



**KURUKSHETRA**

**OJAANK IAS  
ACADEMY**

**AUGUST, 2022**

**WWW.OJAANKEDU.COM**

**8750711100/44**

# OJAANK IAS ACADEMY

## Our Selected Students in IAS 2020

Congratulations to Our Toppers

**01** Ranks in Top 10 | **10** Ranks in Top 50 | **26** Ranks in Top 100



**RANK 01**  
**SHRUTI SHARMA**



**RANK 58**  
**FAIZAN AHMED**



**RANK 96**  
**MINI SHUKLA**



**RANK 125**  
**MD. MANZAR HUSSAN ANJUM**



**RANK 133**  
**KISHLAY KUSHWAHA**



**RANK 176**  
**SHREYA SINGHAL**



**RANK 203**  
**MOHAMMAD AAQUIB**



**RANK 270**  
**HARIS SUMAIR**



**RANK 283**  
**AHMED HASANUZZAMAN CHAUDARY**



**RANK 389**  
**MOHIBULLAH ANSARI**



**RANK 447**  
**FAISAL RAZA**

## OJAANK IAS ACADEMY

CREATED HISTORY

**SHRUTI SHARMA**  
**AIR - 1**  
**UPSC 2021-2022**

**Pioneer Of Online Classes**

+91 - 8750711100/44  
[www.ojaankedu.com](http://www.ojaankedu.com)

**Now In Karol Bagh-** 18/4, 3<sup>rd</sup> Floor Opposite Aggarwal Sweet  
Near Gol Chakkar Old Rajinder Nagar Karol Bagh, New Delhi-110060



SHRUTI SHARMA (IAS TOPPER) WITH OJAANK SIR

ANDROID APP ON  
Google play

Download App  
OjaankEDU

## Promotion of Rural Industries For Employment & Prosperity

- 68.8 percent of the country's population and 72.4 percent of the workforce live in villages (Census 2011). Hence, rural India can be seen as a vast reservoir of human capital.
- Our goal is to bridge the gap between rural and urban India. The rural economy accounts for 46 percent of India's national income. Therefore, rural industrialization has an important role in the economic and social development of the country.
- All-round development of village economies and communities, poverty alleviation, bridging the gap between villages and cities and the achievement of the Sustainable Development Goals (SDGs) are directly linked to rural livelihoods and adequate employment for all.
- Businesses in rural areas are mainly focused on agriculture, forestry, handloom and small industries. Several ministries are running schemes to help various small and micro enterprises. These enterprises include enterprises in the non-farm, service and farming and allied sectors including social, small and cottage industries. These enterprises have the potential to utilize rural human resources in a more productive and sustainable manner.
- Many startup and entrepreneurship programs are being run at grass root level for rural development and empowerment of villages. Rural startups are a step towards self-reliant India, which will boost employment opportunities in villages.
- Industrialization in rural areas and ease of living for village communities is accelerating through digital inclusion and financial support through various government programs.
- There has been a significant increase in population in the last decade, especially in urban areas. In the year 2001, the rural population was 743 crore and the urban population was 286 crore. But in 2011 the rural population reached 833 million and the urban population reached 377 million (Census 2011). The share rates of men in the urban and rural workforce remained the same during this period. But the share of rural women turned out to be much higher than that of the city.
- The share of urban workforce in the year 2011-12 was 54.6 per cent for males and 14.7 per cent for females. On the other hand, the rate of share in the rural workforce was 54.3 per cent for males and 24.8 per cent for females. Therefore, better utilization of human resources, good wages and skill development in rural areas will lead to socio-economic empowerment and also stop migration from villages to cities.

## Classification of Rural Industries in India

- Along with the manufacture of goods of common use in industries, they also provide employment. Rural industries are non-agricultural activities dependent on the resources of the villages. Their main objective is to generate employment in rural areas using local resources, manpower and technologies. These are commonly known as small or village industries.
- Rural industries include khadi, village industries, handloom, handicrafts, sericulture, coconut and service industries located in villages. Agriculture and allied sectors are the main sources of livelihood in the villages and are associated with about 60 percent of the rural population.
- Rural as well as semi-rural areas will benefit from industrialization of villages. The establishment of small industries will create employment opportunities in non-farm activities. This will improve the standard of living of the rural population, eliminate poverty, reduce migration to cities, provide employment to farmers even after the farming season, increase women's participation and uplift the social status of village communities.
- Rural industries in India are divided into several categories on the basis of scale and main functions. In the Eighth Plan, industries have been divided into four groups for expansion and development in rural areas.

### Traditional Village Industries-

- Khadi, tannery, woodworking, crafts, cotton textiles, handlooms, powerlooms and textiles, handicrafts, coconut, sericulture and wool development, etc. Heavy industries – mini steel plants, fertilizer and pesticide plants using organic inputs and ancillary engineering undertakings, etc.

### medium industries-

- Small cement and paper plants using molasses or coal for energy, etc. Light industry – Plants that manufacture animal feed, sheds, nets, building materials such as door and window frames and roofing, and agricultural implements and machinery, etc.
- Rural industrialization will provide regular employment to more educated villagers. In addition, less educated villagers will get casual employment like daily wages and self-employment for entrepreneurs.

### Agriculture and allied sector: link between farmers and industries

- The growth rate of agriculture and allied industries in the year 2020-21 was 3.6 percent. Their share in Gross Value Added (GVA) was 18.8 per cent in the year 2021-22. Agriculture-related sectors, including animal husbandry, dairy and



fisheries, are playing an important role in the economy. His contribution to the overall development of the agriculture sector continues to grow (Economic Survey 2021-22).

- The compound annual growth rate (CAGR) of the cattle sector in the country at constant prices was 8.15 percent between 2014-15 and 2019-20. During the same period, the CAGR of milk, egg and meat production stood at 6.28 percent, 7.82 percent and 5.15 percent, respectively.
- Agriculture and allied sectors are the major sources of livelihood for the rural population. According to Census 2011, the rural population of India is 833 million. This is about 68 percent of the total population of the country.
- The growth rate of rural population was 12 percent between 2001 and 2011 and the number of villages increased by 2279. But due to migration of agricultural laborers from villages to cities, the share of the workforce in the agriculture sector declined from 58.2 per cent in 2001 to 54.6 per cent in 2011.
- This workforce includes both farmers and agricultural labourers. Most of the agricultural laborers are small and marginal farmers. They are migrating to cities for a variety of reasons including better employment opportunities in industry and services, increasing urbanization and low farm incomes (Ministry of Agriculture and Farmers Welfare, 2020). Therefore, there is a need to provide employment to the additional labor engaged in agriculture in the rural areas itself.
- Establishment of rural industries can achieve many development goals such as checking mass migration, structural changes and employment generation.
- Agricultural and non-farm based industries can check migration from villages to cities, apart from generating employment. The development of rural industries and agriculture complement each other. Agriculture and its related activities like fisheries, dairy, poultry and mining are known as priority sector.
- Secondary or manufacturing industries add value to the products of the primary sector. These include industries such as non-agriculture based, light and coconut fiber. The increase in the productivity of the agricultural sector will also give a boost to such industries.
- Rural enterprises can be owned by an informal organization of local or outside entrepreneurs, apart from large institutions in the government and private sector.
- Presently, about two-thirds of rural income comes from non-farm activities. Rural areas contribute more than half of the total value addition in India's manufacturing sector. These facts are contrary to the common perception of the dominance of agriculture in the rural economy.
- Building sustainable industrial linkages in rural areas is critical for the development of economies and creation of livelihood opportunities. Startup

mechanism and digitization will help farmers, weavers and handicraftsmen in rural areas to use technology to grow business.

- Assistance to startup institutions in agriculture and allied sectors through National Bank for Agriculture and Rural Development (NABARD) will boost development projects and investments in villages.

## Schemes for 'Make in India' and Promotion of Agriculture and Rural Enterprises

- Under the flagship program 'Make in India' being run as a mission of the Government of India, industrialization is being promoted. In order to encourage the participation of the villagers and especially the rural women at the grassroots level, several ministries have undertaken multi-sectoral schemes. Some of these schemes are as follows-

### Prime Minister's Employment Generation Program (PMEGP):

- PMEGP is a loan based subsidy scheme for setting up of new micro enterprises in rural and urban areas of the country through Khadi and Village Industries Commission (KVIC), State Khadi and Village Industries Boards (KVIBs) and District Industries Centers (DICs).
- The scheme is being implemented since 2008-09 and KVIC is the main agency at the national level for its implementation. The objective of this scheme is to create employment for migrant laborers and villagers by setting up micro enterprises, especially in agriculture and rural areas.
- Small farmers are being encouraged to set up cottage industries to increase their income through various schemes and programs under PMEGP.
- These farmers can set up many types of industries under these schemes and programs. These include industries such as food and fruit and vegetable processing, oil, jaggery and khandsari production, medicinal botanicals, beekeeping, small forest based small enterprises and handmade paper and fibre.

## Innovation, Rural Industry and Entrepreneurship Promotion

- Planning (Aspire): Technology and innovation are the major emerging areas for rural development. A network of technology and incubation centers is being created under 'Aspire' for entrepreneurship development in the agriculture industry.
- Also, startups are being promoted for innovation in this industry. This scheme was launched on March 18, 2015 and under it training and incubation support is also provided to the prospective entrepreneurs in agriculture and rural sector.

- The scheme encourages innovative business solutions for unmet societal needs and competition in the Micro, Small and Medium Enterprises (MSME) sector apart from facilitating district-level development.

### Startups: Catalysts of Entrepreneurship in Villages

- Startups can play a catalytic role in promoting rural industrialization. Keeping this fact in mind the Government of India has started the Startup India program. The objective of this program is to create a strong environment for nurturing innovation and startups in the country. Under this programme, the Department for Promotion of Industry and Internal Trade (DPIIT) recognizes various enterprises, including micro units, as startups.
- Initiatives under Startup India are inclusive and are implemented in all states, cities, towns and rural areas. In this program, eligible startup entities are provided benefits under the Startup India Seed Fund Scheme (SISFS) and Fund of Funds for Startups (FFS) scheme. They are also provided with facilities like ease of purchase, income tax exemption for three years, intellectual property protection, international assessment of Indian startup institutions and National Startup Awards.
- According to the 2022 data of the Ministry of Commerce and Industry, there must be at least one recognized startup from each state and union territory. About 50 per cent of the recognized startups are from tier II and III cities. The recognized startup organizations spread over 640 districts of the country have created more than seven lakh jobs.
- DPIIT has recognized startups in 56 different sectors. More than 4500 start-ups have been recognized in emerging technologies like Internet of Things (IoT), Robotics, Artificial Intelligence (AI) and Maenalytics.
- Agro-technology startup institutions are improving the agro-industry sector. At the same time, there is an increase in the efficiency of activities in agriculture and allied sectors. The Ministry of Agriculture and Farmers Welfare has launched several programs related to agricultural entrepreneurship. These include the Innovation and Agricultural Entrepreneurship Development Program, which was launched in 2018-19 under the Rashtriya Krishi Vikas Yojana (RKVY-RAFTAAR). Under this programme, technical and financial support is provided for nurturing the incubation environment.
- A total of 799 startups in agriculture and allied sectors have been assisted under the program, including agricultural technology startups.
- New projects and startups are supported from the National Agricultural Innovation Fund (NAIF), which was launched by the Indian Council of Agricultural Research (ICAR) in 2016-17.

- Under NAIF, 50 institutions have supported a total of 818 startups, including agricultural technology startups (Ministry of Agriculture and Farmers Welfare, 2021, Ministry of Agriculture and Farmers Welfare, 2022).
- A Startup Village Entrepreneurship Program (SVEP) has been launched under Deendayal Antyodaya Yojana-National Rural Livelihoods Mission (DAY-NRLM). Under this, assistance is given to rural women to set up enterprises at the village level in non-agricultural areas.

## Rural Women Empowerment

- The estimated share of women in the rural workforce is 24.8 percent. About 80 percent of the rural women workforce is engaged in agriculture and allied sectors.
- KVIC has run several schemes to improve the social and economic status of rural women and especially women below poverty line. KVIC's Khadi program has provided livelihood to 4.65 lakh persons of which more than 80 percent are women.
- Women entrepreneurs have been kept in a special category in the PMEGP scheme. They are given 25 percent subsidy in the city and 35 percent in the rural areas for setting up the project. About 37 per cent of the total projects set up under the scheme from the inception of PMEGP till 2020-21 are women.
- Rural women are involved in large numbers in the coconut fiber industry. Most of the coconut fiber units in the country are located in rural areas. About 80 percent of the workforce in this sector is women. Mahila Coir Yojana (MCY) has been launched to bring women into the mainstream of the coconut fiber industry.
- MCY is a skill development program exclusively for rural women handicraftsmen. Under MCY, rural women are trained in coconut fiber extraction and coir processing activities. This program has been implemented through Coir Board Training Centers especially in coconut growing areas.

## Food Processing Industries: Opportunities for the Rural Sector

- Food processing is a major source of employment and income for rural India. In terms of contribution to GDP, employment and investment, it is an important sector of the Indian economy.
- The government has launched schemes aimed at providing financial assistance for setting up and modernization of food processing units, infrastructure creation, research and development and human resource upgradation.
- Other steps have also been taken to promote the growth of the processed food sector. The Ministry of Food Processing Industries has launched Pradhan Mantri Kisan Sampada Yojana (PMKSY) from 2016-17. The purpose of this cover scheme of the central government is the development of the food processing sector.



- This scheme related to processing of agricultural products has helped in increasing the income of the farmers and about 34 lakh farmers have been benefitted by it. Under PMKSY-
  1. Mega Food Park,
  2. Integrated Cold Chain and Value Addition Infrastructure
  3. Creation and Expansion of Khama Processing and Preservation Capabilities
  4. Infrastructure for Agro Processing Clusters,
  5. Building Backward and Forward Linkages,
  6. Food Safety and Quality Guarantee,
  7. Human Resources and Institutions and
  8. Operation Green has been placed.
- The Ministry has approved 41 Mega Food Parks, 353 Cold Chain Projects, 63 Agro Processing Clusters, 292 Food Processing Units, 63 Backward and Forward Linkage Projects and six Operation Green Projects across the country under various schemes of PMKSY.
- The Ministry of Food Processing has launched another loan based subsidy package to promote rural industries under Atmanirbhar Bharat. It is known as Pradhan Mantri Micro Food Processing Undertaking Formalization Scheme (PMFME). Under this scheme, financial, technical and commercial assistance is provided through loan based subsidy allocation for setting up or upgradation of micro food processing enterprises.

## **Traditional Goods Industry: Promotion of Rural Craftsmen**

- Traditional industries have also become productive and competitive by climbing the ladder of development. A Scheme of Fund for Regeneration of Traditional Industries (SFURTI) scheme has been launched to recognize the talent, creativity and hard work of villagers in various sectors including food products, handicrafts, leather goods and Ayurvedic medicines. The plan focused on organizing traditional industries, craftsmen and small farmers into groups.
- The scheme provides them sustainable employment by making their products competitive through value addition. SFURTI has catalysed change in traditional industries like bamboo, honey and khadi. Various elements of the scheme include design development training and product diversification and promotion of linkages with e-commerce portals.
- It enables traditional industry and artisan groups to meet market demand and be profitable in a sustainable manner. Village Industries Development Scheme focuses on the development of village based industries. The two major components of this scheme are the Honey Mission (Beekeeping Program) and the Potters Empowerment Program.

## **Agriculture Allied Sectors-Animal Husbandry, Dairying and Fisheries: Industries of the Future**

- India is the largest milk producing country in the world. Dairy sector contributes 65 to 70 per cent of cattle GVA. The annual growth rate of milk production in the country has been 6.4 percent (CAGR) in the last five years. Eight crore farmers are directly associated with the dairy industry. Considering the socio-economic importance of this area, the government gives it high priority.
- Cattle sector provides a definite source of income to the farming families. About 15 per cent of the average monthly income of these households comes from the cattle sector. The annual growth rate (CAGR) of the cattle sector has been 8.15 per cent in the five years till 2019-20.
- The Prime Minister has announced Rs 15000 crore Animal Husbandry Infrastructure Development Fund (AHIDF) under the Atmanirbhar Bharat Abhiyan incentive package with the aim of promoting the cattle sector and making dairy more profitable. Under this scheme of the central government, subsidy on interest is given. It aims to encourage investment from private sector and MSMEs in dairy, meat processing and animal feed plants which can generate 35 lakh jobs.
- The central government announced a special cattle sector package of Rs 9800 crore in 2021-22. It aims to garner an investment of Rs 54,618 crore over five years for the sector.

### **For this, the Animal Husbandry Department has divided all its schemes into three sections –**

1. Development Program - In this, Rashtriya Gokul Mission, National Dairy Development Program (NPDD), National Cattle Mission (NLM) and Cattle Census and Integrated Sample Survey (LC&ISS) have been kept as sub plans
  2. Disease Control Program - Its new name is Cattle Health and Disease Control Program. This includes the Cattle Health and Disease Control Plan and the National Animal Disease Control Program.
  3. Infrastructure Development Fund- In this, Animal Husbandry Infrastructure Development Fund, Dairy Infrastructure Development Fund and scheme to assist dairy cooperatives and farmer producer organizations engaged in dairy activities have been integrated.
- India ranks second in the world in fish production. The share of India in the global production of fish is 7.56 percent. The fisheries sector provides employment to 1.45 crore persons. This provides livelihood to 2.8 crore fishermen of the country.
  - Several schemes like Pradhan Mantri Matsya Sampada Yojana (PMMSY), Fisheries Infrastructure Development Fund (FIDF), Kisan Credit Card (KCC) and Startup

Challenges have been run to promote fisheries. These plans strengthen the value chain, including infrastructure, modernisation, traceability, production, productivity, post-management and quality control.

- Villagers have been doing poultry farming since time immemorial. The Department of Animal Husbandry and Dairying has undertaken several programs for providing financial assistance to the poultry sector and for modernization, entrepreneurship development and employment generation. These include Rural Backyard Poultry Development Programme, Innovative Poultry Productivity Program and Poultry Venture Capital Fund.
- Components of Breeder Farm Entrepreneur and Fodder Entrepreneur under National Cattle Mission and Rashtriya Gokul Mission are also included. These create livelihood opportunities for unemployed youth and livestock farmers.

## **Digital Inclusion: Empowerment and Industrialization of Rural Population**

- Technology plays an important role in change. Keeping this fact in mind the Government of India launched the Digital India campaign in 2015. It was aimed at ensuring advanced online infrastructure and internet connectivity in the country. Successful technology-driven programs include Make in India, Startup India, Smart Cities, e-NAM, e-Visa, One Nation One Ration Card and digital payments.
- Digital inclusion at the village level can transform the lives of rural communities. That's why the government has started Pradhan Mantri Gramin Digital Saksharta Abhiyan from 2017. Under this scheme, digital literacy is to be provided to six crore villagers across the country.
- Public service centers operating in villages apart from providing services to the villagers also create digital infrastructure in rural areas. In this way, these villages are being transformed into digital villages with connectivity. Internet has reached remote areas through 2.5 lakh CSCs. With this the campaign of 100% digital literacy is being completed in all the digital villages.

---

## **Changing nature of rural industries**

---

- Agriculture and allied sectors have been an integral and important part of the rural development process - contributing to national development as well as improving the quality of life and economic welfare of the villagers.
- Agriculture contributed more than 50 percent to India's gross domestic product (GDP) in the 1950s and employed more than 70 percent of the Indian workforce. Gradually, the contribution of agriculture to GDP started declining and reached 18.4 per cent in 2019-20. The percentage of the labor force employed also fell, but the

decline was not as sharp as it was for the contribution to GDP – 46.5 percent of the labor force in India was employed in agriculture in 2019-20.

- Trends and employment shows that despite substantial labor force participation, the agriculture sector has not grown much. The challenges of underemployment, disguised unemployment and seasonal employment continue to be major issues of labor force in the agriculture sector along with other issues such as lack of sustainable investment, easy credit availability, climate related uncertainties, market access etc. While these are important issues that need to be addressed, on the other hand, there have been more focused policy efforts by the government which are as follows:
  1. Promoting jobs in the MSME sector and digital services economy in rural areas and
  2. To create self-employment opportunities through rural entrepreneurship.

### history of industrialization

- Rural industrialization has been a high priority area for policy makers since independence. The focus has been on small industries because small industries with the potential for equitable distribution of national income were considered as a means of facilitating the transition from a traditional and labor-intensive agricultural economy to an industrial economy. This inclination can be seen from the Industrial Policy Resolution 1948 itself.
- According to this, cottage and small scale industries have a very important role in the national economy. They offer possibilities for individual, rural or cooperative enterprise and are a means of rehabilitation of displaced persons.
- These industries are particularly well suited to make better use of local resources and achieve local self-sufficiency in certain types of essential consumer goods such as food, textiles and agricultural equipment.
- Several emporiums and sales depots for handloom, handicrafts and village industries were set up during the first plan period. The Industrial Policy Resolution of 1956 can be seen as a milestone in the development of agriculture and rural industries. Parliament through a resolution in 1954 declared the socialist pattern of society as its social and economic policy.
- The then Planning Commission of India submitted the report of the 'Village and Small Industries (Second Five Year Plan) Committee' commonly known as the report of the Karve Committee in 1955. The report identified challenges related to excessive centralization of economic activity and the transition from protection to development of small scale industries.
- Extension of rural electrification, electricity at low prices, organization of industrial cooperatives, prevention of technical unemployment as well as technological advancement in the methods of production were some of the

major focus areas. Thus a transition from conservation to development can be seen.

- The next two decades were focused on improving the competitiveness of rural and small scale industries. The Third Five Year Plan focused on positive measures such as improving skills, supplying technical advice, better equipment and loans and subsidies, sales discounts and progressively reducing the role of safe markets.
- The main thrust of the new industrial policy will be to effectively promote cottage and small scale industries spread widely in rural areas and small towns. The policy of the government is that whatever can be produced by small and cottage industries, that much must be produced.
- The number of items identified for small scale industries was increased to 504. District Industries Center (DIC) was established to cater all the services and requirements required by the small and rural entrepreneurs under one roof. The IPR 1977 classified the small scale industry into three major categories:
  1. Cottage and home industries provide self-employment on a large scale.
  2. Very small area having investment of up to one lakh rupees in plant and machinery of industrial units and which are located in cities with population less than 50,000 as per 1971 census.
  3. Small scale industries with an investment of up to Rs 10 lakh in industrial units and up to Rs 15 lakh in ancillary units After that the IPRs of 1980 and 1990 increased these investment limits to aid the development of small scale industries.
- Small Industries Development Bank of India (SIDBI) was established in 1990 to ensure adequate and timely credit facilities to small scale industries.
- Abolition of license was introduced in case of 100% Export Oriented Units (EOUs) set up in Export Processing Zones (EPZs). The focus of IPR shifted towards helping small scale industries to become self-reliant while providing much needed protection.
- Comprehensive Policy Package for Small and Micro Sector, 2000 and Industrial Policy Package for Small Scale Industries, 2001-02 led to increase in investment limits, support in credit flow and continued marketing efforts for small scale industries. However, the notable change has been the Micro, Small and Medium Enterprises Development (MSMED) Act of 2006. MSMEs have been called the 'Engine of Growth'.



## **The Government is implementing the following schemes to bring rural industries under the ambit of 'Make in India' programme:**

### **Prime Minister's Employment Generation Program (PMEGP)**

- It is a credit through Khadi and Village Industries Commission (KVIC), State Khadi and Village Industries Board (KVIB) and District Industries Center (DIC) for setting up of new micro enterprises and generating employment opportunities in rural and urban areas of the country. Linked subsidy scheme.

### **Scheme of Fund for Upgradation and Reconstruction of Traditional Industries (SFURTI)**

- This scheme was launched in 2005-06 to make traditional industries more productive and competitive by organizing traditional industries and artisans into clusters.

### **Innovation, Rural Industry and Entrepreneurship Promotion Scheme (ASPIRE):**

- The scheme was launched on March 18, 2015 to promote innovation and rural entrepreneurship through Rural Livelihood Business Incubator (LBI), Technology Business Incubator (TBI) and Fund of Funds for Startup Creation in Agro-based Industry .

### **Standup India Scheme:**

- The scheme is to provide composite loans of Rs.10 lakh to Rs.100 lakh by SC/ST and women entrepreneurs for setting up greenfield enterprises in non-farm sector.
- Though these schemes have contributed immensely to the development of micro entrepreneurs in the country, the recent immense advancement in technology and startup revolution has given rise to a range of innovative agri-technology businesses and rural entrepreneurial ventures in the digital service economy.

### **Startup revolution and limitless technological advancement**

- By budding entrepreneurs and tech savvy farmers and new age farmer organizations, relevant issues of rural economy and agriculture in particular, such as credit availability, realization of remunerative prices, storage facilities, marketing challenges and forward linkages, are commercialized for commercial purposes. taken as problems.
- There are agriculture startups that provide proactive (smart) solutions across the value chain of agriculture - from online marketplaces for farm machinery, seeds and fertilizers to advisory platforms for government schemes and benefits, from smart

water and electricity efficiency solutions to produce for storage and market availability etc.

- Similar startups have come up for workmanship. Most of these innovations are based on the pillars of Digital India and JAM Trinity (Jan Dhan-Aadhaar-Mobile) initiated by the Government of India.
- NITI Aayog has taken a major step forward in promoting rural entrepreneurship by decentralizing incubation centers by leveraging the expertise of the private sector. Under Atal Innovation Mission (Innovation), Atal Community Innovation Centers (ACICs) have been set up to nurture high growth and employment generating startups across the country.
- ACIC is envisaged to work in the interest of the neglected/ underserved areas of the country in the context of startup and innovation ecosystem. ACIC considered it important to reach and give equal opportunities to the innovators at the bottom of the pyramid, especially by reducing the distance from the laboratory to the fields and creating space for pre-incubation of plans/solutions.
- Appreciating the spirit of 'thrift' that has been ingrained in Indian communities, ACIC aims to create a formal approach to explore and promote these innovations based on a solution-centred design approach and which is known as Public-Private Partnership (PPP). Get model support.
- ACIC promotes grassroots innovation that relates to products and services that stem from innovations created at the bottom of the pyramid, those from economically disadvantaged sections and socially excluded areas .
- ACIC also runs a Community Innovator Fellowship (CIF) program in collaboration with United Nations Development Program (UNDP) India. It aims to provide aspiring community innovators with the necessary infrastructure and knowledge in their entrepreneurial journey.

### **digital service economy**

- The scheme is based on a public-private partnership model with viability gap funding provided by the government. The scheme provides financial assistance up to 50 per cent of the expenditure incurred on permissible items, with an upper limit of Rs 1 lakh per BPO/ITES seat with an additional 5 per cent incentive to employ 50 per cent women and 75 per cent women employment. Includes 7.5 percent incentive to give.
- Digital marketing with the expansion of e-commerce, delivery services, warehousing services and market access has opened up immense opportunities in the rural economy. However, the benefits of technology based enterprises can be fully optimized provided we have digitally proficient and tech savvy customers and micro entrepreneurs in the service sector in future.

## implications for the education sector

- The National Policy on Education (NEP) 2020 has given a lot of focus on building basic literacy and numeracy skills among children. Therefore the Government of India has launched 'Nipun Bharat Yojana' in mission mode to achieve basic literacy and numeracy for children by 2026-27.
- NEP 2020 has given equal emphasis on imparting digital skills, vocational training and entrepreneurship training both at school level and university level and have considered these activities as an integral part of the curriculum. However, the actual implementation is not as fast as the Nipun Bharat Mission.
- There is an urgent need to develop suitable curricula on entrepreneurship, contextualize the existing National Skill Qualification Framework (NSQF) curriculum for skill development at school level from class VI onwards and universalize digital skills training in all schools.
- Atal Tinkering Lab (ATL) of NITI Aayog has prepared a curriculum and a handbook for school students on entrepreneurship. The students have used the training on Design Thinking acquired at ATL to generate product suggestions which were carried forward with the help of Atal Incubation Center (AIC).
- Students from rural India can bring about massive change in their communities, in the country and globally only through the right skills and mindset. Our education system must facilitate such training as an integral part of the curriculum.

---

## Rural Industries, Entrepreneurship and Infrastructure

---

- The government has laid emphasis on entrepreneurship, conducive environment, employment and exports, among other efforts to revive the economy. The announcements made in this regard underscore the need for coordinated and focused policy interventions to strengthen industrialization in India.

## Industry and Entrepreneurship

- More than two-thirds of India's population lives in rural areas. MSMEs provide maximum employment after agriculture. According to a government survey report released in 2017 about 11.13 crore Indians are engaged in non-farm and unincorporated enterprises. Of these, 45 percent are in rural areas. Therefore, entrepreneurship development is important for preventing rural to urban migration apart from expanding rural industrialization and generating employment.
- Smaller enterprises suffered relatively more during the global pandemic. Therefore, with the aim of benefiting them, many announcements have been made in the last

two years. These include review of the definition of MSMEs, introduction of new schemes and improvements to existing ones and announcements related to entrepreneurship development.

- Announcements related to increasing access to credit, markets and grievance redressal mechanisms, strengthening procurement and marketing, protecting small enterprises from global competition, promoting skill and technological up-gradation and inclusive growth.
- The distinction between the definitions of manufacturing and services was removed in 2020 to bring a large number of enterprises under the ambit of MSMEs. The investment limit for enterprises falling under the definition of MSME was also increased manifold. The new definition also includes the total revenue of the enterprises.
- MSMEs become eligible to access priority sector credit. Micro and Small Enterprises (MSEs) also get the benefit of Public Procurement Policy Order 2012 issued for them. It has been amended several times to improve this order. It has been said in the order that the ministries, departments and central public sector undertakings will buy 25 percent of their annual purchases from MSEs.
- Some new schemes have been launched to address issues related to credit and market access, strengthening of institutional governance and promoting innovation. The Emergency Credit Guarantee Scheme was launched in 2020. The amount of this scheme has been increased to Rs 5,00,000 crore.
- Raising and Accelerating MSME Performance Wrap program has been launched to strengthen and accelerate growth of Micro, Small and Medium Enterprises in the current financial year. The Capacity Building Scheme for Exporters (CBFTE) is also aimed at promoting MSMEs.
- The ramp is aimed at increasing credit and market access, strengthening institutions at the central and state level, and addressing the problem of delayed payments to MSEs. CBFTE helps MSMEs going for exports to get financial assistance and get certification.
- Going Online as Leader (GOAL) 2.0 program launched in June 2022 to strengthen efforts for inclusive growth. Under this program, digital skill upgradation of 10 lakh tribal youth will be done. This will encourage entrepreneurship among tribal communities and open up opportunities for them through the use of digital technology.
- Prime Minister's Employment Generation Program (PMEGP) has been made more inclusive. The objectives of PMEGP include supporting traditional handicrafts besides creating sustainable and sustainable employment opportunities for rural and

unemployed youth. In this way, it will help in preventing migration from villages to cities for employment.

- India has tied up with many countries in the field of industries and advanced technologies, which will benefit the country's entrepreneurs. Indian entrepreneurs will also benefit from agreements with the United Arab Emirates and Singapore and India-Sweden transit talks. The industrial sector is growing again after recovering from the global pandemic.
- The Index of Industrial Production has registered a growth of 7.1 percent in April, 2022 as compared to 2.2 percent in March, 2021. The index of eight core industries also showed an increase of 18 per cent in May 2022 as compared to May 2021. MSEs have benefited immensely from the Public Procurement Policy Order, 2012.

## infrastructure

- Production based incentive scheme for industries and emphasis on physical and digital infrastructure have proved to be concrete steps towards accelerating the revival of the economy. The development of the industrial and service sectors strengthens each other. The development of both these sectors has led to an increase in the consumption of electricity and fuel. An efficient infrastructure system provides essential connectivity and access to raw materials, markets and entrepreneurship opportunities.
- There is, therefore, a need for synergy between the development of industries and infrastructure strengthening, especially in industrial centres. Several steps have been taken in this direction. Indian Railways' capital expenditure has increased five-fold between 2014 and 2021. The average of road construction per day also increased from 28 kms in 2019-20 to 36.5 kms in 2020-21. In addition, structural reforms in the telecom sector are also noteworthy.
- Recently, announcements have been made for construction of a new greenfield airport in Rajkot and decongestion in cities like Bangalore through rail, road, metro, underpass and flyover. Such projects solve the specific problems of developing and emerging industrial centers by cutting down on the time and cost of logistics.
- These initiatives also give impetus to PM Gati Shakti announced in the Union Budget for 2022-23. The seven modes emphasized in PM Gati Shakti are roads, railways, airports, ports, public transport, waterways and logistics infrastructure. These will be bolstered by the efforts of the Central and State Governments as well as the private sector in power transmission, information technology, communication, drinking water and sewerage systems, social infrastructure, clean energy.
- The areas covered in PM Gati Shakti are wide and will provide opportunities for entrepreneurship. All these interventions resulted in real Gross Domestic Product



(GDP) growth rate to 8.7 per cent in 2021-22. This is 1.5 percent higher than the real GDP growth rate of 2019-20 before the global pandemic.

- Real GDP growth in the fourth quarter was higher in the financial year 2021-22 as compared to the third quarter. With the increase in the pace of development, there has been a communication of hope. Blocked demand is likely to increase further, especially in rural areas. The government's focused fiscal and monetary policies have been able to ensure equilibrium by removing supply constraints.

### employment

- The total workforce of the country is about 47 crores, out of which 81 percent workers are in the unorganized sector. It cannot be denied that the global pandemic, lockdown and halt of economic activities have had a severe impact on employment. This effect is more visible in the manufacturing sector than in the service sector.
- The total employment in the 9 non-farm sectors of the economy increased to 3.10 crore as per the second round of QES (July-September, 2021) estimates. In the first round (April-June, 2021), this number was 3.08 crores.
- According to the quarterly report of the Periodic Labor Force Survey, the unemployment rate for both men and women in urban areas declined in the second quarter compared to the first in 2021. These are indicative of the positive results of multidisciplinary approaches to economic growth, job creation and formalization of the labor market.
- The new broad definition of MSME is based on investment and revenue in plant and machinery and equipment. Within two years of adoption of this definition, as on July 6, 2022, more than 95.34 lakh enterprises have registered on the Enterprise Registration Portal to come under the MSME purview.
- These enterprises which have registered for availing the benefits to MSMEs include street vendors apart from retail and wholesale traders.
- In the total 95.15 lakh MSMEs in the country, 7.4 crore workers are employed, of which 1.7 crore (23 per cent) are women. This growing number of workers will be greatly benefited by the proposed integration of enterprise registration portal with e-shram, National Career Service (NCS) and self-reliant skilled worker-employer mapping (Aseem) portals.
- The foundation of the Enterprise Registration Portal is the data on Income Tax Return and GST Number. The e-Shram portal is a database focused database of unorganized workers. NCS and limitless labor force balance the supply with the demand.
- Entrepreneurship is encouraged through training and skill development. Keeping this in mind, Entrepreneurship Skill Development Program has been launched. Through this, entrepreneurship training is being imparted to the prospective and

**existing entrepreneurs. The Ministry of Heavy Industries and the Ministry of Skill Development and Entrepreneurship have recently entered into an agreement for necessary skill development training in the capital goods sector.**

## **export**

- Rising level of FDelhi exports is a sign of the economy returning to the growth track. With the recovery of global demand, the level of exports in 2021-22 stood at 113 percent compared to 2019-20.
- The total export of goods and services stood at US\$ 62.21 billion in May 2022. This is 24 per cent more than in May, 2021. But the import growth rate in the same month this year was much faster at 59 percent as compared to May, 2021.
- The contribution of industrial goods products in exports increased from 86 percent in 2020-21 to 89 percent in 2021-22. The largest growth in exports was in engineering materials, petroleum products and electronic goods. About half of the commodity exports came from the MSME sector.
- In the new definition of MSME that has been adopted from 2020, export figures are deducted from the total business for classification of micro, small or medium enterprises. It is clear from this that the government is emphasizing on increasing exports.

## **way ahead**

- As a result of positive interventions, GDP figures have reached pre-global levels. Concerted efforts are needed to make these interventions effective and effective. There is a need to bring more and more entrepreneurs and especially rural MSMEs under the formal ambit.
- Any enterprise can take advantage of government schemes after getting MSME status. Undoubtedly, the total annual procurement from MSEs has been 10 percentage points higher than the 25 per cent requirement. But the annual procurement from Scheduled Castes and Scheduled Tribes-owned MSEs (0.82 per cent) and women's MSEs (1.10 per cent) is much less than the mandated four per cent and three per cent, respectively.
- There is a need to increase reliance on digital interventions while responding to the demands of the post-pandemic world. For this access to the digital world should be ensured. Strong infrastructure, especially in rural areas, enhances the impact of industrial development.

## Growing Agribusiness Opportunities

- That form of agriculture in India in which only two pairs of bullocks used to be the companion of the farmer looking at the clouds, is now a past. Agriculture has come a long way in the journey of modernity and this journey continues. From the time of sowing to the selection of crops, the farmer is no longer dependent only on the estimates of the Meteorological Department, nor does he look only to the moneylenders to sell his crops.
- The nature of agriculture has changed very rapidly in the last two decades and there are many factors including technology, whose role has become very important in the crop rotation. The special thing is that a huge infrastructure has been created in the field of manufacturing and services to integrate these elements in agriculture, which has created opportunities for large scale entrepreneurs.
- These infrastructure and these opportunities are growing continuously and are also generating lakhs of jobs with a net worth of thousands of crores. Business opportunities related to and dependent on agriculture are known as agribusiness or agri business.
- Hundreds of youth have started their own ventures, which are called agri startups, in the last decade to take advantage of the opportunities present in the agriculture business. According to a report by Entrackr, from January 2020 to June 2022, around 100 agri startups in India have raised \$133 million through 139 deals.

### agricultural business before sowing

- Rainfall forecast for the farmer in India still remains an enigma and most of the services and facilities available in this area are either government or extension services. In other words, it has not yet been converted into a business opportunity. The same situation prevails in the selection of crops for sowing.
- Most companies that are in the pre-harvest business offer this advice as a free service to engage farmers. It also depends to a great extent on the condition of the rain, like the farmers of Rajasthan plant crops like moth, moong in case of good rains, but if the rain is less then they sow guar. In traditional farming, farmers usually know which crop they have to plant in how much rain.

### After sowing and before harvesting

- This is the most important stage for the farmer in terms of crop production. The needs of the farmer in this stage are many and each of these needs has emerged as a comprehensive agricultural business:

### Input Supply:

- In the cultivation of any crop, apart from seeds, there are mainly two inputs - fertilizers and pesticides. Both of these are required by the farmer right after sowing to just before harvesting. By the year 2020, the market for pesticides in India was Rs 23,200 crore.
- Big multinational companies are in this sector. But in recent times, with the entry of small companies into it, the input supply agri business has become a unique and huge market. These small companies in the form of agri startups, like seeds, also deliver fertilizers and pesticides to the farmers. But these opportunities do not end here.
- The use of fertilizers and pesticides requires a lot of time and labor for the farmers, which increases their expenditure significantly. The role of technology in reducing the number of workers is very important and this is where agricultural technology and mechanization become important. Both of them are costly instruments and are emerging as major centers of agriculture business.

### Smart Agriculture:

- There are many techniques in the market for irrigation, whose importance is increasing as the ground water level goes down. These include drip irrigation, sprinklers, etc. Combining irrigation with the use of fertilizers and pesticides gives birth to smart agriculture.
- Smart Agriculture is completely AI based farming, in which the farmer connects the pump to the water source and the computer program is fed on time. At fixed times of the day, the pump automatically turns on and releases fixed amount of water on the crops.
- Fixed amount of fertilizers and pesticides are also added to the water automatically at the pump location. This leads to the use of precise amounts of fertilizers and pesticides, and at the same time, reduces the pollution of soil and groundwater. Developing Smart Agriculture System is one of the best agriculture business, in which many companies provide 360 degree solution.

### Satellite mapping:

- After sowing, a big challenge for the farmers is to know when to use which fertilizer or how much manure to use, when and how much water to give. These are the information with which the farmer can not only reduce his cost but can also register a big increase in production.
- This is also a big agriculture business in itself, for which many companies provide services to the farmers. In this, the company maps the boundaries of the farmers' fields with satellite and then every such field is monitored sitting away from its headquarters.

- By analyzing the heat and gas emanating from the soil of the fields, scientists find out how much sodium, potassium, ammonia etc. is in the soil, how much moisture is there and thus they can advise the farmers about essential nutrients in real time. able to give

### Custom Hiring Center:

- 86 percent of the farmers in the country have two and a half acres or less of land. In such a situation, when it comes to the use of machines like tractor, rotavator, harvester, seed planter, weed remover etc. in the fields, then it is not possible for them to buy these machines. In such a situation, Custom Hiring Center is a growing business. In this, a single company buys all the big machines and keeps them in the CHC. Farmers rent those machines by the hour.

### post harvest agribusiness

- Millions of tonnes of agricultural produce is produced in the country. It has to go through several stages from the fields to the consumers and each stage creates opportunities for agribusiness.
- According to government data, usually the government is unable to procure more than 8 percent of the produce on the Minimum Support Price (MSP). That is, the rest of the goods reach the consumers through private traders, transporters, processors and retailers. But the most sensitive and important step in this is the agri marketing done by the farmer i.e. the sale of agricultural produce.
- When it is the time of harvesting for any crop, that time the mandis have maximum arrivals. Naturally, that is the time when the price of that particular produce falls the most.
- Every farmer knows that the price of his produce will increase again in 3-4 months, but he does not have the ability to stop the crop. There are two reasons for this, first that he has taken a loan from moneylender or arhtiya at high interest rate to meet the cost of the crop and other household chores, which he has to pay and secondly that he has to pay the cost of keeping the crop. And don't want to take the risk.

### Cleaning and Grading:

- The farmer takes his produce from the field and takes it to the market. Apart from the mandis where there are strong farmers or where the Farmer Producer Organization (FPO) is working, many times the farmers take their crops directly to the processor or miller.
- Farmers also have the third option to tie up with big companies like ITC, Adani, Reliance Fresh and apart from all this, farmers associated with FPOs can also sell their produce using the futures market.



- The quality of the produce is an essential condition for selling on the futures market and it has to pass certain standards. But the quality of the produce is also very important in all the other three options, because on that basis the price of the produce is decided.
- Studies prove that if the farmer cleans and grading the produce before taking it to the buyer, then his income can easily increase by 20-40 percent. But because small farmers do not have expensive cleaning and grading machines, this is where agribusiness opportunities lie.

### Warehousing:

- Production of any crop occurs during two months, but its supply is required for 12 months. If the system of warehousing is not proper, then a part of the production is lost and the inflation of agricultural products starts increasing. Therefore, warehouses form a very important part of the agricultural economy of the country.
- The agricultural produce used for trading in the futures market is required to be kept in WDRA approved warehouse. By building good warehouses according to the set standards at small scales, helping farmers and FPOs can earn good income.

### Financing:

- Timely loan facility is most important for the farmer. Although the government has made arrangements to give loans to farmers through many schemes, but the need for compliance for banks and other government institutions is so high that practically it takes a lot of time for farmers and FPOs to get loans. Therefore, there is a huge opportunity for private companies and entrepreneurs in this sector.
- Microfinance companies usually give loans to farmers and FPOs at 16-22 percent per annum. Since the average ticket size of this loan is up to Rs 10,000, it is easy to manage and there is no chance of going bad (NPA).
- ENWR (Electronic Negotiable Warehousing Receipt) is issued to the depositor for agricultural produce stored in WDRA accredited warehouse, which was started in 2017. Financing of up to 70 per cent of the market value of the produce stored in the warehouse can be done on the basis of ENWR.
- Apart from agriculture, there are immense possibilities of business in allied sectors. Every sector like fisheries, shrimp farming, dairy, poultry etc. has been registering growth at twice the rate of agriculture in the last few years and all of them have business opportunities from fodder to their marketing.

### drone technology

- Drone technology is the most advanced technology, which has emerged as a huge business opportunity. On February 19 this year, the Prime Minister gave a big

impetus to the use of this technology in the agriculture sector through the Kisan Drone Yatra.

- According to a recent research, the global market for drones in agriculture will grow by 35.9 percent to \$5.7 billion by 2025. In India too, it is expected to grow at a tremendous pace, sensing that more than 200 companies have come into drone manufacturing. These drones are extremely useful and can spray an acre in just 6 minutes.
- Soon after the Prime Minister's drone visit, the government has also announced a comprehensive subsidy scheme for the purchase of drones. Under this, agricultural institutions such as Farm Machinery Training and Testing Institutes, ICAR Institutes, Krishi Vigyan Kendras and State Agricultural Universities will be given a subsidy of 100 percent of its cost or Rs 10 lakh, whichever is less, for the purchase of drones.
- This subsidy will be 75 percent for Farmer Produce Organizations (FPOs). For SC/ST individuals, small and marginal and women farmers of northeastern states, the Agriculture Ministry is giving a subsidy of 50 percent or up to a maximum of Rs 5 lakh on the purchase of drones, while for other farmers 40 percent or a maximum of Rs 4 lakh. grant will be given. Not only this, the government will also create an emergency fund at Rs 6000 per hectare to assist in getting drones on rent from the custom hiring sector.

---

## **Food Processing & Value Addition**

---

- Today India is moving from 'food security' to nutritional security. Due to the development of agricultural research and technology, at present our country has become self-sufficient in the production of food crops. As a result the country has also been able to export food crops. At the same time, there is a need to consider reducing imports from various countries to reduce the trade deficit.
- As a result of research and innovation of agricultural scientists, the country is making continuous progress in the field of food grains, fruit and vegetable production and milk and milk products, which can be credited to the hard work and dedication of the scientists, policy makers and farmers of the country. Today, the identity of India has become from an 'importing country' to an 'exporting country'.
- The country's share in the production of fruits and vegetables in the world is 12 percent, which is targeted to be increased to 20 percent. For this we need to adopt the best technology and methods of the world. There will be development in agriculture and rural sector by creating balance in farming and increasing the income of farmers, increasing the quality of produce, using new technologies and attracting small and marginal farmers towards food processing and value addition.

- The current level of food processing in India is 10 percent. There is an urgent need to increase it so that the income of the farmers can be increased. In the changing environment, the food processing industry can be called the 'engine of growth of the Indian economy'. The food processing sector of India is one of the largest in the world. Its market is expected to reach \$535 billion by the year 2025-26.
- Despite the Corona epidemic, the country has joined the top 10 countries of the world in terms of exports for the first time. In order to promote food and nutritional security in future, efficient and integrated systems of food processing and value addition and distribution need to be developed and adopted so as to meet the changing food needs of the country.
- India is the largest producer of spices, pulses, milk, tea, cashew, mango, banana and jute globally. It is also the second largest producer of wheat, rice, fruits and vegetables, sugarcane, cotton and oilseeds. The production of spices has increased by more than 60 percent in the last seven years and has crossed 10 million tonnes.
- Today, despite sufficient production of cereals, fruits and vegetables and milk in the country, storage and handling of these food items is a matter of serious concern as all these food items are perishable. They cannot be preserved for long. The number and capacity of cold storages and warehouses in the country is also inadequate in comparison to production.
- According to the Food and Agriculture Organization, 40 percent of the food wastage in India goes to small farmers, because these people do not have cold storage and cold chain facilities. The impact of this food wastage is falling on the resources of our country mainly land, water and energy.
- Furthermore, the biggest challenge facing the Indian economy today due to the Corona pandemic is to create quality employment. In such circumstances, food processing and value addition can play an important role in creating employment opportunities in rural areas, increasing exports of agricultural products, increasing farmers' income, and preventing food wastage.

### **Current status and challenges of food processing**

- At present only about one tenth of Indian agricultural products are being processed. The Ministry of Food Processing aims to triple this from the current level.
- Due to lack of processing, storage and transportation facilities in many areas, fruits and vegetables worth thousands of crores of rupees are wasted every year in the country. According to an estimate, this wastage of fruits and vegetables makes up to 50 percent of the total production.
- Our country lacks technical knowledge and skills in food processing. India is the second largest producer of fruits and vegetables in the world. But we are able to process only 3%. We account for only one to 1.5 percent of the world's processed

food market. The reason is that industrialization of fruits and vegetables has not happened in our country till date.

## Government Initiatives and Schemes

- In the Union Budget 2022-23, it has been said to emphasize on value addition of crops. This will increase the income of the farmers. Financial assistance will be given with the help of NABARD to promote startups related to agriculture.
- The government is continuously empowering small enterprises associated with food processing through a number of steps such as easy credit and technical assistance, so that they have the ability to compete with the world markets and become strong partners of the self-reliant India campaign. For this, the government is engaged in the construction of godowns, cold storage, refrigerator vans, timely credit and efforts to provide market.
- Innovation and startups reaching from village to village will benefit the small farmers and bring a big positive change in the food processing sector. A brief description of government initiatives and major schemes related to processing and value addition is as follows:

## PLI Scheme in Food Processing

- The government has launched a production-based incentive scheme (Production Linked Incentive Scheme) for the food processing industry. The Union Cabinet has decided to provide a subsidy of Rs 10,900 crore for the production based incentive scheme for this industry. This scheme will continue for 6 years i.e. from FY 2021-22 to 2026-27.
- Under this 12-13 sectors are going to get PLI. Due to this farmers will get fair and remunerative price for their crops and the income of the farmers will increase. This is a suitable incentive for the food donors to increase production during the Corona crisis. It is worth mentioning that under the PLI, an incentive of Rs 2.4 lakh crore will be given over five years to boost production in key areas.

## Prime Minister Kisan Sampada Yojana

- In order to reduce the wastage of agricultural produce, the Government of India has allocated Rs 6000 crore for the period 2016-20 of the 14th Finance Commission for the Pradhan Mantri Kisan Sampada Yojana. The objective of the scheme is to create modern infrastructure with efficient supply chain management from farm to retail outlet.
- Under this, to increase food processing, modernize food processing, increase export of processed foods, add value to agricultural products like dairy and fish, create employment opportunities in rural areas, make consumers safe and convenient at

reasonable prices. Important initiatives are being taken to ensure availability of processed food etc.

- About 20 lakh farmers will be benefited under this scheme. Also, 5 to 6 lakh direct or indirect employment opportunities are likely to be created in rural areas. The government is providing government grants under Pradhan Mantri Kisan Sampada Yojana, loans under NABARD and Mudra Yojana on easy terms and cheap interest rates.

### **Prime Minister Matsya Sampada Yojana**

- Due to the availability of water resources in many areas of the country, farmers can adopt fish farming as an additional occupation. Keeping this possibility in view, Pradhan Mantri Matsya Sampada Yojana has been started. Fisheries enterprise is being developed to ensure that the benefits are not limited to fish producers only. For this, infrastructure related to fisheries industry is being developed.
- Simultaneously, the process of modernization and simplification of already available facilities will be initiated. There will also be focus on post-fishing processing and quality control to develop a value chain related to it.

### **Establishment of Mega Food Parks**

- The government has decided to set up a network of Mega Food Parks across the country to increase the income of farmers and prevent wastage of food items. The purpose of this effort is to get an opportunity to sell the farmer's crop in the nearby food park and get better price.
- These parks will have facilities for storage as well as processing of food items. This will help in preventing wastage of crops which are perishable. At present, crops worth about 50 thousand crore rupees are ruined in the country. Fruits and vegetables are the highest in these.
- Also, thousands of people will get direct and indirect employment and thousands of farmers will be benefited. So far 23 such food parks have been set up. 20 more such passes will be established.
- These will be further expanded in future as per the demand. The government wants that the farmer should get the full value of his produce and not a single grain of the crop gets spoiled. Such passes will also help in increasing the output of agricultural products from the country.
- The year 2023 will be celebrated by the United Nations as the International Millet Year under the leadership of India, which is a matter of pride for us. In the changing environment, coarse grains like jowar, bajra and maize i.e. millets are the superfoods of today's era.



- The importance of these grains is increasing for the last several years. Efforts are being made to make them popular at national and international level by processing coarse grain products like Kodo-Kutki and Ragi. For this, the help of Indian Institute of Millet Research, Hyderabad is being taken for technical know-how, high quality seeds and help in setting up a seed bank.
- Processing and marketing initiatives, processing of millets and setting up of processing units for value addition and quality improvement along with procurement and input support for coarse cereals. This will provide employment to farmers, women's groups and unemployed youth.

### Food Processing and Agricultural Products

- When the production is high, the prices of cereals, fruits and vegetables are reduced in the market. In such a situation, value-added products should be prepared from cereals, fruits and vegetables. Many value-added products can be made from food grains, fruits and vegetables. There is a good demand for these value added products in the market.
- At the same time, their price is also high and they can be enjoyed to the fullest in the off season. Even today the income of farmers from agriculture is not satisfactory. For this, processing of agricultural products and value addition will have to be promoted by developing post-harvest technology. Variation and value addition can bring a big change in the economic condition of the farmers.
- Food processing is an industrial process in which value addition is done to agricultural products through chemical, physical and biological processes, which increase their storage life and minimize damage during transportation.

### Benefits of food processing and value addition

1. Off-season food, processed and value-added foods can be used.
2. To increase the storage period of food items and income of farmers.
1. Food items can be sent to remote and scarce places where they are not produced. In times of natural calamities, processed and value-added foods can be shipped in canned packaging.
3. Food waste can be saved.
4. Employment opportunities are created in rural areas.
5. Get delicious food items throughout the year
6. To boost export earnings.

### Agricultural products processing and value addition

- It has often been seen that except for the crops whose support price is fixed by the government, the prices of other crops remain absolutely uncertain. The year when the crop is high, the prices fall in that year. When prices fall, farmers grow less of that

crop the next year, and then the price goes up as the market declines. This cycle is completed every two to four years.

- In this situation the food processing sector can play an important role in getting better prices to the farmers for their labor through value addition. A brief description of processing and value addition of some major agricultural products is as follows.

### **Soybean Processing and Value Addition**

- Due to high protein and oil content, soybean is used in a variety of domestic and industrial applications. By mixing soybean flour with wheat or maize flour, their nutritional and edible properties increase. Soybean cake and husk are considered ideal food for livestock and chickens.
- Soybean cake can also be used as fertilizer. Considering the increasing popularity of soybean and its increasing demand in the market, processing of soybean can also be done.

### **Processing of Pulses Products**

- To get more value for their produce, crop growers should do primary processing work like cleaning, grading and milling. Making pulses improves its quality, digestibility and its appearance.
- Pulses are also the cheapest source of supply of protein and essential amino acids for more than half of India's population. Various types of dishes like papad, kachri, namkeen, plain badi and gram flour can be made from pulses in rural and tribal areas. They can be preserved and used for a year.

### **Vegetable processing and value addition**

- Income can be increased by making many expensive food items like pickles, murabbas, chutneys, pastes, powders, sweets etc. made from some vegetables. More profit can be obtained by processing vegetables. Many sweets are made from carrot, petha, gourd and parwal.
- Today many small industries are running on this in many parts of the country. Tomatoes are used to make ketchup, sauce, chutney, puree, paste, etc. Pickles can be made from cauliflower, bitter gourd, parwal, chilli and kundru etc.

### **fruit processing**

- Orange, apple, mango, guava, pear, lemon, litchi etc. are such fruits which are produced in sufficient quantity during the season but they cannot be preserved for long. If such products are processed and value added after getting proper training, then it can be developed as an employment.

- Most of the seasonal fruits get spoiled due to lack of technical knowledge and lack of proper storage. Enzymes are found in very high quantities in fruits, due to which the color of the fruit changes. They become brown in color due to which their smell, taste and appearance also change.

## **dairy processing**

- Today India ranks first in the world with annual milk production of 209 million tonnes and is self-sufficient in milk. Value addition can be done by processing and preservation of milk, so that self-employment can be obtained by investing less capital. Milk processing is a good business for landless workers, small farmers and unemployed youth.
- Villagers can increase their income by manufacturing and marketing various products made from milk processing and value addition like milk powder, curd, butter, buttermilk, ghee, paneer etc. With the expansion of milk processing and value addition industry, there are strong possibilities of increasing employment. Apart from this, by giving a commercial nature to the processing of milk and milk products, foreign exchange can also be earned from their export.

## **Food Processing Opportunities**

- In comparison to other countries, only 3 percent of fruits and vegetables are processed in our country. Whereas in many countries up to 80-90 percent of fruits and vegetables are processed products. While processing adds value to fruits and vegetables, it also provides employment to the local youth.
- The demand for various types of imported food items has increased among the consumers in the country. To meet this demand, food processing and value addition industry should be promoted in the country so that the import of processed foods can be minimized. Today, a large number of youth are migrating from rural areas to the cities.
- At the same time, due to lack of cultivable land and low income in rural areas, employment opportunities are decreasing. In such a situation, food processing and value addition industry can be adopted as employment.
- To solve the problem of milk in future, we will also have to emphasize on milk processing. No doubt our country has immense potential for processing food crops, pulses, oilseeds, milk, fruits and vegetables.

## **Some important information for food processing and value addition**

- For setting up food processing unit, such a place should be selected which is well connected by means of transport like road, rail etc., where there is availability of clean water, artisans and laborers can be found easily and at cheap rates.

- Ministry of Processing Industries, Panchsheel Bhawan, New Delhi and National Horticulture Board, Gurugram can be contacted for getting financial assistance for setting up processing unit. Apart from this, the Horticulture Department of your state can also be consulted.
- Today 725 Krishi Vigyan Kendras are working for the welfare of farmers in the country. At these Krishi Vigyan Kendras, training is imparted about processing and value addition of agricultural products, which can often be obtained without paying any fee. It is also clarified here that it is mandatory to obtain registration or license from the Food Preservation and Standards Authority of India, Government of India before launching any food product in the market.

### **Export prospects in the food processing sector**

- The processed and value added product can be packaged and sold not only within the country but also exported abroad. India's export of food processed products stood at Rs 36,946 crore in the year 2020-21.
- In order to provide relief to the farmers, Agricultural and Processed Food Products Export Development Authority (APEDA) has started export of special mangoes along with processed products of many vegetables including potatoes and onions. In the coming time, due to export of these products to other countries, the producers will get better price.
- The aroma of domestic spices has deepened in the world market. During the Corona period, due to the demand of spices as health supplements, there has been a tremendous increase in the domestic market as well as export demand. The performance of chilli, ginger, turmeric, and cumin crops has been excellent in this regard.
- In view of the increased demand for spices, the area under cultivation of these crops has also increased. Competitive prices of domestic spices in the export market have resulted in more than double the foreign exchange. This can be attributed to many schemes of the government.
- Special attention was given to quality in the cultivation of spices. Which has had an impact on exports in the global market. In this, the share of ginger, chilli, turmeric and cumin has been the highest.
- India is the main producer and leading exporter of Basmati rice in the international market. Also, Basmati rice is also the main agricultural product to earn foreign exchange. Basmati rice is the largest agricultural commodity exported by India. In the year 2020-21, the export income from Basmati rice was estimated at Rs 25 thousand crore.

## Appropriate Participation – Inclusive Goals

- Moving ahead on the path of progress starting with 'Sabka Saath, Sabka Vikas', in the last eight years, the nation has entered the ninth year, taking a golden journey till 'Sabka Saath, Sabka Vikas, Sabka Vishwas and Sabka Prayas'.
- Today, when the world is looking to India to overcome an unprecedented global crisis, then the able leadership of the Prime Minister seems to be the only option for guidance.
- The Prime Minister believed from the very beginning that the dream of a New India, a strong and capable India, cannot be realized unless every citizen is empowered and able to contribute to the mission of nation building.
- At present, the most ambitious scheme of the Ministry of Health, the aim of Ayushman Bharat Jan Arogya Yojana is to expand it to more than 50 crore people. These are the people who are not currently covered under any government or private health insurance scheme.
- In this way India is moving towards launching the world's first comprehensive health insurance scheme. At present more than 18 crore 43 lakh (according to the latest data) people have joined the purview of Ayushman Bharat Pradhan Mantri Jan Arogya Yojana.
- The scheme provides free annual health cover up to Rs 5 lakh per family. Not only this, the PM Ayushman Bharat Health Infrastructure Mission launched by the Prime Minister on October 25, 2021 in Varanasi, Uttar Pradesh with an outlay of Rs 64,180 crore is the biggest all India health infrastructure scheme ever.
- It aims to provide a much needed impetus to India's capacity to address emerging public health issues. It will bring a paradigm shift in India's healthcare infrastructure and make it more efficient.
- From Swachh Bharat Abhiyan to Ayushman Bharat and now Ayushman Bharat Digital Mission, many such efforts are part of this initiative.
- Prime Minister had pledged to eliminate TB by 2025 by launching an ambitious plan for TB eradication and in this direction TB Mukta Bharat Abhiyan was launched. The Union Health Minister, Shri Mansukhbhai Mandaviya, in a high level meeting with all the states to review the public health benefits against TB, appealed to make the fight against TB a people's initiative and a people's movement.
- India had crossed the crucial 100 crore mark of COVID-19 vaccination dose in the country in October last year itself, achieving a historic achievement. It is a matter of joy that with the cooperation of all of you, we are soon going to celebrate the achievement of 200 crore Covid vaccinations. The Har Ghar Dastak campaign has played an important role in increasing the coverage of COVID vaccination.



- Recently a new allopathic wellness health center was inaugurated in Nashik under the Central Government Health Scheme. Nashik will be the fourth city in Maharashtra after Mumbai, Pune and Nagpur where this center is being started.
- The CGHS Wellness Health Center in Nashik will benefit over 1.6 lakh citizens including about 71,000 serving and retired central government employees of the city. Earlier, the central government employees here had to go to Mumbai or Pune for treatment at CGHS Wellness Health Center.
- As far as the village-poor-farmer, tribal community is concerned, it is well known that the Government of India has always been dedicated to this section. In the last one or two years, the people of Jammu and Kashmir have strengthened participatory democracy. Undoubtedly, Jammu and Kashmir is progressing on the path of continuous development under the leadership of Hon'ble Prime Minister.
- Aspirational District Program launched in January 2018 which aims to enhance the progress of the nation by localizing the Sustainable Development Goals. During her stay in some districts of Maharashtra and Manipur, the author found that there has been significant improvement in socio-economic indicators of these districts like health and nutrition, education, agriculture and water resources, financial inclusion and skill development, infrastructure etc.
- Meanwhile, under the new initiative of the Ministry of Health, Swasthya Chintan Shivir was organized in Kevadia, Gujarat, in which the issues related to health and the policies of the states were discussed. Senior officers of Health Ministries of all States/UTs participated in this camp. Such opportunities set their way for the bright future of the country.
- It is a matter of immense happiness that a tribal woman has been nominated as the presidential candidate. In this decision, along with women empowerment, efforts are clearly visible to make the representatives of the poor, neglected, marginal, dalit and other backward classes of the society at the top position, give proper participation in power and instill pride and confidence in them.
- With the desire to make the common effort from resolution to accomplishment a reality, I pray for a healthy and happy life for all of you- Sarve Bhavantu Sukhinah, Sarve Santu Niramayah, that means May all are well-wishers, may all be disease-free.

# OJAANK IAS ACADEMY

## Our Selected Students in IAS 2020

Congratulations to Our Toppers

**01** Ranks in Top 10 | **10** Ranks in Top 50 | **26** Ranks in Top 100



**RANK 01**  
**SHRUTI SHARMA**



**RANK 58**  
**FAIZAN AHMED**



**RANK 96**  
**MINI SHUKLA**



**RANK 125**  
**MD. MANZAR HUSSAN ANJUM**



**RANK 133**  
**KISHLAY KUSHWAHA**



**RANK 176**  
**SHREYA SINGHAL**



**RANK 203**  
**MOHAMMAD AAQUIB**



**RANK 270**  
**HARIS SUMAIR**



**RANK 283**  
**AHMED HASANUZZAMAN CHAUDARY**



**RANK 389**  
**MOHIBULLAH ANSARI**



**RANK 447**  
**FAISAL RAZA**

## OJAANK IAS ACADEMY

CREATED HISTORY

**SHRUTI SHARMA**  
**AIR - 1**  
**UPSC 2021-2022**

**Pioneer Of Online Classes**

+91 - 8750711100/44  
[www.ojaankedu.com](http://www.ojaankedu.com)

**Now In Karol Bagh-** 18/4, 3<sup>rd</sup> Floor Opposite Aggarwal Sweet  
Near Gol Chakkar Old Rajinder Nagar Karol Bagh, New Delhi-110060



SHRUTI SHARMA (IAS TOPPER) WITH OJAANK SIR

ANDROID APP ON  
Google play

Download App  
OjaankEDU