccine to 50 crore people.

Jal Jeevan Mission (Urban) to be launched with an outlay of Rs. 2,87,000 crore over 5 years for universal water supply in all 4,378 Urban Local Bodies and 2.86 crore household tap connections, as well as liquid waste management in 500 AMRUT cities.

Rs. 2000 crore to 42 urban centres for reducing air pollution and enhancing the quality of air.

Allocation for AYUSH Ministry and health research have gone up by 40% and 25% respectively.

Rs. 4,000 crore to National Institute of Medicinal Plants (NIMP) under Ministry of AYUSH for backward integration projects dealing with medicinal and aromatic plants.

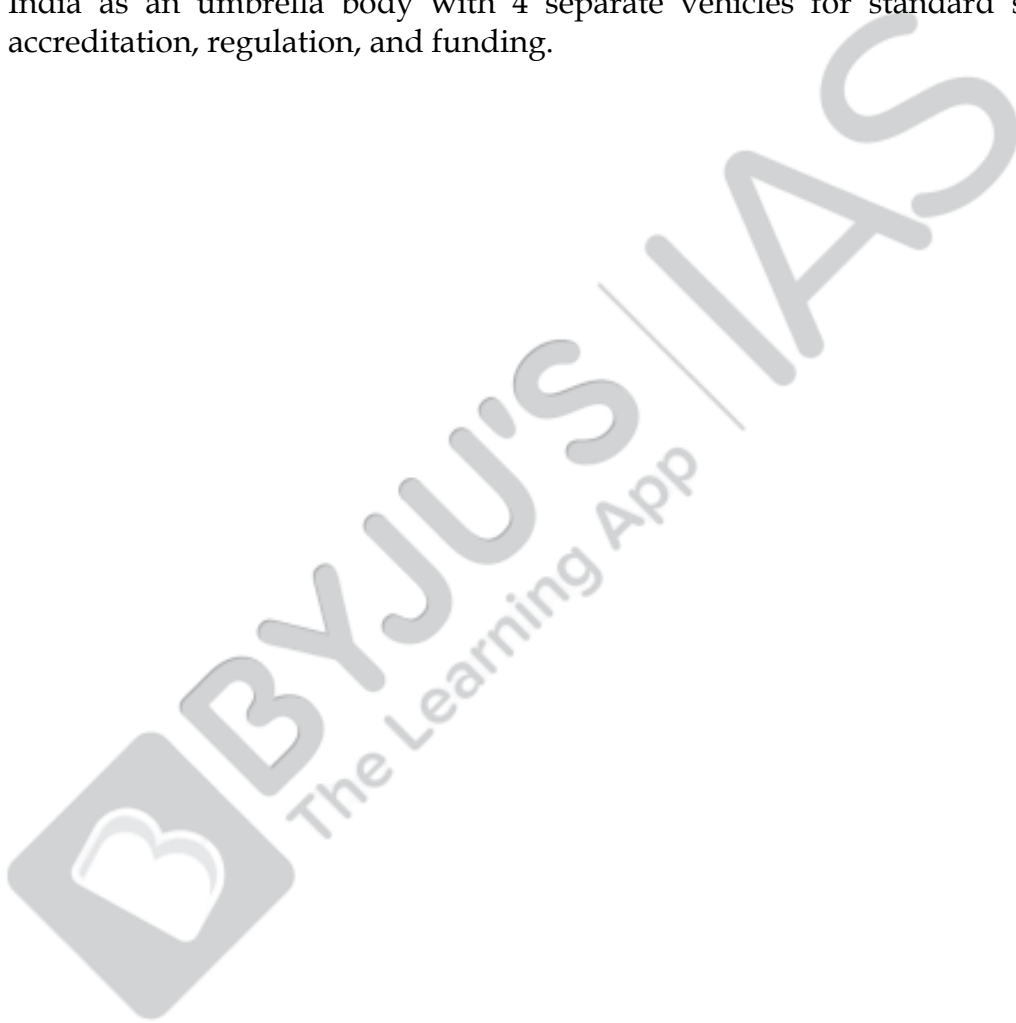


2. Education

- In the Budget 2021-22, the education sector was allocated Rs. 93,224 crores. Out of which, Rs. 54,873.66 crores are for school education and Rs. 38,325.15 crores for higher education.
- 100 new Sainik Schools to be set up in partnership with NGOs and private schools.
- 750 Eklavya Model Residential Schools to be set up in the tribal areas.
- Ministry of Human Resource and Development to get more support to implement National Education Policy 2020 for rationalising regulation and encouraging quality education.
- 15,000 schools to be identified for qualitative change and to convert them as exemplary schools.
- Allocation of Rs. 35,219 crore is envisaged for the National post-metric Scholarship Scheme for students from scheduled caste till 2025-26.
- Proposed amendment to Apprenticeship Act to enhance opportunities for youth
- Proposed partnerships like what India has with Japan and United Arab Emirates for skilling and training to be extended to other countries.
- The existing National Apprenticeship Training Scheme for providing post-education apprenticeship, training of graduates and diploma holders in

Engineering will be realigned with provision of over Rs. 3,000 crore.

- Schemes like National Initiative for School Heads' and Teachers' Holistic Advancement (NISHTHA) and National Digital Educational Architecture (NDEAR) are preparing the system towards achieving Sustainable Development Goal 4 (Quality Education).
- NISHTHA is an Integrated Teacher Training Programme aimed at improving learning outcomes at the elementary level.
- Budget 2021-22 proposed for NDEAR to be set up for strengthening the country's digital infrastructure for education.
- Legislation to be introduced to set up the Higher Education Commission of India as an umbrella body with 4 separate vehicles for standard setting, accreditation, regulation, and funding.



4. BORROWING AND THE BUDGET

Conditional Borrowings- Borrowing and the Budget

Covid-19 and economic reforms

- COVID-19, and resulting nationwide lockdown has helped save precious human lives, but it also has dealt a severe blow to the economy and the revenue collection of the governments.
- This prompted the Centre to announce the 'Atma Nirbhar Bharat' package to overcome the formidable challenges ahead. An important part of this package was an increase in the net borrowing limit of the states by **2 percent of Gross State Domestic Product (GSDP)**.

- **Art. 293** of the Constitution states that States can borrow within the territory of India against the security of the Consolidated Fund of the State, as per limit fixed by its legislature. Also if it is yet to repay any Central loan, then it has to obtain the consent of the Centre before raising any such loan.

	State	No. of Reforms Completed	Names of Reforms Completed	Additional Borrowing Permission Granted (Rs. in crore)
1	Andhra Pradesh	4	ONORC, EDB, ULB, Power (partial)	9,090
2	Assam	1	EDB	934
3	Goa	1	ONORC	223
4	Gujarat	1	ONORC	4,352
5	Haryana	2	ONORC, EDB	4,292
6	Himachal Pradesh	1	EDB	438
7	Karnataka	2	ONORC, EDB	9,018
8	Kerala	2	ONORC, EDB	4,522
9	Madhya Pradesh	4	ONORC, EDB, ULB, Power (partial)	8,542
10	Meghalaya	1	ULB	75
11	Odisha	1	EDB	1,429
12	Punjab	1	EDB	1,516
13	Rajasthan	3	ONORC, EDB, ULB	8,193
14	Tamil Nadu	2	ONORC, EDB	9,626
15	Telangana	3	ONORC, EDB, ULB	7,524
16	Tripura	1	ONORC	148
17	Uttar Pradesh	1	ONORC	4,851
	Total			74,773

- Centre had fixed at **3 percent of GSDP**, the net borrowing ceiling of the States for FY 2020-21 (before this package).
- To ensure future debt sustainability and to nudge States to carry out reforms in important citizen-centric areas, the grant of half of the additional borrowing limit was tied to important reforms by the Centre.
- Following are the 4 sectors (0.25% GSDP each) with conditional reforms associated with them and their results as of Feb 8 2021

1. One Nation One Ration Card system (nodal ministry - Department of Food and Public Distribution)

- Increased seeding of Aadhar with beneficiary details under the National Food Security Act (NFSA) (95% complete) has enabled biometric authentication through e-PoS (electronic Point of Sale) devices at the Fair Price Shops (FPS) (100% automated), thus preparing the ground for nationwide portability of ration card.
- 12 States have completed this reform.

2. Ease of Doing Business (EODB) (Department for Promotion of Industry and Internal Trade)

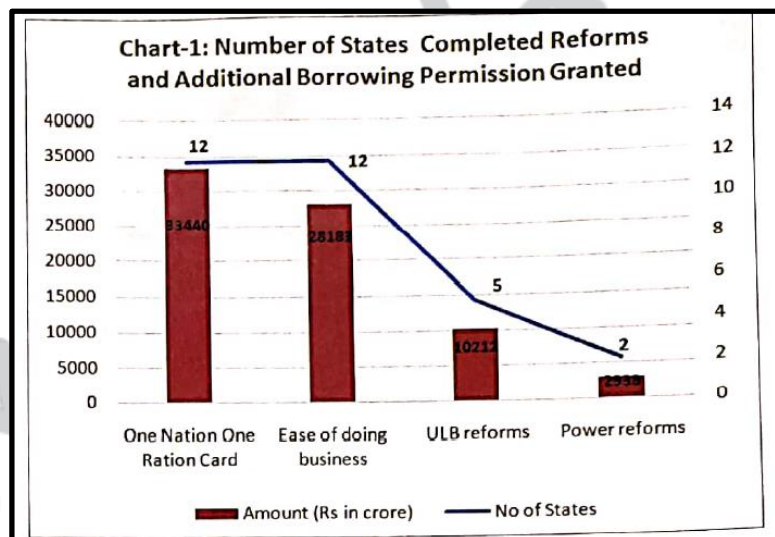
- Reforms here included Completion of the first assessment of the District Level Business Reform Action Plan, Elimination of the requirement of renewal of approvals/licenses by businesses and implementation of a computerised central random inspection system.
- 12 states have completed this reform.

3. Urban Local Bodies/Public Utility (Ministry of Housing and Urban Affairs)

- For this, the States were required to notify floor rates of property tax (in consonance with prevailing circle rates), floor rates of user charges for water supply, sewerage etc. reflecting current costs and also create a system of increasing these rates as per inflation.
- 5 states have completed this reform.

4. Power Sector reforms (Ministry of Power)

- For this, States were required to reduce the Aggregate Technical and Commercial (AT&C) losses, reduce the gap between supply cost price and realised price for power and introduce Direct Benefit Transfer (DBT) to cover all farmers instead of free/subsidized electricity.
- 2 states have achieved this reform.



Conclusion

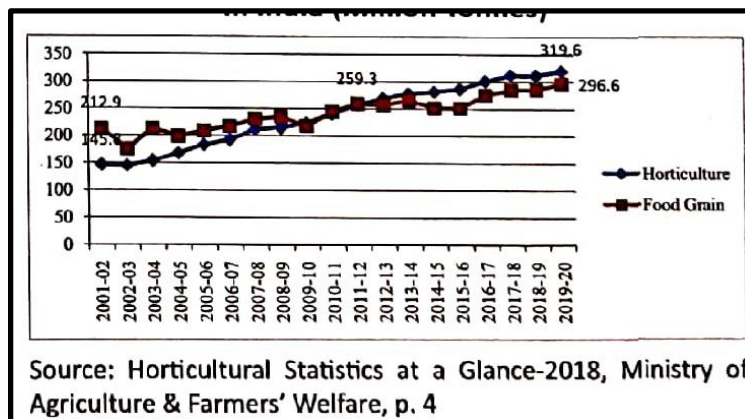
- This initiative has motivated States to undertake and fast track reforms.
- 17 States have completed reforms in at least one sector.
- **Madhya Pradesh and Andhra Pradesh** have achieved almost all 4 targets.
- This has not only ensured a sustainable debt path but also has started bringing benefits to the citizens.

KURUKSHETRA

5. ROLE OF ALLIED SECTOR IN RURAL EMPLOYMENT GENERATION

Horticulture

- Fruits and vegetables account for more than 90 percent of total horticulture production in the country.
- India ranks second in fruits and vegetables production in the world, after China.
- The country ranks first in the production of banana, papaya, mango, lemon, ginger and okra. The vast production of horticultural crops offers tremendous opportunities for their exports.
- Despite huge production of horticultural crops, India's share in world exports amounts to less than 1.5 percent.
- Mission for Integrated Development of Horticulture (MIDH) - a centrally sponsored scheme was launched from 1st April 2014.
 - It provides financial, technical and administrative support to State Governments for the development of the horticulture sector covering fruits, vegetables, root & tuber crops, mushroom, spices, flowers, aromatic plants, coconut, cashew, cocoa, bamboo and saffron.



Floriculture

- It has immense potential for generating gainful self-employment among small and marginal farmers.
- The major importing countries of Indian flower products are the U.S.A., U.K., Netherland, Germany and UAE.
- The government of India has identified floriculture as a sunrise industry and accorded 100 percent export-oriented status to it.
- The Government has set up six agri-export zones for floriculture; one each in Karnataka, Maharashtra, Sikkim and Uttarakhand and two in Tamil Nadu.
- The Agricultural and Processed Food Products Export Development Authority

Table 1: Production of Major Livestock Products & Fish

Year	Milk (Million Tonnes)	Egg (Millions Nos.)	Fish (Million Tonnes)
1950-51	17	1832	0.75
1960-61	20	2881	1.16
1970-71	22	6172	1.76
1980-81	31.6	10060	2.44
1990-91	53.9	21101	3.84
2000-01	80.6	36632	5.66
2010-11	121.8	63024	8.40
2011-12	127.9	66450	8.70
2012-13	132.4	69731	9.04
2013-14	137.7	74752	9.57
2014-15	146.3	78484	10.16
2015-16	155.5	82929	10.80
2016-17	165.4	88137	11.42
2017-18	176.3	95217	12.61
2018-19	187.7	103318	13.42
ACGR9(%)	3.59	6.11	4.33

Source: Department of Animal Husbandry and Dairying

(APEDA), has introduced several schemes for promoting floriculture exports from the country.

- With foreign technical collaborations, the Indian floriculture industry is poised to exhibit strong growth in its production and hence increase its share in world trade.

Apiculture

- Apiculture or beekeeping is a lucrative profit giving venture with very low or negligible investment.
- With an output of 64,900 tonnes, India ranked eighth in the world in honey production in 2017-18. India is one of the leading honey exporting countries.
- According to an official report, India has a potential of about 200 million bee colonies as against the present level of 3.4 million.
- Increasing the number of bee colonies will not only increase the production of bee-related products but will boost overall agricultural and horticultural productivity.

Sericulture

- India is the second largest producer of silk (after China) in the world with its unique distinction of being the only country producing all the four commercially known varieties of silk viz. Mulberry, Eri, Tasar and Muga.
- India's silk industry provides gainful employment to over 9.43 million persons of which a sizable number belong to the economically weaker sections of society.
- The Indian silk products have high export potential because of their distinctiveness and low cost of production.
- In 2017, in order to strengthen the beneficiary oriented components in sericulture, the central sector scheme-Silk Samagra was launched which focuses on improving the quality and productivity of domestic silk and thereby reducing the country's dependence on imports of raw silk.
- To boost domestic silk production, anti-dumping duty is needed to be imposed on raw silk imports from China.

Agro-Processing

- The agro-processing industry is seen as a key instrument for ameliorating the economic lot of the vast majority of people living in poverty in rural India.
- Agro-processing not only enables to reduce the post-harvest wastages but also helps to fetch fair and remunerative prices to the producers through value addition in their agricultural produce.
- Presently, processing of fruits and vegetables is only two per cent in India, in comparison to 80 per cent in the USA, 78 per cent in the Philippines, 70 per cent in France and Brazil, 40 per cent in China.
- The food processing sector faces a conducive growth environment, owing to the availability of fresh, abundant & affordable raw material on the one hand and favourable government policies on the other.

- Realising the importance of the food processing sector for the economy, a central sector scheme, Pradhan Mantri Kisan Sampada Yojana, with the total outlay of Rs. 6,000 crore was launched in 2016.
 - It aims at the creation of modern infrastructure with an efficient supply chain for the processed food industry.

Conclusion

- To boost income from crop cultivation, the focus of attention should be on promoting allied and non-farm activities in rural areas so that farmers can get gainful employment during the slack season.
- These ancillary activities not only supplement the income generation from cultivation but also act as insurance to the farmers against the shocks and fluctuations in farm income due to natural calamities.
- Further, the unemployed or underemployed educated rural youth are needed to be encouraged to enter into agribusiness and entrepreneurship in allied sector activities like floriculture, apiculture, sericulture & pisciculture.
- A joint effort on the part of the Government, private sector and self-help- groups supported by the public at large can play a vital role in promoting ancillary and allied activities and ultimately enhancing employment opportunities in rural India.



6. OBJECTIVE TYPE QUESTIONS

1. Which of the following criteria has been given the highest weightage by the Fifteenth Finance Commission for the Horizontal Distribution of Taxes?
- (a) Population
 - (b) Area
 - (c) Income Distance
 - (d) Demographic Performance

Answer: (c)

Explanation:

Option (a) is incorrect: Weightage given to Population is 15%

Option (b) is incorrect: Weightage given to Area is 15%

Option (c) is correct: Weightage given to Income Distance is 45%

Option (d) is incorrect: Weightage given to Demographic Performance is 12.5%

2. Consider the following statements with reference to the PM Atmanirbhar Swasth Bharat Yojana:
- 1. It is a new centrally sponsored scheme announced for a period of five years.
 - 2. It aims to strengthen both the secondary and tertiary sectors of healthcare infrastructure.
- Which of the statements given above is/are correct?
- (a) 1 only
 - (b) 2 only
 - (c) Both 1 and 2
 - (d) Neither 1 nor 2

Answer: (b)

Explanation:

The **Aatmanirbhar Swasth Bharat Yojana** is launched as a Centrally Sponsored Scheme to address the huge gaps in healthcare facilities in the country.

Statement 1 is incorrect: It will be launched for a period of 6 years.

Statement 2 is correct: It will strengthen the primary, secondary, and tertiary healthcare infrastructure and create new institutions.

3. Regarding the National Institute of Medicinal Plants, consider the following statements:
1. It is a non-statutory body.
 2. It works under the Ministry of AYUSH.
 3. Its mandate is to promote medicinal plants conservation, cultivation, trade and export.

Which of the statements given above is/are correct?

- (a) 1 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 1, 2 and 3

Answer: (d)

Explanation:

In order to promote the medicinal plants sector, the Government of India set up the National Medicinal Plants Board (NMPB) on 24th November 2000.

Statement 1 is correct: The board was established by a cabinet resolution. Hence, it is a non-statutory body.

Statement 2 is correct: The board works under the Ministry of AYUSH (Ayurveda, Yoga & Naturopathy, Unani, Siddha & Homoeopathy), Government of India.

Statement 3 is correct: The primary mandate of the board is to develop an appropriate mechanism for coordination between various stakeholders and implementation of support policies/programs for overall (conservation, cultivation, trade and export) growth of the medicinal plants sector.

4. Which of the following sectoral reforms as required by the Central Government, have been tied to the conditional borrowings by the States?
1. Ease of Doing Business reforms
 2. Power Sector reforms
 3. Environmental Reforms
 4. Tax collection reforms

Select the correct answer using the codes given below:

- (a) 1 and 2 only
- (b) 2 and 3 only
- (c) 1 and 3 only
- (d) 3 and 4 only

Answer: (a)

Explanation:

State Governments are supposed to work on the following four reforms in order to qualify to borrow additional funds:

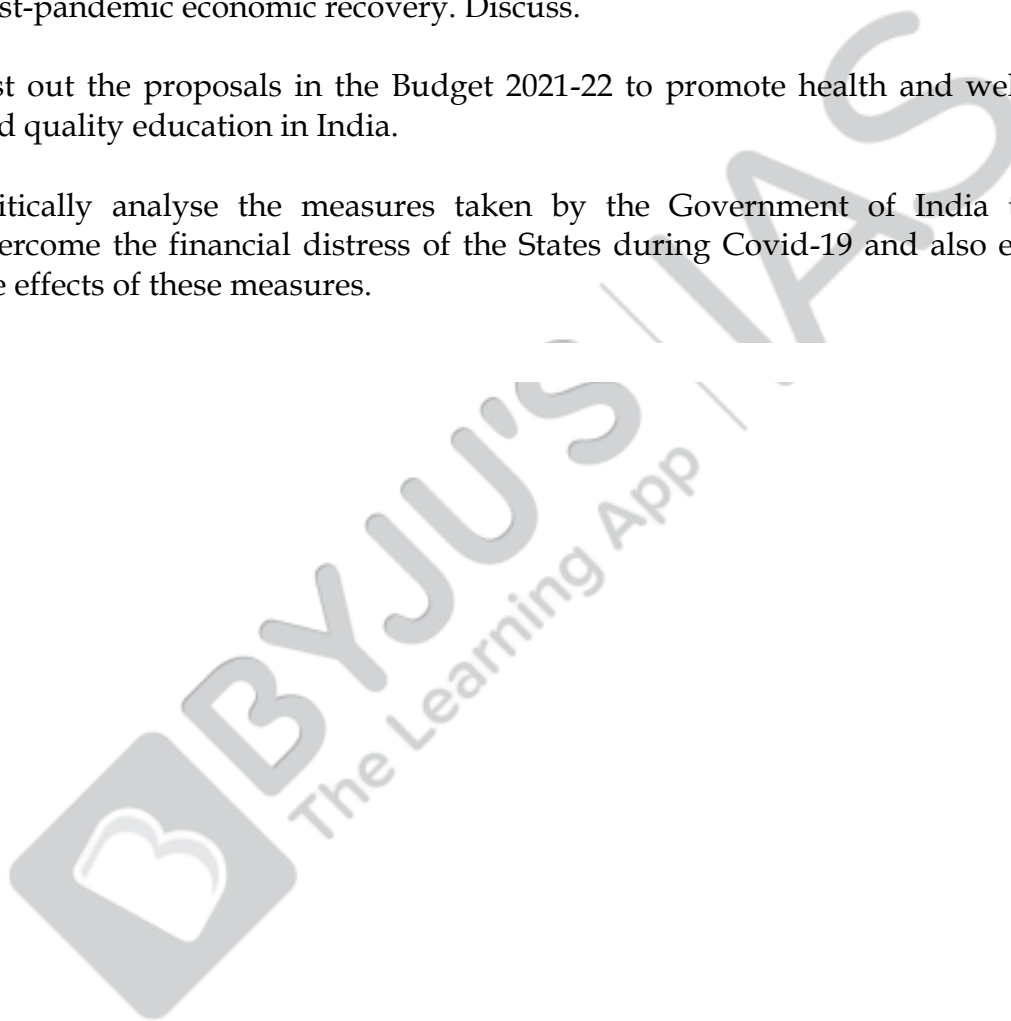
1. One Nation One Ration Card system
2. Ease of Doing Business reforms
3. Urban Local Bodies/Public Utility reforms
4. Power Sector reforms

Environmental Reforms and Tax collection reforms are not included in the criteria to qualify for additional borrowings.



7. SUBJECTIVE TYPE QUESTIONS

1. Examine the potential of agriculture-allied sectors that the government can tap into to address rural distress in India.
2. The Finance Commission is a balancing wheel of fiscal federalism. In this context, examine the challenges faced by the 15th Finance Commission and the manner in which it handled them.
3. The roles of both the government and private sectors need to be redefined for post-pandemic economic recovery. Discuss.
4. List out the proposals in the Budget 2021-22 to promote health and well being and quality education in India.
5. Critically analyse the measures taken by the Government of India to help overcome the financial distress of the States during Covid-19 and also examine the effects of these measures.



Congratulations to our toppers

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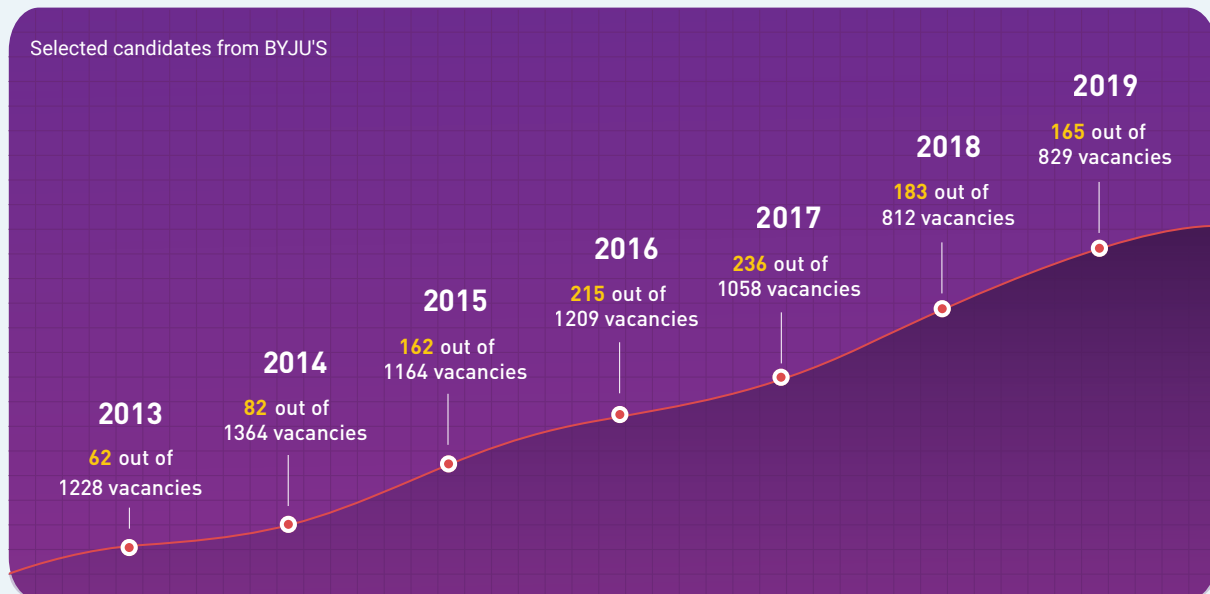
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