



**RESPONSE TO THE  
UNION BUDGET  
2022-23**

JAN SAROKAR, MARCH 2022

**ECONOMY, AGRICULTURE, ANIMAL  
HUSBANDRY, BANKING & FINANCE, DALITS &  
ADIVAIS, DIGITAL TECHNOLOGY,  
DISABILITIES, EDUCATION, ENVIRONMENT,  
FOOD SECURITY, GENDER, HEALTH, LABOUR  
& EMPLOYMENT, NREGA, PENSIONS**



**Jan Sarokar is a national platform for people centric policy advocacy, parliamentary accountability, and for building synergy between social movements and progressive political parties. It is a network of progressive civil society organisations, social movements, mass organisations, and other experts committed to reclaiming and rebuilding robust, democratically accountable public interest processes and systems.**

## **CONTRIBUTING ORGANISATIONS**

Alliance for Sustainable and Holistic Agriculture

All India Democratic Women's Association

All India Forum for the Right to Education

All India Kisan Sabha

Centre for Financial Accountability

Dalit Arthik Adhikar Andolan

Food Sovereignty Alliance, India

Internet Freedom Foundation

Jan Swasthya Abhiyan

National Campaign on Dalit Human Rights

Nation for Farmers

National Federation of Indian Women

NREGA Sangharsh Morcha

National Platform for the Rights of the Disabled

Pension Parishad

People First

Peoples' Action for Employment Guarantee

Right to Education Forum

Right to Food Campaign

Vikalp Sangam

Working Peoples' Charter

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## INTRODUCTION

The Union Budget 2022-23 has been presented at a time when the Indian economy is in dire straits. The economy was already on the downside prior to COVID-19, with the situation worsening during the course of the pandemic. The Oxfam Report<sup>1</sup> finds that the pandemic has led to an 84 % decrease in household income while the unemployment crisis intensifies – the recent job riots in the states of Bihar and Uttar Pradesh<sup>2</sup> only provide a small insight on the seriousness of the unemployment issue. Inflation continues to accelerate even in the midst of a massive unemployment crisis. Wealth and Income Inequality are among the worst in the world, and millions more have been pushed into poverty.

In this context, it was expected that the Union Budget 2022-23 would seek to revive India's economy, foster sustainable production, consumption, and investments, and put the country on an equitable development path while ensuring ecological sustainability and social justice. Unlike the governments of other countries, our Government has failed to provide relief during and post the pandemic. Unless the Economy is granted a further boost, recovery is impossible. For this the Government must spend more, unfortunately, Budget 2022-23 only focused on the supply side reforms while much more could have been done to boost the demand side.

The Budget does nothing to stimulate demand for effecting an economic revival. The total budgeted government expenditure for 2022-23 is Rs 39.45 lakh crores which is just 4.6 % higher than the revised estimate for 2021-22. This means that the increase is below the rate of inflation, entailing a drop in real terms, and hence also below the growth rate of real GDP projected by the Economic Survey, which is 8-8.5 %.

In her speech, the Finance Minister also claimed that there will be a sharp increase in capital expenditure driven by enhanced public investment. This is not true. Rs. 62,114 crore (or more than 10 % of capex that year) for the Ministry of Civil Aviation to be transferred to Air India Asset Holding Limited “for servicing of loan transferred to SPV as a result of financial restructuring of Air India” cannot be counted as an increase in capital expenditure.

In the projections for 2022-23, the capital expenditure figure quoted by the Finance Minister includes Rs. 1.12 lakh crore of loans to state governments. This is definitely not capital spending by the Centre and is unlikely to be used fully even by the states to finance capital spending. One other provision in the budget for 2022-23 that is intriguing is a capital allocation of Rs. 53,033 crore to “other communications”.

The Union Budget 2022-23 also fails to provide relief to the working people. The outlays for a whole range of schemes that provide relief to the poor have been slashed compared to the revised estimates for 2021-22. Thus the provision for the MGNREGS is just Rs 73,000 crores compared to Rs 98,000 crores in 2021-22 (RE) and Rs 1, 11,000 crores for 2020-21.

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<sup>1</sup> <https://www.oxfamindia.org/press-release/inequality-virus-india-supplement-2021>

<sup>2</sup> <https://www.bbc.com/news/world-asia-india-60165825>

The budget affects drastic cuts in social sector spending. There is a reduction in the devolution of resources to states. An increase in the devolution to states by 9.6 % in nominal terms in effect means a fall in its share in GDP, to an estimated 6.25 % compared to 6.91 % in 2021-22 (RE). There is no real increase in the budget for health and family welfare. Far from increasing the allocation for health to 3 % of GDP over time as the government had promised, there is a reduction in allocation for health relative to the estimated GDP.

In the allocation for education, there is an increase by 18.5 %, but much of it is for digital education; and even this increase would leave the share of education expenditure in GDP unchanged at about 3.1 %, a far cry from the objective of raising it to 6 %.

There is an urgent need for a strategy that promotes economic revival while providing relief to the poor, and contributing to an abatement of inflation. The 2022-23 union budget should have spelled out such a strategy, but, far from doing so, it does not even show cognizance of the problem.

The strategy, of giving tax concessions to the rich in the expectation of stimulating private investment, and raising indirect taxes, notably on oil, to raise revenue to compensate for what is foregone, is an important cause of the emerging inflationary recession scenario. Although it is amply clear by now that private investment, far from getting stimulated by such tax concessions, shrinks because of the ensuing recession, even in the current budget this strategy is at work: fuel prices have been raised by Rs 2 per litre (for unblended fuel which is the bulk of India's fuel consumption) through an additional excise duty, while subsidies have been cut (which is analogous to arise in indirect taxes).

Private consumption is languishing. Recession and unemployment are bound to worsen. The international oil prices are rising; and the accelerating inflation in the US is causing a rise in interest rates there, from the near-zero levels where they had been held for long. When they were at near-zero levels, countries like India could obtain global financial flows easily to cover their balance of payments deficits, but as the rates rise in the US and elsewhere, managing the balance of payments deficit would become difficult, resulting in a fall in the external value of the rupee that would raise the rupee prices of imports, including of oil (whose dollar price itself is rising); as this gets passed on to consumers (doing so has been the government's strategy), the inflation rate will accelerate further. The people are thus facing increasingly hard times, but in the bland vision of the Modi government there is no cognizance of it.

## **RESOURCE MOBILISATION**

The Union Government can undertake several steps to meet the fiscal deficit. Real resources in the economy are available aplenty at present: there is significant unutilized capacity and unsold foodgrain stocks, so that larger government expenditure, even if financed by no additional taxes but just a fiscal deficit, will only use up these unutilized resources without causing any inflation. The best way of mobilizing financial resources is through two forms of taxation. At a conservative estimate, the top 1 percent of the population owns 40 percent of total private wealth, about Rs 300 lakh crores. Even a 2 percent wealth tax on this would therefore yield Rs 6 lakh crores. But any wealth tax must be complemented with an inheritance tax, otherwise the rich will only divide up their wealth among progeny in order to escape wealth taxation. If only 5 percent of wealth by the richest 1 percent of the population is passed down every year to progeny, then an inheritance tax of one-third (33 1/3 percent), will fetch Rs. 5 lakh crores. These

two taxes alone will thus fetch Rs 11 lakh crores per annum. This taxation can be levied in a phased manner.

## **SECTOR WISE SUMMARY OF THE UNION BUDGET 2022-23**

In response to the Union Budget 2022-23, *Jan Sarokar*, a national platform for people centric policy advocacy and parliamentary accountability & oversight has collated comprehensive sector-wise analyses of the budget for the following sectors: Economy, Agriculture, Animal Husbandry, Banking and Finance, Dalits and Adivasis, Digital Technology, Persons with Disabilities, Education, Environment, Food Security, Gender, Health, Labour and Employment, NREGA and Pensions.

### **ECONOMY**

- Obsessive concern around lowering the fiscal deficit continues even at the cost of cutting down on social sector spending while the country is struggling to recover and while consumer demand stays alarmingly low.
- It relies on higher indirect taxes, particularly on fuel that passes the burden on the struggling masses.
- Far from introducing wealth tax or increasing corporate tax given the super profits of the corporates, the budget slashed surcharge on corporates that comes on top of the slashing of the corporate tax earlier.
- The Credit based recovery plan which has been continued has not been successful in reaching to the most in need as is evident in the fact that smaller MSMEs have found it far more difficult to access the ECLGS.
- Digital currency and digital push continue in the name of “financial inclusion” even as the reach of public sector branches in rural areas has reduced in a country that has a wide digital divide with internet users hovering around 50%.
- Tax on digital wealth even with no official recognition or regulations for crypto currencies.

### **AGRICULTURE**

- Union Budget 2022-23 continues to ignore the demands of the farmers, the promise of relief for farmers and agricultural labour met with silence, but the Farmers’ demands for assured procurement at remunerative prices and loan waivers have met with callous indifference
- Drastic cuts in procurement of wheat and paddy, lesser than allocation made in FY 2021-23. The allocation for procurement to the FCI and under the decentralized procurement Scheme have been reduced by 28%.
- PM ASHA, flagship scheme for implementing MSP drastically cut.
- The allocation for PM-KISAN is 9 % lesser than what was originally announced at its inception in 2019
- Allocation made on natural resource management institutes including agro-forestry research is even less than what they were allocated in 2021-22, a reduction of more than 25 %. There is also a reduction of 25 % in the budget allocated for the research related to climate resilient agriculture initiative.

## **ANIMAL HUSBANDRY**

- The Budget allocations for Animal Husbandry continue to be miniscule : roughly 2% of total Agriculture and Allied Sector allocation which itself is a mere 3.8% of the total budget, despite Animal Husbandry contributing 15% of the total income of farmers. the present budget, as small as it is, is entirely oriented towards facilitating the capture of supply chains by the corporates.
- 59 % of the total Animal Husbandry budget is allocated to the Livestock Health and Disease Control Program and the Animal Husbandry Infrastructure Development Fund.
- 35.5% of the total budget is allocated for Centrally Sponsored Schemes renamed as Development Programs including on Dairy Development, Rashtriya Gokul Mission, National Livestock Mission and Livestock Census and Integrated Sample Survey.
- The farmers informed consent is totally non-existent with respect to their details having been entered into a centralised database – National Digital Livestock Mission (Livestack)

## **BANKING AND FINANCE**

- Finance Minister Nirmala Sitharaman in 2021-22 said the government will infuse Rs 20,000 crore into public sector banks (PSBs) in 2021-22 to meet the regulatory norms which have not been provided yet. The same promise had been made this year.
- The Finance Minister announced while speaking that privatisation of 2 banks will be completed whereas PSBs are making a robust profit and fulfilling the tasks given by the government including so many loans which help to tide over the crisis and put the economy in the growth track.
- Digital Rupee has been announced when RBI is not ready, and it is only on trial stage in a few countries. Need wide debate among people.
- Crypto currencies without regulations and mechanisms of accountability is a move in the wrong direction. Taxing it amounts to legalizing crypto currencies, without having any regulations.
- No license and monitoring of fintechs makes it dangerous for the country.
- LIC IPO: This has to be referred to the Parliament standing committee and consultation with all stakeholders are needed.
- The NPA Crisis continues. No figures are given about write off. The National Company Law Tribunal's functioning has been criticised by the Parliament Standing Committee.

## **DALITS AND ADIVASIS**

- As per the guidelines by the NITI Ayog on the AWSC and AWST, it is mandatory to allocate proportionate to the population, however, this year to the allocation has not been made proportionate and there exists a gap of Rs 40,634 crore and Rs 9399 crore for SC and ST Budget
- Manual Scavenging is a practice that has been outlawed in India through the Elimination of MS Act but is still practiced in many states. However very disappointing to see that they have only allocated Rs 70 crore for the Self Employment of Manual Scavengers and Rs 25 crore for National Safai Karamachari Finance and Development Corporation



- Education- The commitment to allocated INR 7000 crore to Post Matric Scholarship has not been fulfilled this year too. This year there is an allocation of only Rs 5660 Cr for SCs and Rs 3416 Cr for STs.
- Gender- Data shows that there is a total no of atrocities on Dalit women is about 7000 Crimes, with about 10 Dalit women raped on an average daily, however, the budget allocated this year is only Rs 600 crore for the effective implementation of the SC ST PoA act, out of which only about Rs 180 crore crores to address violence and crimes against Dalit women. The trans Dalit community do not find a mention in the budget and this is totally invisibilised without having any allocation.
- This year there is an allocation of about Rs 20472 crore for the agriculture department for SCs and Rs 10,606 crore for STs, though this is a high allocation, it is common knowledge that a lot of Dalits and Adivasis are landless farmers so it is yet to be seen how this is implemented.

### **DIGITAL TECHNOLOGY**

- For the MIB, allocation in Budget Estimates 2022-2023 (Rs 3,980.77 crores) saw an increase of 5.7% as compared to the Revised Estimates of 2021-22 (Rs 3,764.69 crores).
- For the DoT, allocation in Budget Estimates 2022-2023 (Rs 84,586.8 crores) saw an increase of 137.9% as compared to the Revised Estimates of 2021-22 (Rs 35,550.21 crores).
- For the MeitY, allocation in Budget Estimates 2022-2023 (Rs 14,300 crores) saw an increase of 49.2% as compared to the Revised Estimates of 2021-22 (Rs 9,581.25 crores).
- An enormous 825% increase in total capital expenditure of DoT, MeitY and MIB (Rs 54,564.07 crores) over the Revised Estimates of 2021-22 (Rs 5,898.27 crores) can be observed, stemming largely from a 889.9% increase in the DoT. However, praise for these allotments must be tinged with a hint of caution as a major proportion of the increase (Rs 44,720 crores) is being directed only towards BSNL. Furthermore, given that this capital infusion is for the purpose of very belatedly acquiring 4G spectrum at a time when other companies are preparing for 5G, this money will ultimately return to the government's account and so it does not constitute additional capital expenditure. It is also reflective of the government's lackadaisical approach to effective management of public sector companies.

### **DISABILITIES**

- Overall specific allocations for persons with disabilities as a ratio to GDP show a declining trend. Allocations specific to people with disabilities % age to GDP was 0.0097 in 2020-21 (BE) as compared to 0.0093 in 2022-23.
- Department for Empowerment of Persons with Disabilities sees a 3 % increase compared to last year, it needs to be noted that there was a cut by 12% last year as compared to 2020-21.
- No additional allocations for Mental Health Programmes despite the pandemic bringing mental health issues into the focus
- Disability pension has been static at Rs 300/- for more than a decade. It covers a mere 3.8% of the disabled population identified by the 2011 census. Even the ex gratia of Rs 1000/- announced at the beginning of the pandemic targeted this population only.

## **EDUCATION**

- National Educational Policy 2020 and the Budget 2022 provisions fail miserably to fulfil the constitutional responsibilities placed on the Union and state governments
- As per recommendations of the Kothari Commission, allocation to education should be 6 % share of total GDP by 1986, however no government has ever gone beyond 4 %
- Budget 2022 fully reflects the government's resolve to corporatise the education system as a whole by placing an emphasis on digital learning, lack in public investment for improving the education sector
- Aggravated crisis in the education sector due to educational institutions having been shut for over two years due to lack of adequate pedagogical and health preparations.

## **ENVIRONMENT**

- A search of the Finance Minister's Budget speech for the following words is revealing in itself: nature, wildlife, environment, ecology, ecosystem, pollution, conservation. Total occurrence of these words: ZERO (except in uses such as 'business environment' and 'growth ecosystem').
- Direct allocations for Environment constitute a meagre 0.08% of the total budgetary outlay
- No focus on risk reduction, building resilience, supporting adaptation, preparing for disasters, and other measures that are urgently and desperately needed by hundreds of millions of people to deal with the impacts of climate change
- Textiles have seen a major increase in allocation, with most of the outlay for big industry, which could have serious pollution impacts including toxic contamination of water and soil.
- The biggest push in this budget is for infrastructure (roads, railways, airports, etc.). Much of this is for mega-projects, such as 81,000 crores more for the National Highway Authority of India, with very serious impacts on the environment (and people's livelihoods due to displacement and land acquisition)
- Substantial increase in allocation for the Deep Ocean Mission and on Blue Revolution has little or no focus on conservation, but rather on explorations for mining and extraction, with potentially serious ecological consequences.

## **FOOD SECURITY**

- Union Budget 2022-23 reduces allocation of additional food subsidy under PMGKAY by Rs 80,000 crore
- Schools and anganwadis have remained closed throughout the pandemic period, leading to women and children losing out on important nutritional support through these schemes. Extra effort needs to be made to overcome the loss of nutrition suffered during this period, however the allocations for Saksham anganwadi, Samarthya (including maternity entitlements), PM POSHAN (mid-day meals) have remained the same or even reduced in real terms
- COVID and the subsequent lockdowns have led to severe food insecurity, PDS and the additional food grains under PMGKAY were a lifeline for people who possess ration cards, allocations for these schemes should have been increased

## **GENDER**

- The share of the gender budget as a proportion of GDP has reduced from the last budget from 0.71 % to 0.66 % of GDP and constitutes less than 5% of the total budgetary expenditure.
- The budgetary allocation for the Ministry of Women and Child Development remains less than 0.01 % of the total expenditure. Furthermore, important to highlight that the actual expenditure of the government on women-oriented schemes has declined by 36.9 % between March 2020 and March 2021.
- Expenditure on schemes for prevention of violence against women (under Mission Shakti) remain well below 1 % of the total expenditure
- The government states that the outlay of the gender budget has increased by 11.5 %, this increase can be traced to the increase in allocation of only one scheme - the Prime Minister Awas Yojana – Urban Yojana, and if the allocations of this scheme are taken out of the total, the Gender Budget sees a decrease of 9 %.
- Transpersons Budget not included in Gender Budget
- Inadequate allocation for SC/ST Gender Budget

## **HEALTH**

- Given the unprecedented human calamity that the country faced during the first two waves of COVID-19 pandemic, it was expected that the Health Budget would see a significant increase. However, allocations to health and related programs reduced in real terms in the budget 2022-23 by 7% compared to Revised Estimate of 2021-22.
- As percent of GDP, Union government allocation to health has declined from 0.382% to 0.346% between 2021-22 RE and 2022-23 BE. This also means that the Union Government has reduced its priority towards the health sector - share of health in the total budget has declined from 2.35% to 2.26% compared to previous year
- Allocations to National Health Mission declined in real terms by Rs. 4106 crores
- Allocations for Women's Health and Protection either stagnant or reduced. Rs 25 crore decrease in SAMBAL, meagre increases in Saksham Anganwadi and PSHAN 2.0
- In the year 2020-21 Actual expenditure on health research was 3.8% of health budget, which declined to 3.6% in the current budget

## **LABOUR AND EMPLOYMENT**

- The Union Budget 2022-23 does not reflect any of the lived realities of informal workers of this country who contribute over 60 % of the GDP and constitute one third of the country's total population.
- Currently, social security legislation covering 9 social security benefits as Medical Benefit, Sickness Benefit, Unemployment Benefit, Old age Benefit, Employment Injury, Family Benefit, Maternity Benefit, Invalidity Benefit, Survivor's benefits are only enjoyed by 2 percent of the employed workforce (mostly from the formal sector)
- As per analysis done by the Working Peoples' Charter, the state required Rs 3.5 lakh Crores (approximately) at roughly 2.3% of the GDP (2016-17) to provide a national social protection floor for more than 40 crore informal workers and their families.

## NREGA

- Union Budget 2022-23 allocated a mere Rs. 73,000 crore for NREGA. Analysis by the Peoples' Action for Employment Guarantee estimates that only 21 persondays of work can be generated per household with this amount
- The national net balance of NREGA funds is at a deficit of Rs. 15,190 crores
- 9 crore households demanded work this year, of which 1.42 crore households that have applied for work are yet to be even issued job cards, let alone be provided work
- More than 95% of households employed in MGNREGA this year have not completed 100 days of work.
- 298.86 crore persondays of work have been generated till January 31, 2022. There is a decrease of 9% of persondays generated when compared to last year
- 1.18% of wage transactions, to the value of Rs. 727.24 crores, were delayed at Stage 1 and wage payments to the tune of Rs. 3,273.52 crores are delayed by the central government, at Stage 2

## PENSIONS

- Budget Allocation 2022-23 (9652.31 crores) for National Security Assistance Programme has seen an increase of 452 crores from the Budget 2021-22 (9200 crores) and is still less than Budget 2020-2021 (42443.11 crores)
- No increase in pension amounts for old age, widows or disabled persons.
- Entitlements received under NSAP have remained unchanged since 2007

*These analyses have been prepared by constituent members of the Jan Sarokar network which comprises of progressive civil society organisations, social movements, mass organisations, and other experts committed to reclaiming and rebuilding robust, democratically accountable public interest processes and systems. This set of documents seeks to capture the analysis and understanding of many people's organisations and social movements on various issues affecting ordinary and marginalised citizens and suggests possible solutions, based on their engagements at the level of theory, practice and policy. While there might be there may be some differences between their respective analyses, but overall, they reflect Jan Sarokar's orientation and commitment to the values enshrined in the Constitution of India and to realize the Directive Principles of State Policy that are mandated to build a more equitable and inclusive state and society. The constituent organisations and networks therefore attempt come together to discuss, deliberate, analyse, act to help and work to realize India's Constitutional mandate, deepen democratic processes and strengthen the people's rights to liberty, equality, fraternity and social justice in India.*

## **ECONOMY**

Centre for Financial Accountability

### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

Finance Minister Nirmala Sitaraman began her budget speech expressing her “empathy for those who had to bear adverse health and economic effects of the pandemic.” But not much that followed was reflective of the task that the budget was supposed to serve given the condition of the economy and the millions whose lives were wrecked. She spoke of a “sharp rebound and recovery of the economy” which she said, “is reflective of our country’s strong resilience”, but we are aware of how the resilience of our working population was debilitated under the triple whammy of demonetisation, GST and the pandemic. Their resilience was steadily eroded with depleting savings, mounting debt and, loss of pay. It is rather unfortunate, that not much of these concerns found space in the budget speech 2022 that had the word “Digital” appear 36 times!

The high reliance on supply-side solutions like infrastructure spending, credit based efforts at recovery and industrial production while the problem really is that of low demand, and push for high GDP growth instead of addressing the known challenges staring on the face – growing poverty, hunger, inequality and high health and education deprivations – is typical of the neoliberal thinking that growth trickles down to benefit people at the bottom.

#### **Highlights of Budget Analysis 2022-23**

- 1) Obsessive concern around lowering the fiscal deficit continues even at the cost of cutting down on social sector spending while the country is struggling to recover and while consumer demand stays alarmingly low.
- 2) It relies on higher indirect taxes, particularly on fuel that passes the burden on the struggling masses.
- 3) Far from introducing wealth tax or increasing corporate tax given the super profits of the corporates, the budget slashed surcharge on corporates that comes on top of the slashing of the corporate tax earlier.
- 4) The Credit based recovery plan which has been continued has not been successful in reaching to the most in need as is evident in the fact that smaller MSMEs have found it far more difficult to access the ECLGS.
- 5) Digital currency and digital push continue in the name of “financial inclusion” even as the reach of public sector branches in rural areas has reduced in a country that has a wide digital divide with internet users hovering around 50%.
- 6) Tax on digital wealth even with no official recognition or regulations for crypto currencies.

## **ANALYSIS**

### **(i) Fiscal Deficit**

In this year's budget speech, the Finance Minister said that "The revised Fiscal Deficit in the current year is estimated at 6.9 % of GDP as against 6.8 % budgeted estimate." While allocations in several key social sectors are less than required or have been reduced, the need for higher government spending is something that has been highlighted by several economists to push the alarmingly slumping consumer demand. As is evident from the budget speech, the government remains obsessed with reducing the fiscal deficit further with higher indirect taxation and particularly on fuel. The Finance Minister added that "The Fiscal Deficit for FY 2022-23 is estimated at 6.4 % of GDP, which is consistent with the broad path of fiscal consolidation announced by me last year to reach a fiscal deficit level below 4.5 % by 2025-26."

### **(ii) GST**

The Finance Minister praised the "unified indirect tax regime" or GST which she claimed, "augurs well for cooperative federalism". She took pride in the fact that this year's GST collection has been the highest at Rs 1,40,986 crore. And yet, the government has failed miserably in giving the states their due with the GST emerging as an affront to fiscal federalism. The Central government owes over ₹37,134 crore to state governments as Goods and Services Tax (GST) compensation for the year 2020-21.

### **(iii) Tax cuts for corporates**

At a time when the corporates are earning massive profits<sup>3</sup>, the government, in line with its massive slash on corporate tax in 2019 (from 30% to 22%), has given further relaxations to them in way of (i) Cutting down on the graded surcharge applicable on consortiums that went upto 37% and capping it at a maximum of 15%. (ii) Capping the surcharge on long term capital gains arising on transfer of any type of assets at 15%. This is at a time when the richest 98 Indians own the same wealth as the bottom 55.2 crore people.

### **(iv) Credit Based Recovery**

The Finance Minister in her budget speech said that the Emergency Credit Line Guarantee Scheme "will be extended up to March 2023 and its guarantee cover will be expanded by 50,000 crores to a total cover of 5 lakh crore". But the survey from TransUnion CIBIL (ECLGS Insights Report - December 2021) shows that 57% of the respondents found it difficult to avail of the facility. The survey also shows that bigger entities found it easier to avail of the facility as compared to very small entities. 61% of the respondents from very small enterprises found it difficult to avail the loans. The respective figures for micro and small enterprises were 52% and 49%. This is part of the government's supply side emphasis in recovery whereas the problem is a demand side one.

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<sup>3</sup> The announcement of Ease of Doing Business 2.0 and widening of the single window clearance to projects is worrisome. The announcement of moving towards a trust-based governance and minimum government shows a blatant disregard for regulations. The government instead of trusting the corporates through self-regulation should act as a regulator and fulfil the trust people have put on their government

### **(v) Capital Expenditure**

This year's budget proposal emphasizes<sup>4</sup> the increased capital outlay from the previous year. The capital expenditure outlay as per the BE for 2022 - 23 is Rs 7.50 lakh crore. Around two third of the total capital outlay is going to just three ministries - Roads and Highways, Railways and Defence. 20% is reserved for Defense which doesn't directly benefit the people. On the other hand, it appears that schemes like MGNREGS, education and health and family welfare have not received importance in these pandemic times. And also, we should note that less than 50% of the capital expenditure has been spent in the current year. The other side of the story of the capital expenditure projected in the budgetary proposals is the amount of resources raised through the Internal and Extra Budgetary Resources (IEBR). It is estimated that largely private capital would contribute to the resources raised through IEBR. However, considering the fickleness of the private capital it needs to be seen how much of this is achieved and on what conditions and concessions.

### **RECOMMENDATIONS**

**(i)** The central government has 8.9 lakh vacancies in its departments and ministry since March 2020. There are more vacancies in central PSUs, schools and colleges. The government could have prepared a consolidated list of vacancies and ordered filling of these vacancies on a priority basis to address the chronic job crisis. It could have appealed to state governments to do the same.

**(ii)** It could have addressed growing poverty by giving direct income support to the poor - the bottom 40-60% of the population severely impacted by the pandemic. It is easy to identify them. The Ayushman Bharat uses the Socio Economic and Caste Census (SECC) of 2011 to identify the bottom 40% of its beneficiaries. The remaining 20% could also be picked from the same SECC.

**(iii)** To raise income, the government could have also increased the minimum wages, stuck at Rs 176 for years It could have also raised the MGNREGA wages, which remains below the minimum wages at Rs 209.3 in FY22 and Rs 200.7 in FY21. These measures could have immediately raised the income levels of a large workforce to boost consumption demand in the economy.

**(iv)** Correct the rising inequality with measures aimed at progressive direct taxation and reducing the share of indirect taxes that burden the people. Government must explore wealth, inheritance and higher corporate tax.

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<sup>4</sup> Chidambaram in his parliament speech has reasoned that the government had spent a certain amount due to banks from Air India and is showing as capital expenditure. Sitaram Yechury has also raised this point. If this is deducted the actual capital expenditure is below last year's

RE. <https://www.youtube.com/watch?v=0sAgJkC94Do>

## **AGRICULTURE**

All India Kisan Sabha, Alliance for Sustainable and Holistic Agriculture and Nation for Farmers

### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

The Union Budget 2022-23 by the BJP Government completely ignores the genuine demands of the farmers. It seems more like an act of revenge on the successful united farmers' movement. Agriculture employs more than half the working population in the country. As per the government's Doubling Farmers' Income Committee report, the benchmark household income of 2015-16 was Rs 8,059 per month and this was promised to be doubled in real terms, taking inflation into account. As such, the target income by 2022 is Rs 21,146 per month.

### **ANALYSIS**

#### **(i) Farmers' Income**

At the mid-way point of the six-year period, the estimated monthly income of farm households in 2018-19 was Rs 10,218 per month in nominal terms, as shown by National Sample Survey Office's (NSSO) 77th Round data released in 2021. A projection for the next three years adjusting for the annual agricultural growth rates gives an estimated income of Rs 12,445 per month in 2022. The target of Rs 21,146 remains a mirage. This year is notable, when we have reached 2022, the Budget speech did not even mention the promise of doubling farmers' income. Not only was the promise of relief for farmers and agricultural labour met with silence, but the Farmers' demands for assured procurement at remunerative prices and loan waivers have met with callous indifference.

#### **(ii) Allocations**

There is a drastic cut in allocations for procurement, MGNREGA, crop insurance, food, and fertilizer subsidy. Total allocation was Rs 4,74,75,047 crores in 2021-22 (Revised Estimates) which has now fallen to Rs 3,70,303 crores that is over a lakh crore. The share of rural development in the Budget has also fallen from 5.59 % to 5.23 %. Allocation for crop husbandry has been cut by Rs 26,000 crores (18%); allocation for food storage & warehousing by Rs 84,000 crores (28%). In 2021-22, capital outlay expenditure budgeted was 56 crores. In 2021-22, capital outlay is Rs 39.25 crores. In the case of agricultural research, capital outlay is zero.

#### **(iii) MSP and Procurement**

The Finance Minister Nirmala Sitharaman has sought to create hype that 2.37 lakh crore is set aside for the procurement of paddy and wheat in 2022-23. In fact, this is lesser than the allocation of 2.48 lakh crore made last year and the beneficiaries will also be drastically reduced from 1.63 crores to 1.97 crores last year; an exclusion of 34 lakh farmers despite demanding expansion to all crops and widening of the reach. The allocation for procurement to the FCI and under the decentralized procurement Scheme has actually been reduced by a whopping 28%. Reduction in allocation and inflation will altogether result in a significant decline in procurement in 2022-23. Allocation of funds for fertilizer subsidy has been reduced by 25 %. The PM-AASHA scheme (Pradhan Mantri Annadata Aay Sanrakshan Abhiyan), introduced in 2018 as the flagship scheme for implementing MSP, has also faced a major cut in its budget.



In 2019-20, the allocation was Rs 1500 crore. It is only Rs 1 crore in 2022-23. Even the Price Support Scheme-Market Intervention Scheme (PSS-MIS), which implements Price Support and Market Intervention that saw a high of Rs 3,596 crore in 2021-22, has been allocated only Rs 1,500 crore in the present budget. These schemes fall far short of what is required because the annual shortfall between the declared MSP value of crops and the average market value received by farmers is more than Rs 50,000 crore. It is this utter lack of commitment to ensuring MSP that justifies and fuels the farmers' demand for a legally guaranteed MSP.

**Union Budget-2022 Announces  
Reduced MSP Procurement in Paddy & Wheat!**

	Procured Quantity	No. of Farmers	Payment to farmers
<b>2020-21</b>	1286 LMT	1.97 cr.	Rs. 2.48 lakh cr
<b>2021-22 (from 2022 Budget speech)</b>	<b>1208 LMT</b>	<b>1.63 cr.</b>	<b>Rs.2.37 lakh cr</b>

**Red** indicates reduction from previous year

Sources for 2020-21:

No. of Farmers & Payment to Farmers from Table in 2021 Budget Speech

Procured Quantity from fci.gov.in

<b>MSP REALITY CHECK</b>				
<b>Allocations for the 2 schemes meant to ensure MSP to farmers</b>				
Year	PM-AASHA		PSS-MIS	
	Budget Estimate	Revised Estimate	Budget Estimate	Revised Estimate
2019-20	1,500 crore	313 crore	3,000 crore	2020 crore
2020-21	500 crore	300 crore	2,000 crore	996 crore
2021-22	400 crore	1 crore	1,500 crore	3596 crore
2022-23	1 crore		1,500 crore	

*Compare to Rs 50,000 crores: Estimated shortfall between declared MSP value of crops and average market value received by farmers as per 2017-18 data. Estimated to be higher now.*

#### **(iv) Crop Insurance**

The allocation for Pradhan Mantri Fasal Bima Yojana which was Rs 16,000 crores in the last Budget has been reduced to Rs 15,500 crores. Further, even more importantly the scheme is floundering. The number of major states pulling out of the scheme have grown. Even the Pradhan Mantri's home state of Gujarat has pulled out of the scheme.

#### **(v) Farmer Producer Organizations**

The much heralded "10,000 Farmer Producer Organisations" scheme had a paltry allocation of Rs 700 crores last year and the revised estimate reduced it to Rs 250 crore. A close look at the figures shows the performance of many initiatives. Under the one lakh crore Agriculture Infrastructure Fund announced in May 2020 as part of Atmanirbhar Bharat package, after nearly two years, only Rs 2,694 crores have been disbursed as loans and projects worth a total of Rs 6,700 crores sanctioned (source: Agri Infrastructure Fund website). This is a dismal performance for a much-hyped package meant as a stimulus for the farmers in crisis.

#### **(vi) PM-KISAN**

The allocation for PM-KISAN is 9 % lesser than what was originally announced at its inception in 2019. The earlier claim that 14 crore farmer households would benefit has been scaled down to 12.5 crore households. However, while Rs 6000 each would require Rs 75000 crores, only Rs 68,000 crores have been allotted.

#### **(vii) Agricultural Labour**

The poor agricultural labourers are not a priority for the BJP Government. In times of pandemic when employment opportunities have shrunk, the allocation for MGNREGA has been cut. While the Revised Estimates of 2021-22 was Rs 98,000 crores, this Budget has only allocated Rs 73,000 crores. A recent study had estimated that for ensuring 100 days/household under MGNREGA would require about Rs 2.64 lakh crore including for clearing arrears of around Rs 21,000 crores.

#### **(viii) Natural Resource Management**

In view of the widespread degradation of soil, water and biodiversity, and the changing climate the government needs to spend far more on research for the regeneration of natural resources. However, in this year's budget, the allocation made on natural resource management institutes including agro-forestry research is even less than what they were allocated in 2021-22, a reduction of more than 25 %. There is also a reduction of 25 % in the budget allocated for the research related to climate resilient agriculture initiative.

The decision to focus on a 5-km corridor along the river Ganga for the promotion of natural farming is not a wise decision. It is a decision taken in the wake of elections in Uttar Pradesh. It simply beats logic and may only serve to delay the promotion of natural farming in rain-fed regions that are more amenable.

Despite the rhetoric, the budget figures are less than encouraging for natural farming. The new emphasis on natural and organic farming is clearly not matched by allocations. The Paramparagat Krishi Vikas Yojna (PKVY) scheme is meant to promote sustainable agriculture. The scheme was allocated Rs 450 crore in the previous year, but it spent only Rs 100 crore. In 2022-23, in the total allocation of Rs 124,000 crores received by agriculture and farmers welfare the allocation for soil and water conservation was only Rs 30.10 crores. The digital

agriculture scheme has been allocated Rs 60 crores. There is far more spending on drones and digitalization. Drones are going to be used for chemical spraying displays the Union Government's seriousness towards natural farming.

**(viii) Agricultural Research**

The analysis of budgetary allocations made in favour of the Department of Agricultural Research and Education (DARE) out of the total budget of the Government of India under the Modi Government has faced a major cut. The proportion of budgetary allocation was 0.31% of the Central Plan Outlay in 2016-17. The proportion of budgetary allocation had come down to 0.28% of total plan outlay in 2019-20 (Report of Standing Committee on Agriculture on Department of Agricultural Research and Education, 2019).

The DARE was also asked to furnish data regarding the share of agricultural research and education (R&E) in agricultural GDP during the last five years. In the written reply, the DARE reported a decline of % age share of agricultural R&E expenditure in agricultural GDP in India from 0.657 to 0.610. The Government also admitted that out of this, 75 % budget goes to salaries and pensions and so the money left for research per se is very little (Standing Committee Report on DARE, pp.).

The DARE also admits that reduced allocations at the revised estimate (RE) stage led to the downsizing of some of the programs and postponed some activities for later years. See below Table 1 for details of scheme wise analysis provided by the report.

**Table 1: Scheme wise analysis year wise change in expenditure**

Scheme wise analysis year wise change in expenditure- Actual, BE & RE	2017-18 Crores	2018-19 Crores	2019-20 Crores	2020-21 Crores	2021-22 Crores	2022-23 Crores	Remarks
Crop Science	369.66 Actual 387.00 BE	628.06 Actual 776.00 BE	701.53 BE	529.59 Actual	615.00 RE 708.00 BE	526.08 BE	Reduction in budgetary support
Natural Resource Management	129.19 Actual 167.68 BE	153.80 Actual 174.39 BE	159.48 BE	220.26 Actual	168 RE 195 BE	144.00 BE	Reduction in budgetary support
Animal Science	252.27 Actual 271.97 BE	275.54 Actual 340.00 BE	310.98 BE	256.38 Actual	262.00 RE 302.00 BE	224.41 BE	Reduction in budgetary support

Agricultural Extension	231.98 Actual 241.81 BE	200.71 Actual 241.81 BE	220.15 BE	236.72 Actual	284.00 RE 328.00 BE	243.72 BE	Reduction in budgetary support
Agricultural Education	618.70 Actual 663.37 BE	713.29 Actual 826.59 BE	789.19 BE	526.14 Actual	553.00 RE 613.00 BE	455.46 BE	Reduction in budgetary support

Source: Compiled from Notes on Demands

## **ANIMAL HUSBANDRY**

**Food Sovereignty Alliance, India**

### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

The Budget allocations for Animal Husbandry continue to be miniscule : roughly 2% of total Agriculture and Allied Sector allocation which itself is a mere 3.8% of the total budget, despite Animal Husbandry contributing 4.35% of total GVA and nearly 30% of GVA from Agriculture and Allied Sectors in 2019-20 (Economic Survey of India 2021-22). According to the Economic Survey of India, Animal Husbandry contributed 15% of the total income of farmers.

The budget continues to reflect the overarching policy framework of the government which is (i) about aggressively 'organizing' the so-called 'unorganized' sections of the animal / animal products value chain and facilitating its capture by the Private – corporates and/or Cooperative agribusiness and (ii) enhancing exports of all livestock commodities as the pathway to 'double farmers incomes'.

The acute problem with this framework, of organizing the unorganized, is that it pushes and throws out millions of small and marginal producers, small traders, transporters, vendors, who operate down the animal value chain, from their livelihoods. Consolidation of the supply chain happens at the production end, with production moving from the 1-2 animal owning marginal farming households, to larger producers, organized through FPOs (ii) distribution and sales getting monopolized and controlled by fewer and fewer bigger hegemonic corporate players- down the value chain. Studies have clearly shown how the capitalization and 'organising' of the sector have thrown the really small producers and other actors out of production and distribution.

This budget, coupled with the increasing ideological determined policy and legislative decisions such as the vilification of meat, stringent slaughter bans, restrictions and bans on trade and transport of livestock between states, has hugely increased the threats to the livelihoods of the small and marginal producers and other small actors, down the value chains of the two key agriculture commodities namely Dairy and Meat.

### **ANALYSIS**

#### **(i) Allocations**

The total allocation of Rs 3918.84 Crores continues as in the previous years on:

**(a) Establishment Expenditure of the Centre** (Rs 195.84 Crore) including on Animal Health Institutions which cover Animal Quarantine Service Stations. The government recently announced that the latter can be now be set up by 'Private Sector'. The largest allocation under the establishment expenditure head, has been made to the National Institute of Animal Welfare. This institute does not even have its own website, and there is absolutely no information on what it does or has done. Once again, this appears to be an allocation keeping with the current government projects concerned about 'stray animals' which is ironically a direct consequence of its inappropriate slaughter ban laws across states where it has come to power.

### **(b) Central Sector Schemes/ Projects**

59 % of the total Animal Husbandry budget is allocated to the Livestock Health and Disease Control Program (which amalgamates the erstwhile Livestock Health and Disease Control and National Animal Disease Control Programme (NADCP) for Foot and Mouth Disease (FMD) and Brucellosis), and the Animal Husbandry Infrastructure Development Fund. The former is allocated not merely for preventive vaccinations, but also for Skill Development, Veterinary Infrastructure, and the Veterinary Council of India and State Veterinary Councils. Once again here it's a pittance spread very thin across large ruminants, small ruminants, swine, and veterinary infrastructure. What is also extremely revealing, is the ultimate objective to control FMD by 2025 and eradicate it by 2030, is to 'increase exports of dairy and livestock products'.

The ambitious Animal Husbandry Infrastructure Development Fund of Rs 15000 Cr, which is exclusively to facilitate the Private Sector to establish Dairy and Meat Processing / value addition plants, and Animal Feed plants, has the objective to link 'unorganised producers' to the organised sector, processed meat and milk products for domestic consumers, and promote exports. The allocation this year of 315 Crores, is slightly higher than last year's actual expenditure.

### **(c) Other Central Sector Expenditure**

The present budget allocates Rs 13.24 Crores to the Animal Welfare Board, and the Committee for the Control of experimentation on Animals. There is for the second year running a short shrift of the Delhi Milk Scheme, with the actual receipts of DMS, nullifying the allocated expenditure. So, in effect no expenditure at all.

## **(ii) Schemes**

Finally, Rs 1394 Crore (35.5%) of the total budget is allocated for Centrally Sponsored Schemes renamed as Development Programs including on Dairy Development, Rashtriya Gokul Mission, National Livestock Mission and Livestock Census and Integrated Sample Survey.

**(a) Dairy Development** is the renamed erstwhile National Programme for Dairy Development implemented in 2019-20, by the National Dairy Development Board (NDDB). The Animal Husbandry Department website describes two components of the program, one financed by the Japan International Cooperation Agency. The source of funds of the second component is not detailed. It is not clear whether the second component is a continuation of the erstwhile National Dairy Plan- Phase 1, which was financed by a World Bank loan to the tune of Rs 1584 crores between 2012 and 2019 and implemented by the National Dairy Development Board. This plan aimed to (i) enhance the productivity of dairy animals and (ii) link the producers to the organized milk processing sector. In 2019 there were reports of NDDB negotiating a second phase of credit support with the World Bank, for the National Dairy Plan to the tune of Rs 8,000 Crore. However, there is no agreement to this effect. The allocated budget of Rs 340 Crores under Dairy Development, however, echoes the objectives detailed under the 2<sup>nd</sup> Phase National Dairy Plan. They are described in the AHD website as being "to create and strengthen infrastructure for milk testing, primary chilling facilities, for State Cooperatives Dairy Federations/ District Cooperative Milk Producers Union / SHG run private dairies/ Milk Producer Companies/FPOs, to be implemented

between 2021-22 and 2025-26.

**(b) Rashtriya Gokul Mission** has a Rs 604 Crore allocation, for supposedly 'indigenous breed preservation'. Deeply concerning elements of the scheme in the name of 'preserving indigenous breeds; include investments in IVF technology (in-vitro embryo production) as subsidies to farmers to adopt the use of IVF pregnancy and sexed sorted semen. These technologies will end up systematically eliminating male animals, and only produce females, a death knell to any future of animal power in agriculture, as a renewable source of energy. This is also in tune with the government's overarching mission to mechanise agriculture, completely eliminating male animals, and severely curtail beef as a source of nutrition.

The other equally concerning components of the RGM are:

- **Implementation of the National Digital Livestock Mission (Livestack)**, where every animal in the country is provided a UID, which according to the implementers of the mission- the DAHD and NDDB, will be the foundation of all State and National Programs include all domestic and International Trade. The digitalisation project claims that farmers will be able to 'effortlessly access markets' via the digital platform. The digital platform claims to be a one stop source of information for the farmers on animal breeding, nutrition, as also a mechanism to carry out disease surveillance, disease control programmes and a traceability mechanism for animals and animal products.

The digital platform is being developed on the foundation of the existing Information Network for Animal Productivity and Health (INAPH) . The latter has information on farmers and their animals entered into the database, linked to when the farmer's animal was vaccinated under the ongoing Livestock Health and Disease Control Program. The farmers informed consent is totally non-existent with respect to their details having been entered into a centralised database.

The digitalisation process by the government claims that the technology enabled ecosystem, will enable farmers to realize better income with the right information.

What we flag here is the dangerous centralised and hegemonic power of control over information, knowledge, markets, prices, determination of what is 'right' and what is 'wrong', by a digital platform which will be controlled by corporate houses facilitated by government, within which farmers are mere passive consumers of information, losing all their agency of knowledge production and decision making.

Furthermore, digitalised markets are yet another death knell to the regulated robust and intricate system of physical animal markets that exists in India. They are designed to serve the interests of corporate controlled supply chains. Surveillance of animals implies the surveillance of citizens who either own or trade in the animals, whose every transaction is being monitored, without their knowledge or consent. This becomes a powerful tool in the current environment of vigilantism that has been unleashed in the name of 'cow protection'.

- **Assistance to Gosadans, Pinjrapoles and Gaushalas** as part of Breed conservation. Once again this is a completely illogical strategy of preserving indigenous breeds, stemming from an ideological position. Restoring Indigenous breeds, require policies that pro-actively promote the multifunctional value of the indigenous breeds- as providers of animal power, milk, meat, manure, and by-products like leather. Current

policies eliminate this multifunctional role.

- **The National Livestock Mission, with 604 crores**, in a nutshell, is about encouraging entrepreneurship to transform the unorganised poultry / small ruminant /swine sectors into the organised

In summary, the present budget, as small as it is, is entirely oriented towards facilitating the capture of supply chains by the corporates. Even the benefits derived from vaccines, are undermined by the fact that these are only to encourage exports.



## **BANKING AND FINANCE**

Centre for Financial Accountability and People First

### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

Instead of presenting what has been achieved, the 3-year, 5 year and 25-year plans were spoken about in the Union Budget 2022-2023. The Government projections remain questionable with inflation at stated as 3% and Crude oil rates were shown at Rs 75 per barrel when in fact, it has already reached Rs 91 and is projected to go upto Rs 100. The Finance Minister used the word “Digital” 36 times in her budget speech, but pushing digital is like putting the bullock before the cart. Due to poor connectivity, only 50% of the population has access to the internet today while only 76% percent have digital literacy. The focus of the Union Budget shifted from the real issues such as the ailing banking sector – important issues like non-performing assets definitions, the shrinking rural reach of banks, perils of privatization, etc. were not touched.

### **ANALYSIS**

**(i)** Finance Minister Nirmala Sitharaman in 2021-22 said the government will infuse Rs 20,000 crore into public sector banks (PSBs) in 2021-22 to meet the regulatory norms which have not been provided yet. The same promise had been made this year.

**(ii) Privatisation.** The Finance Minister announced while speaking that privatisation of 2 banks will be completed whereas PSBs are making a robust profit and fulfilling the tasks given by the government including so many loans which help to tide over the crisis and put the economy in the growth track.

**(iii) Digital Rupee** has been announced when RBI is not ready, and it is only on trial stage in a few countries. Need wide debate among people.

**(iv) Crypto currencies** without regulations and mechanisms of accountability is a move in the wrong direction. Many countries have banned crypto currencies as the block chain technology makes it difficult to regulate, making it easier for illegal activities. Taxing it amounts to legalizing crypto currencies, without having any regulations.

**(v) Digital technology and FinTech’s** are promoted without adequate infrastructure and connectivity. Bharat net should become functional first. 600 FinTech’s have been banned but more than 2000 are operating. No license and monitoring of fintechs makes it dangerous for the country.

**(vi) LIC IPO:** It is the only social security for the majority. Initial invested capital of Rs 5 crore by the government the current asset base stands at Rs 36 lakh crore in assets. The policy holders have contributed Rs 95 crore from policy fund for the capital in 2011. Rs 186000 Cr solvency fund is also their contribution. The entire reserves are created from them. LIC shares 95% Profit with policy holders. It is proposed to be reduced to 90% now. This has to be referred to the

Parliament standing committee and consultation with all stakeholders are needed. Please keep the IPO in abeyance.

**(vii) The NPA Crisis continues.** No figures are given about write off. The National Company Law Tribunal's functioning has been criticised by the Parliament Standing Committee. It has to be reviewed and stringent recovery norms are the need of the hour.

## **RECOMMENDATIONS AND DEMANDS**

**(i)** Stop privatisation of Banks and other PSUs.

The Rural reach of the banking sector needs to be increased through strengthening lead bank schemes and direct credits rather than digital banking.

- Strict regulations of Microfinance institutions.
- Banks should focus on small credit than larger credit.
- Convert Postal Bank of India into a small Finance Bank so that it can provide loans.

**(ii)** Focus on Self Help Groups -Bank linkage instead of Microfinance institutions.

**(iii)** Introducing an Integrated Rural Development Programme and Urban Development programme.

**(iv)** Provide Rs 7500 to 60% of the families which are economically suffering.

**(vii)** Provide sub targets for Micro enterprises under MSME. Create a separate Ministry for them

**(viii)** Fishermen are not getting loans from banks. Launch a special scheme for the small traditional fish farmers.

## **DALITS AND ADIVASIS**

### **National Campaign on Dalit Human Rights and Dalit Arthik Adhikar Andolan**

#### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

This financial year the allocation for Scheduled Caste stands at Rs 1,42,342.36 crore and Rs 89,265.12 crore for the Scheduled Tribes. 329 schemes for SC and 336 schemes for ST have been allocated for the welfare of Scheduled Castes (AWSC) & Allocation for Welfare of Scheduled Tribes (AWST) respectively.

While the allocation seems quite large scale, the proportion of targeted schemes is 37.79 % with Rs 53794.9 crore allocated for targeted schemes under SC budget and 43.8% with Rs 39,113 crore for STs. The rest of the Schemes under Dalit and Adivasi budget are de-facto general schemes, with a mask of SC or ST budget schemes. They do not qualify as SC, ST schemes that benefit the communities. Considering the general nature of the schemes, these will not address the development gap between the SC/ST and the rest of the population as mandated by the guidelines.

The government has been voicing the need for the development of the Dalit and Adivasi community; however, the same is not reflected in the budget for the financial year 2022-23.

The allocations for nodal ministry i.e. Ministry of Social Justice and Empowerment have been increased to Rs 9,508 crore as compared to last year's Rs 7,751 crore. Apart from this, the other critical Ministries which have witnessed a marginal increase of allocation in SC development are Rural development, Micro Small and Medium Enterprises (MSME) and Drinking water & sanitation.

Similarly, from the ST perspective, the critical ministries are MSME and Drinking water & sanitation with substantial increase. Moreover, there is only a marginal increase in allocations for the Ministry of Tribal Affairs (MoTA). In a scenario where the overall increase in allocations are as high as 13% and 12% for SC & ST respectively, the nodal ministries of MSJE & MoTA are subjected to major budget cuts despite the existing NITI AAYOG guidelines for Earmarking of Funds for the implementation of SCSP/TSP.

#### **Highlights of Budget Analysis 2022-23**

- 1) As per the guidelines by the NITI ayog on the AWSC and AWST, it is mandatory to allocate proportionate to the population, however, this year to the allocation has not been made proportionate and there exists a gap of Rs 40,634 crore and Rs 9399 crore for SC and ST Budget
- 2) Manual Scavenging is a practice that has been outlawed in India through the Elimination of MS Act but is still practiced in many states. However very disappointing to see that they have only allocated Rs 70 crore for the Self Employment of Manual Scavengers and Rs 25 crore for National Safai Karamachari Finance and Development Corporation

- 3) Education- The commitment to allocated INR 7000 crore to Post Matric Scholarship has not been fulfilled this year too. This year there is an allocation of only Rs 5660 Cr for SCs and Rs 3416 Cr for STs.
- 4) Gender- Data shows that there is a total no of atrocities on Dalit women is about 7000 Crimes, with about 10 Dalit women raped on an average daily, however, the budget allocated this year is only Rs 600 crore for the effective implementation of the SC ST PoA act, out of which only about Rs 180 crore crores to address violence and crimes against Dalit women. The trans Dalit community do not find a mention in the budget and this is totally invisibilised without having any allocation.
- 5) This year there is an allocation of about Rs 20472 crore for the agriculture department for SCs and Rs 10,606 crore for STs, though this is a high allocation, it is common knowledge that a lot of Dalits and Adivasis are landless farmers so it is yet to be seen how this is implemented.

## **ANALYSIS**

### **(i) Impact of COVID on Migrant Labour**

According to the Census of India 2011, there are over 45.58 crore migrant workers. However, on 14 September 2020, Union Minister of Labour and Employment Santosh Kumar Gangwar stated in Parliament that around 1 crore migrants returned back to their source state as a result of the COVID-19 pandemic and consequent lockdown

(a) Data also shows that about 90% of the migrants lost their incomes within the first three weeks of the COVID lockdown

(b) According to the ILO, a decline of 22.6% in the wages of the migrant workers have been estimated post-lockdown

(c) In response, on May 17, 2020, the Indian Government announced distribution of food grains to migrant workers for two months, and enrolment of the returning migrants under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) to provide jobs up until the monsoon season. The FM has provided an additional allocation of ₹40,000 crore towards MGNREGA.

The focus has been on the creation of job opportunities in urban, semi-urban and rural areas as well as for tribal people, by engaging them in environment-related manual labour under the Compensatory Afforestation Management & Planning Authority (CAMPA). Around ₹6,000 crore will be utilised under this scheme. Similarly, measures announced relate to the concessional rental housing support scheme under Pradhan Mantri Awaas Yojana (PMAY) for migrant workers near their workplace, and a portable ration card scheme “one nation one ration card”, which is a technology-driven system that will allow migrant workers to use their ration cards across India. The third measure includes support to the self-employed and street vendors by way of easing out credit access for 50 lakh street vendors However, a survey conducted of 11,000 migrant workers stranded across different locations in India during lockdown reveals that 96% of them didn't receive rations from the government, 70% didn't receive any cooked

meal and as many as 89% didn't receive any payment from their employers during the lockdown<sup>5</sup>.

According to the NCRB<sup>6</sup>, death by suicide owing to the impact of the pandemic and the lockdown was significant and a disaggregation of worker/non-worker revealed that most deaths in 2020 were that of daily wage workers, followed by self-employed and unemployed individuals. The Union Budget 2021-22 had mentioned registration of informal labour, including migrant labour, and their inclusion in a database as a means to help formulate policies for health, housing, upskilling, insurance, credit and food schemes<sup>7</sup>. However, the e-Shram portal, which aims to register all such migrant and gig workers had only been able to register 24 % of such workers in three months, due to barriers of Aadhar and low awareness of benefits<sup>8</sup>.

Allocations for employment generation for SCs in the Union Budget 2022-23 has drastically reduced to Rs 22.97 crore from Rs 170.96 crore in the previous year. The same is true also for the STs where we witness a drop to Rs 11.30 crore this year from Rs 89.50 crore last year. Employment generation schemes include National career services, Pradhan Mantri Rojgar Protsahan Yojna, Coaching and Guidance for SC ST and Other Backward Classes. Similarly, Labour welfare schemes for the SCs register a drop to Rs 19.88 crore under AWSC from Rs 24.90 crore in the previous year and, for STs, the same has been Rs 10.66 crore under AWST from Rs 12.90 crore in the previous year. It is a matter of concern that despite the migrant crisis in 2020 that also spilled onto 2021, the Union Budget does not allocate 1` funds for the migrants from the SC ST community.

#### **(ii) Sanitation and Frontline workers:**

Manual scavenging is the practice of physically removing human excreta by hand from sewers or septic tanks. The work is mostly undertaken by members of the Dalit caste, which is at the bottom of India's archaic caste system.

In 1955, the Protection of Civil Rights Act called for the abolition of scavenging or sweeping on grounds of untouchability. This was revised in 1977 for a stricter implementation. In 2013, Parliament passed the Prohibition of Employment as Manual Scavengers Act, 2013, with a greater emphasis on rehabilitation. However, all legislations collapse when confronted with the reality on ground. According to the Ministry of Social Justice and Empowerment, 941 Dalits have lost their lives till August 2021, while cleaning sewers. According to the report submitted by MSJE, 63,246 manual scavengers have been identified across the country (by March 2020).<sup>9</sup>

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<sup>5</sup> [https://www.thehindu.com/news/resources/article31442220.ece/binary/Lockdown-and-Distress\\_Report-by-Stranded-Workers-Action-Network.pdf](https://www.thehindu.com/news/resources/article31442220.ece/binary/Lockdown-and-Distress_Report-by-Stranded-Workers-Action-Network.pdf)

<sup>6</sup> National Crime Records Bureau, 2020 <https://economictimes.indiatimes.com/news/india/daily-wagers-top-people-in-india-who-committed-suicide-in-2020-ncrb/articleshow/87354684.cms>

<sup>7</sup> Aryan, A., (2021), "ESIC, other social security safety nets to cover gig economy workers", The Indian Express, accessed January 3, 2022, <https://indianexpress.com/article/india/budget-2021-esic-other-social-security-safety-nets-to-cover-gig-economy-workers-7170725/>

<sup>8</sup> Paliath, S., (2021), "E-Shram Registration Should Ensure Social Security Entitlements For Workers, Say Experts", IndiaSpend, accessed January 4, 2022, <https://www.indiaspend.com/governance/e-shram-registration-should-ensure-social-security-entitlements-for-workers-say-experts-789930>

<sup>9</sup> "TENTH REPORT STANDING COMMITTEE ON SOCIAL JUSTICE AND EMPOWERMENT (2019-2020)", Ministry of Social Justice and Empowerment

The Department of Social Justice and Empowerment introduced the Self Employment Scheme for Rehabilitation of Manual Scavengers (SRMS) in 2007 to aid the rehabilitation of 'former' manual scavengers transitioning to other occupations. In FY 2021-22, there was "ZERO" allocation of funds for the rehabilitation of manual scavengers citing under-utilization of funds in the previous financial year. This comes as a rude shock as sanitation workers were at the forefront and while it was claimed that they are at par with other frontline workers, given their vulnerability to the infection and their crucial role in maintaining sanitized environment, neglecting to provision for this group totally belies that claim.

Furthermore, there is no allocation for the "post matric scholarship of those children whose parents are engaged in unclean occupations and prone to health hazards" scheme in the latest 2022-23 Budget. Women engaged in manual scavenging, despite possessing all the required documents, are not enlisted as people involved in manual scavenging and hence get excluded from The Prohibition of Employment as Manual Scavengers and their Rehabilitation Act (PEMSR Act) and the Self-employment Scheme for Rehabilitation of Manual Scavengers (SRMS). This is compounded by the fact that women who are engaged in manual scavenging are unaware of their legal rights.<sup>10</sup> In fact, in FY 2021-22, an amount of Rs 50 crore was allocated to National Safai Karamchari Finance and Development Corporation for capital expenditure, which has been reduced to half (Rs 25 crore) this year. In this budget, the Self Employment Scheme for Rehabilitation of Manual Scavengers gets Rs70 crore as compared to 100 crore last year.

Sanitation work in India is intergenerational and is disproportionately performed by members of scheduled castes, or other vulnerable social groups. Sanitation workers are tasked with disinfecting public spaces as COVID-19 crisis continues to impact us. Sanitation employees are people who work in any part of the sanitation chain: cleaning toilets, emptying pits and septic tanks, cleaning sewers and manholes and operating pumping stations and remedy plants and so forth. The pandemic has similarly exacerbated their exclusion and vulnerabilities. More than half the deaths due to Covid among the staff of the three Municipal Corporation of Delhi — North, South and East — have been of safai karamcharis. Of the 94 deaths among corporation employees due to Covid, 49 are sanitation workers<sup>11</sup>

India's graveyards and crematoriums are overwhelmed with deaths from COVID-19 during the second wave. Crematorium workers are Dalits who are miserably underpaid and exploited socio-economically, while the workload was four times than usual. They were not provided with any sort of protective gear.<sup>12</sup> The average life expectancy of sanitation workers is 40-45 years, significantly lower than the national average of 70 years.<sup>13</sup> To add to that, sanitation infrastructure in most Indian cities is outdated and difficult to operate with machines, thereby

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<sup>10</sup> Sharanya Menon (August 2021). "Advancing the rights of women manual scavengers", India Development Review

<sup>11</sup> 11Abhinav Rajput (May 2021). "Delhi: Half of Covid dead under municipal corporations are safai karamcharis", The Indian Express <https://indianexpress.com/article/cities/delhi/delhi-half-of-covid-dead-under-municipal-corporations-are-safai-karamcharis-7333365/>

<sup>12</sup> Suprakash Majumdar (April 2021). "We Spoke to a Cremator at the Center of India's COVID Hell", Vice News

<sup>13</sup> Anahitaa Bakshi, Keshav Kanoria and Nirat Bhatnagar (2021). "No progress for sanitation workers: What must change", Times of India

requiring human intervention. Some policy amendments had been suggested by the government and earmarking a significant budget (Rs 1.25 lakh crore) for mechanisation in 500 cities and gram panchayats. However, it was not included in the 2022 budget.

### **(iii) Education Justice**

**Impact of Covid 19 on Education of SC & STs:** The COVID-19 pandemic has significantly disrupted the higher education sector; this was also reiterated by the Finance Minister in her budget speech. Education is one important avenue that is critical to reduce the economic gap between marginalised communities and dominant groups. During Covid 19 the educational institutions resorted to online teaching without realising the lack of internet facilities and availability of computers and smart phones amongst the poor SC/ST students creating an enormous digital divide where access to technology seems like a far-off reality for them. Government entitlements become even more important for students from marginalised communities to realise their right to education. COVID-19 has increased the existing disparity in access to education and will do so further. It has exposed students from these communities to many more challenges like poor access to digital infrastructure, lack of financial resources and space, lack of livelihood opportunities and social protection. The pandemic has pushed many students towards informal employment, increasing their vulnerability. The education sector has faced enormous challenges since the lockdown. In response, institutions have introduced remote learning and the use of online learning modules and television. For several students from underprivileged backgrounds, this is one more barrier in a system that was already fraught with discrepancies and discrimination, especially for those from poorer families. While the government did not seem to factor the issue of access, many students from the Dalit, Adivasi, PVTG and trans communities were left looking for ways to cope with the situation, sometimes failing to find solutions<sup>14</sup>. Proper and timely implementation of the schemes like PMS, increase access to online classes and immediate financial and livelihood support for SC/ST students is a must to remove the barriers during the covid crisis and its recovery.

### **(iv) Post-Matric Scholarship and Schemes for Higher Education**

According to the AISHE<sup>15</sup> data (2019-20), the Gross Enrolment Ratio (GER) has increased during the last 5 years, from 24.5 in 2015-16 to 27.1 in 2019-20. The increase in GER is higher for females as compared to males. However, allocations do not necessarily match increased enrolment. While Post-Matric Scholarship for SCs finds an increase in the Union Budget 2022-23 to the tune of Rs 5660 crore, an increase from Rs 3416 crore last year (in AWSC), the PMS for STs has decreased to Rs 1965 crore from Rs 1993 crore last year (in AWST).

Focusing on higher education spending for the SCs, Statement 10A of the Union Budget (also known as Allocation for Welfare of SCs or AWSC), we find two Ministries mentioned in the 10A (AWSC). Within the Ministry of Social Justice and Empowerment, various schemes add up to reflect an outlay of Rs 3843 crore for higher education, which was Rs 1963.45 crore last year. SHREYAS, an umbrella higher education program, comprising of four schemes has a combined outlay of Rs 364 crore. It comprises of National Fellowship for SCs, National Overseas

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<sup>14</sup> NCHDR, DAAA (2021) 'Confronting the Pandemic: Response and Recovery for the Dalit and Adivasi Students' <http://www.ncdhr.org.in/wp-content/uploads/2021/10/Confronting-the-Pandemic-Response-and-Recovery-for-Dalit-and-Adivasi-students-1.pdf>

<sup>15</sup> All India Survey on Higher Education (2019-20) [https://www.education.gov.in/sites/upload\\_files/mhrd/files/statistics-new/aishe\\_eng.pdf](https://www.education.gov.in/sites/upload_files/mhrd/files/statistics-new/aishe_eng.pdf)

Scholarships for SCs, Top class education for SC students and free coaching for SC and OBC students.

Focusing on higher education spending for the STs, two Ministries contribute to this. The Ministry of Tribal Affairs has allocated Rs 1986 crore. The Ministry of Higher Education has allocated a total of Rs 3389 crore under AWSC and Rs 1986 crore under AWST for SC and ST students, respectively. Even though there is an allocation increase of 1.1% under AWSC and AWST by the Ministry of Higher Education, none of the schemes featured in the AWSC and AWST are targeted for education of SC and ST students. For example, the scheme Grants to Central Universities (CUs) has been allocated Rs 594 crore under AWSC and Rs 301 crore under AWST; University Grants Commission (UGC) allocating Rs 815 crore under AWSC and Rs 420 crore under AWST so on and so forth. However, none of these schemes have targeted the objective of the development of SC and ST students.

Even though there is a slight increase in the Budget for the SC/ST under the department of higher education, many of these schemes are not targeted towards the development of SC and ST students. For example, schemes for SC & ST like Grants to Central Universities (CUs) is Rs 594 crore for SC and Rs 301 crore for ST, Support to National Institutes of Technology (NITs) and IIST is Rs 300 crore for SC and Rs 161 crore for ST, the gross budgetary support for All India Council for Technical Education (AICTE) is Rs 63.00 crore for SC and Rs 25 crore for ST, Interest subsidy and contribution for Guarantee funds is Rs 200 crore for SC and Rs 100 crore for ST, Gross budgetary support for World Class Institution is Rs 310 crore for SC and Rs 151 crore for ST, Rashtriya Uchhatar Shiksha Abhiyan is Rs 415 crore for SC and Rs 230 crore for ST, University Grants Commission (UGC) is Rs 815 crore for SC and Rs 420 crore for ST, Support to Indian Institute of Technology is Rs 495 crore for SC and Rs 240 crore for ST. All these schemes will make a total Rs 3192 crore for SC and Rs 1628 crore for ST and has been placed erroneously inside where they do not have any financial flows for the welfare and development of the SC and ST. Paradoxically, the scheme which would benefit the SC/ST students like Scholarship for college and university students is only Rs 30 v. Surprisingly at a time when many SC/ST students are facing challenges in accessing higher education it does not make sense as to why there is no direct allocation to schemes that benefit SC and ST students.

## **RECOMMENDATIONS**

**(i) Allocation:** All obligatory ministries should allocate population proportionate funds for Dalits and Adivasis

**(ii) Post Matric Scholarship:** Allocation to direct benefit schemes like Post-Matric Scholarships, hostels, skill development schemes should be increased, and timely transfer of funds should be ensured to beneficiaries at all cost.

**(iii) SC & ST Women Allocation:** Allocation of 50% for Dalit women and a special component plan for Dalit women should be established with strong mechanisms to monitor and ensure effective implementation.

**(iv) Social Protection:** A minimum social protection floor which guarantees access to universal basic health care including maternity benefit and basic income security to all Dalits and Adivasis.



**(v) PWD Allocation:** All schools and hostels must be made disabled-friendly keeping in mind the needs of people with disabilities

**(vi) Legal Provision:** Lack of legislative framework for implementation of SC & ST schemes has led to lack of implementation of most schemes. There is therefore an urgent need for passing of SCP/TSP legislation.

**(vii) Access to Education:** Education being the single most important scheme for the youth of the community must have enhanced funding adequate to accommodate all eligible students under Post Matric Scholarship, Rajiv Gandhi National Fellowship and other similar scholarship schemes.

**(viii) Allocation for DRR and CCA:**

- a. Make allocations by the MHA to the welfare of SC and ST mandatory and MoEF&CC allocations and programmes under SC and ST Welfare Fund responsive to the vulnerability and needs of the communities
- b. Accelerate the recommendations of the 15<sup>th</sup> FC Report in particular the methodology for determining allocations, vis. a combination of capacity (as reflected through past expenditure), risk exposure (area and population with caste, age, disability and gender disaggregated data) and hazard and vulnerability (disaster risk index) for determining State-wise allocation for disaster management.
- c. Revisit, redesign and strengthen the budgetary allocations and their direct benefits, under the 'Welfare of Scheduled Castes (Statement 10A)' and 'Welfare of Scheduled Tribes (Statement 10B)' respectively by the MoEF&CC, in consultation with NGOs and humanitarian organisations working directly with these communities on resilience and adaptation.
- d. Allocate population proportionate funds and a basket of schemes for direct Disaster Risk Reduction (DRR) and Climate Change Adaptation (CCA) programmes for SC and ST communities to build their resilience and adaptive capacity. These Schemes can include livelihood to strengthen coping mechanisms during droughts, especially of the landless agricultural labourers, and women farmers and farm workers

**(ix) Scheme Design:** All schemes that have direct benefit transfers should be encouraged both for quickness of pace of transfer and to reduce transmission losses.

**(x) Scheme Eligibility:** All Schemes to be placed under AWSC and AWST must have a clear direction on eligibility for SCs and STs only

**(xi) Access to Justice:** Allocation should be increased to prevent crime against Dalit women, men, children, people with disabilities and queer and trans persons. There is need for establishing clear mechanisms to provide protection and security to any victims of caste-based discrimination and violence. The current allocation is grossly inadequate. Special Courts should be set up for speedy trials of cases, and increased compensation should be given to victims of caste and ethnicity based atrocities

## **DIGITAL TECHNOLOGY**

Internet Freedom Foundation

### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

Budget 2022-23 evokes conflicted sentiments. On the one hand, it contains a markedly increased allocation to National Digital Health Mission (NDHM) and, prima facie, BSNL, as well as provisions for utilising 5% of the Universal Service Obligation General Fund (USOF) to promote R&D and commercialization of technologies and solutions. Unfortunately, on the other hand, allocations towards PMGDISHA remain low, while concerns remain that significant capital expenditure may not take place. Although, on first impression BSNL seems to have a quantum jump in allocations, given the situation and context, this is actually too little too late.

### **Highlights of Budget Analysis 2022-23**

Union Budget for Financial Year 2022-23 has cumulatively allotted Rs 1,02,942.57 crores to the National Digital Health Mission (NDHM), the Ministry of Electronics and Information Technology (MeitY), the Ministry of Information and Broadcasting (MIB), and the Department of Telecommunications (DoT):

- 1) For the MIB, allocation in Budget Estimates 2022-2023 (Rs 3,980.77 crores) saw an increase of 5.7% as compared to the Revised Estimates of 2021-22 (Rs 3,764.69 crores).
- 2) For the DoT, allocation in Budget Estimates 2022-2023 (Rs 84,586.8 crores) saw an increase of 137.9% as compared to the Revised Estimates of 2021-22 (Rs 35,550.21 crores).
- 3) For the MeitY, allocation in Budget Estimates 2022-2023 (Rs 14,300 crores) saw an increase of 49.2% as compared to the Revised Estimates of 2021-22 (Rs 9,581.25 crores).
- 4) An enormous 825% increase in total capital expenditure of DoT, MeitY and MIB (Rs 54,564.07 crores) over the Revised Estimates of 2021-22 (Rs 5,898.27 crores) can be observed, stemming largely from a 889.9% increase in the DoT. However, praise for these allotments must be tinged with a hint of caution as a major proportion of the increase (Rs 44,720 crores) is being directed only towards BSNL. Furthermore, given that this capital infusion is for the purpose of very belatedly acquiring 4G spectrum at a time when other companies are preparing for 5G, this money will ultimately return to the government's account and so it does not constitute additional capital expenditure. It is also reflective of the government's lackadaisical approach to effective management of public sector companies.

### **ANALYSIS**

#### **(i) The Department of Telecommunications<sup>16</sup>**

The allocation in Budget Estimates 2022-2023, net of receipts and recoveries, for the DoT is Rs 84,586.80 crores. This is a 138% increase over the 2021-22 Revised Estimates that was pegged

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<sup>16</sup> <https://www.indiabudget.gov.in/doc/eb/sbe13.pdf>

at Rs 35,550.2 crores. The increased allocation, however, needs to be assessed with caution since it's not equitably distributed towards all schemes/ projects, and innovation and research. The substantial jump in total allocation may be attributed to Rs 52,702.3 crores earmarked for Other Central Sector Expenditure, which reflects an enormous 1091.4% increase from the Revised Estimate 2021-22 (Rs 4,423.6 crores). This 1091.4% increase is primarily on account of the monetary support designated to support the **state-owned** telecommunications provider, BSNL (Rs 44,720 crores), which accounts for 84.8% of the total expenditure on Other Central Sector Schemes. However, as noted earlier, this capital infusion is for the purpose of allowing BSNL to acquire 4G spectrum.

Thus, this money will return to the government's coffers and so does not constitute additional capital expenditure per se. It must also be noted that at a time when other major players in the telecom sector are currently preparing to offer 5G services, BSNL is yet to launch its pan-India 4G network. Additionally, Due to mismanagement by the government has also led to MTNL struggling financially. As a result, significant measures have been taken to cut down the size of BSNL's workforce, in lieu of which the government has also decided to allocate Rs 3,300 crores to implement the Voluntary Retirement Scheme (VRS).

As also mentioned earlier, this is also reflective of how public sector companies have to often compete with their hands tied behind their back. As may be noted from the table below, Rs. 14,115 crore was budgeted as capital infusion for 4G spectrum in 2021-22. However, regrettably, none of this was spent and both the revised estimate and actual for the year 2021-22 under this head stands at zero. 4G was first rolled out in India a decade back in 2012<sup>17</sup> and the government expects that 5G will start rolling out this year. That BSNL has not been given the necessary finances **for over a decade** to be able to compete on an even footing in an ever-evolving market is one of the primary reasons that this state-owned entity, which could have been a revenue generating source for the government, is in poor financial health. Other reasons include:

- Cancellation of BSNL's tenders for procuring 4G mobile equipment in the name of 'Make In India', while private operators are allowed to procure foreign equipment
- Lack of participation in tender processes for new contracts
- Monetisation of core BSNL assets such as telecom towers and optical fibre network

Further, since the money spent by BSNL for spectrum will return to the government's coffers and so does not constitute additional capital expenditure per se, In effect, the increased allocation is largely an accounting exercise without any real outflow of funds from the government, despite the fact that BSNL has not been allocated any additional spectrum since 2010, and thereby not being given a level playing field.

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<sup>17</sup> <https://www.cnbctv18.com/telecom/5g-is-coming-to-india-soon-but-whats-the-status-of-4g-spectrum-12057522.htm>

Assessment of the Central Sector Schemes' budget allocation reveals that the total expenditure decreased from Rs 13,616.92 crores in Revised Estimates 2021-2022 to Rs 11,678 crores in Budget Estimates 2022-2023, which is a reduction of 14.23%. Herein, the transfer to the **USOF** increased from Rs 8,300 crores to Rs 9000 crores, which is vital as India aims to bridge the urban-rural divide by providing seamless telecom connectivity to the unconnected areas. Moreover, the Government has designated Rs 7000 crore out of the total allocation to USOF as capital expenditure. Increased allocation towards this fund, especially for capital expenditure, is highly appreciable as it shows the Government's intent to work towards digitising India by augmenting telecom infrastructure.

Item (Rs cr)	Actual 2020-2021	Budget 2021-2022	Revised 2021-2022	Budget 2022-2023
Total-Establishment Expenditure of the Centre	15815.7	16372.5	17509.7	20206.5
Total - Universal Services Obligation Fund	7200	9000	8300	9000
BharatNet	5919.8	7000	7000	7000
Total - Defence Spectrum	4000	5200	5200	1961
Total - DoT Projects	196.8	231.6	116.9	717
Total - Central Sector Schemes/ Projects	11396.8	14431.6	13616.9	11678
Capital infusion in BSNL	--	14115	--	44720
Total - Other Central Sector Expenditure	15097.7	27932.9	4423.6	52702.3
<b>Grand Total</b>	<b>42310.2</b>	<b>58737</b>	<b>35550.2</b>	<b>84586.8</b>

Table 2: Budgetary allocations for specific items

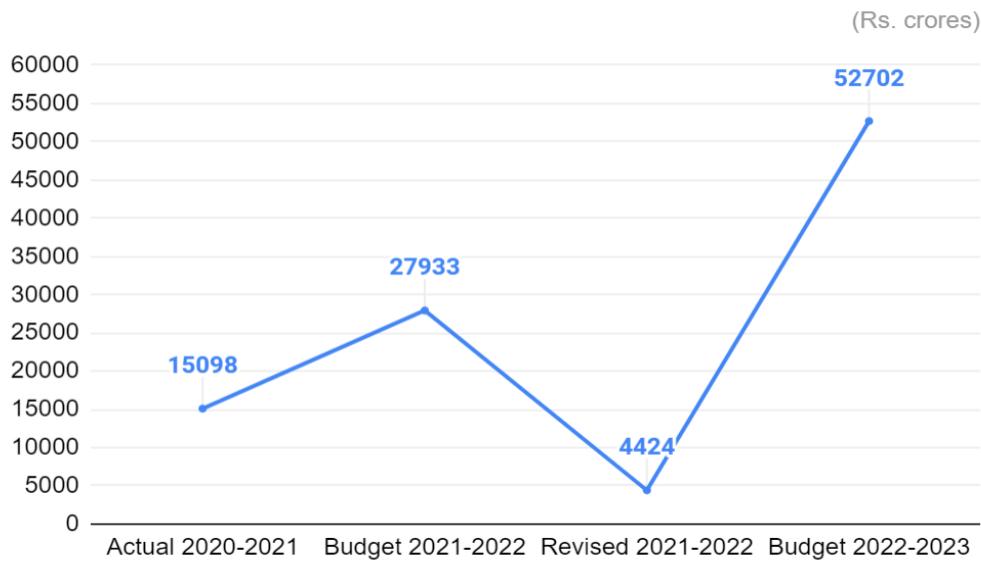


Figure 1: Total allocation to Other Central Sector Expenditure

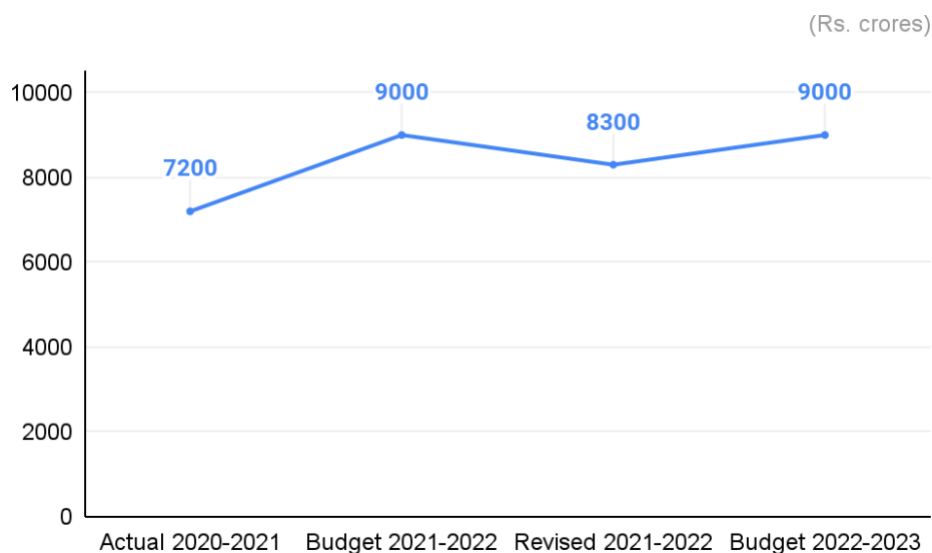


Figure 2: Net Total Allocation to USOF

An allocation of Rs 10 crores for the 5G Connectivity Test marked a 455.5% increase from the previous year's allocation of Rs 1.8 crores. The Finance Minister **announced** that, in a push for 5G technology, the Government will launch a new production-linked incentive scheme. Thus, an impressive initial allocation of Rs 527.68 crores for the 'Production Linked Incentive (PLI) Scheme to Promote Telecom and Networking Products Manufacturing in India' is par for the course.

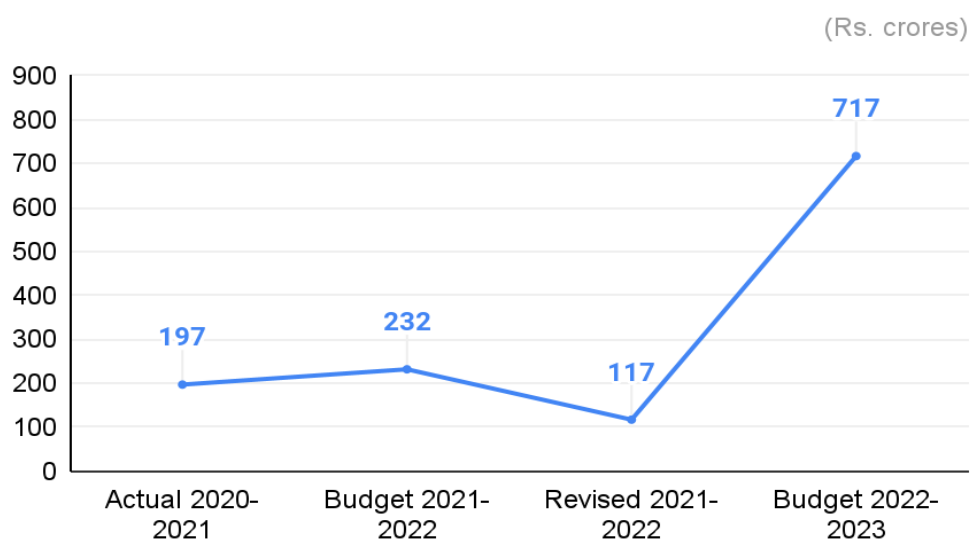


Figure 3: Total allocation to Central Sector Schemes/ Projects

### (ii) National Digital Health Mission<sup>18</sup>

Health data is becoming increasingly important today. Pre COVID-19, rapid digitalisation was leading to the burgeoning use of health apps. This has only increased after the pandemic. Furthermore, healthtech has diversified to include not just health apps but also other services such as telemedicine and e-consultations, which have registered exponential increases in usage over the past 1.5 years. COVID-19 pandemic brought to light the deplorable condition of India’s public health infrastructure. With over 5,12,109 reported COVID deaths in India till now, strengthening of the health infrastructure across states is the need of the hour and thus must be a priority for the government.

Concomitantly, the government has tried to introduce regulations and policies to regulate the sector, as a result of which it launched the National Digital Health Mission (NDHM), on 15th August, 2020, renamed as Ayushman Bharat Digital Mission (ABHA), to “usher in a new revolution in the Health Sector”. Subsequently, several new programmes have been introduced, such as the Universal Health ID programme to integrate the health data of citizens across different applications and portals.

The allocation to NDHM under the Ministry of Health and Family Welfare has been witnessing a consistent increase in allocations since 2020-2021. The allocation in the Budget Estimate (BE) 2021-2022 was Rs. 30 crores, which increased to Rs. 75 crores in the Revised Estimate 2021-2022 and finally to Rs. 200 crores in BE 2022-2023 (166.6% increase). While the share of NDHM in BE 2022-2023 increased as compared to the actual expenditure in 2020-2021, the total expenditure for Central Sector Schemes/ Projects decreased by 30.5%. This decrease in

<sup>18</sup> <https://www.indiabudget.gov.in/doc/eb/dg46.pdf>

expenditure can be attributed to COVID-19 related expenditure undertaken by the Government in the past years.

While NHM finally received a much required increase in allocation, issues related to fund utilisation and release still persist. Reports found considerable irregularity in fund allocation, release and utilisation due to the presence of systemic inefficiencies. Furthermore, wide variations in fund utilisation under NHM across States/UTs were discovered. It has also been observed that states are not able to utilise even the amount allocated to them, despite the latter being already deficient.

The Finance Minister, in her Budget speech said that an open platform for the National Digital Health Ecosystem will be rolled out, which will consist of digital registries of health providers and health facilities, unique health identity, consent framework, and universal access to health facilities. On 23rd June, 2021, the NDHM released the consultation paper on the Unified Health Interface (UHI). The UHI will be the main foundation for the NDHM, and is envisioned to “expand interoperability of health services in India through open protocols”.

While UHI aims to unleash a digital health tech revolution in India, there are some pressing concerns about these interventions that are yet to be satisfactorily addressed. This stems from a perspective that seems to view the existence of information asymmetries in the health sector as the primary concern, in lieu of which it prescribes the use of emerging technologies to remedy such problems. Such an approach may result in other issues, given the extractive model of data collection envisaged under the NDHM mission. Other concerns, such as the commoditization of citizens’ data in the absence of a robust data protection legislation, also abound and may have wide-ranging implications for data security and exclusion from welfare entitlements: as per TRAI’s recent data, a significant digital divide persists in India. In such a scenario, it is likely that many citizens of India may not be able to adequately navigate the UHI and so may end up being excluded from the NDHM environment.

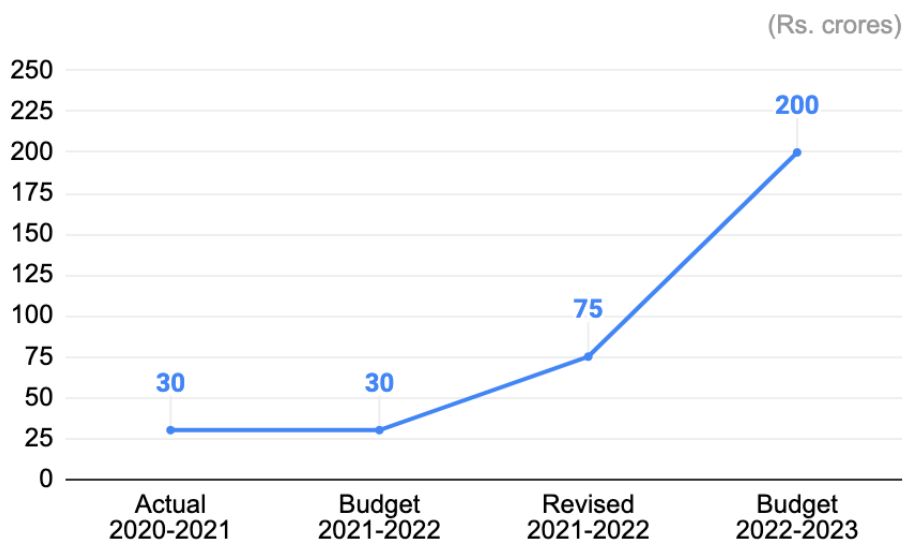


Figure 4: Net total allocation to NDHM

(iii) The Ministry of Electronics and Information Technology<sup>19</sup>

Item (Rs cr)	Actual 2020-2021	Budget 2021-2022	Revised 2021-2022	Budget 2022-2023
Total-Establishment Expenditure of the Centre	1598.7	1854.3	1840.3	1904.8
PLI for Large Scale Electronics and IT Hardware	0	0	0	5300
Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA)	250.0	300.0	300.0	250.0
Promotion of Digital payment	523.5	1500.0	1500.0	200.0
Total-DIGITAL INDIA Program	3030.5	6806.3	6388.0	10676.2
Centre for Development of Advanced Computing (C- DAC)	127	200	217	250
Society for Applied Microwave Electronics Engineering and Research (SAMEER)	88	120	116	150
Unique Identification Authority of India (UIDAI)	613.0	600.0	885.0	1110.0
Bhaskaracharya National Institute for Space Applications and Geo-Information	20	50	48	100
Total-Other Central Sector Expenditure	767.1	1060.0	1353.0	1720.0
<b>Grand Total</b>	<b>5396.3</b>	<b>9720.7</b>	<b>9581.3</b>	<b>14300.0</b>

Table 2: Budgetary allocations for specific items

<sup>19</sup> <https://www.indiabudget.gov.in/doc/eb/dg27.pdf>



The MeitY witnessed a 49.25% increase in allocation with Rs 14,300 crores being allocated to it as compared to the Revised Estimates of the previous year. This increase can be attributed to the allocations to the Digital India program, which received Rs 10,676 crores this year and its share in the total budget increased to 74.66% in the 2022-2023 Budget Estimates from 66.67% in the 2021-2022 Revised Estimates. This increase is largely due to the introduction of PLI Scheme for Large Scale Electronics and IT Hardware, which has been allocated Rs 5,300 crores for 2022-2023. This scheme has been introduced to boost domestic manufacturing and attract large investments in Mobile Phones & Specified Electronic Components, and IT Hardware respectively.

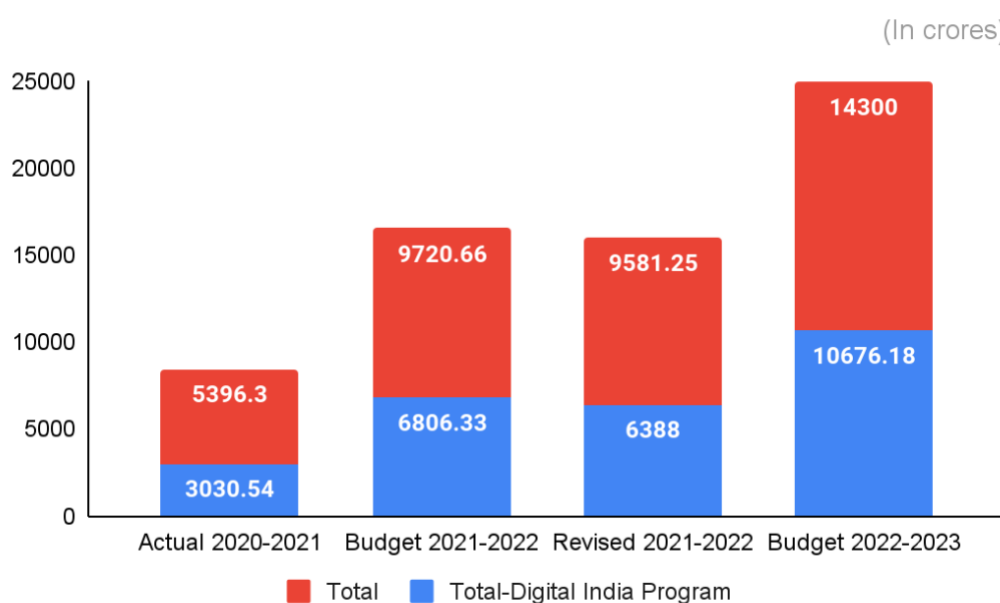


Figure 4: Share of the Digital India Program in the Total Budget Allocation

There has also been an increase in allocation to autonomous bodies. The most notable change has been in allocation to the Unique Identification Authority of India (UIDAI), which has received Rs. 1,110 crores, which is 25.43% higher than the 2021-2022 Revised Estimates and 81.08% higher than the 2021-2022 Budget Estimates. Allocation to UIDAI saw an all-time low in the BE for 2021-2022, since its establishment.

While the latest numbers portray a positive picture, we must be reminded of the fact that the Election Laws (Amendment) Bill, 2021 states that the electoral registration officer may require a person to furnish their Aadhaar number for establishing their identity. This, referred to as 'Aadhaar Voter ID linking' is problematic and can have several ramifications. The provision to link Aadhaar numbers and Voter cards is unconstitutional and goes against the established legal precedents. Although the proposal is being pushed on the behest that any linking will be 'voluntary' in nature, there are concerns that it will almost certainly lead to mass disenfranchisement, could increase voter fraud, and could violate people's right to privacy by enabling voter-profiling through the linkage of data sets, as well as impede the guarantee of secrecy of the ballot.

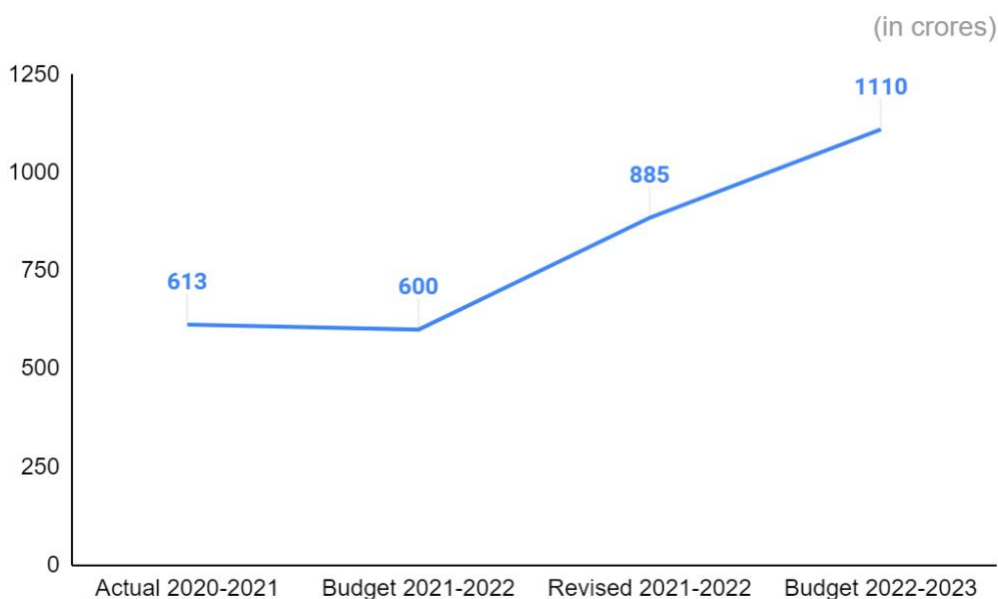


Figure 5: Allocations to the UIDAI

In another unwelcome change, allocation to the Pradhan Mantri Gramin Digital Saksharta Abhiyan (PMGDISHA) has decreased by 16.67% as compared to both the Revised and Budget Estimates for 2021-2022. Since PMGDISHA aims at helping adults with low technological literacy develop the skills they need to interact in an increasingly digital world, it is especially concerning that allocations to it are at an all time low since 2018-2019. The allocations made to this scheme must increase in order to ensure its effective progress and robust digital literacy in the country.

Unfortunately, existing schemes for digital literacy have witnessed slow progress. As of December 1, 2021, against the targeted 6 crore rural households (one person per household) 4.54 crore had been trained and 3.38 crore candidates were certified.<sup>20</sup> In 2019, a report of the Parliamentary Standing Committee on Information Technology presented figures from an independent impact assessment of PMGDISHA, which indicated that (a) only 50.53% of the respondents felt that their training had led to an increased confidence in the use of digital technology and a subsequent increase in earning capacity; (b) only 37.63% of the respondents stated that they used digital technologies for daily office/school work; (c) only 30% of the respondents said that they were using the internet to access government services; and (d) only 24.75% of respondents affirmed that they were able to teach digital skills to their family members after attending the program.<sup>21</sup>

<sup>20</sup> Standing Committee on Information Technology, *Review of National Digital Literacy Programme (NDLM) - Problems and Challenges* (Fifty-Ninth Report, Lok Sabha Secretariat, 2019)  
[http://164.100.47.193/lsscommittee/Information%20Technology/16\\_Information\\_Technology\\_59.pdf](http://164.100.47.193/lsscommittee/Information%20Technology/16_Information_Technology_59.pdf)

<sup>21</sup> Standing Committee on Information Technology, *Review of National Digital Literacy Programme (NDLM) - Problems and Challenges* (Fifty-Ninth Report, Lok Sabha Secretariat, 2019)  
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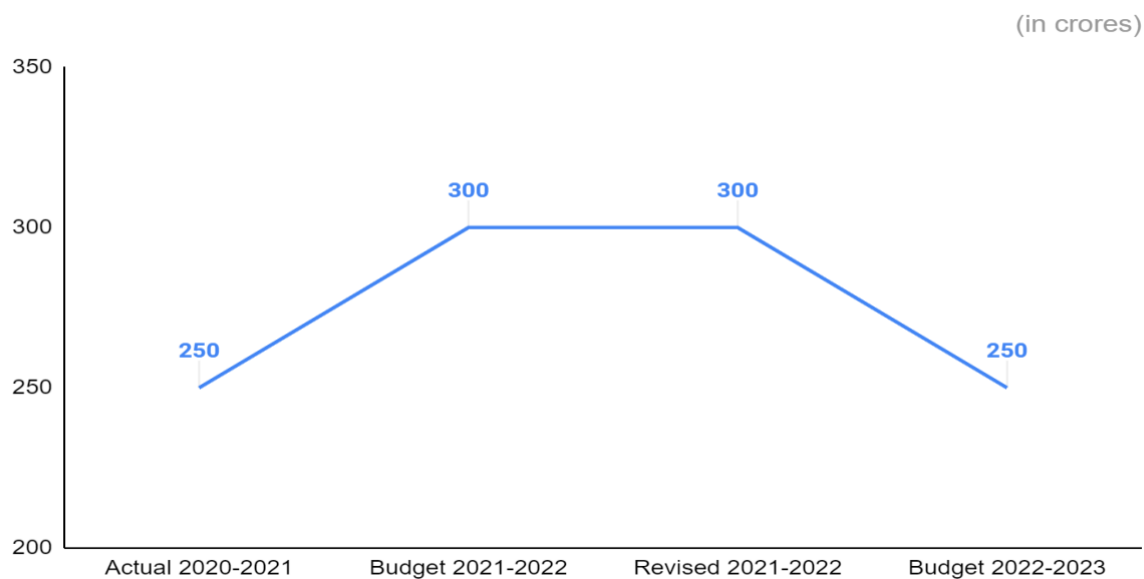


Figure 6: Allocation to the PMGDISHA

Perplexingly, the allocation to Promotions of Digital Payments has plummeted to Rs. 250 crores as compared to Rs. 1,500 crores allocated to it in the 2021-2022 Revised Estimates, reflecting a massive decline of 86.67%. Although allocations increased sharply in 2021-2022, which witnessed a jump of 186.54% as compared to the 2020-2021 Actual Expenditure, the allocations for 2022-2023 are still 61.79% lower than the 2020-2021 Actual Expenditure. This change is despite the Finance Minister noting in their Budget speech that “the financial support for digital payment ecosystem announced in the previous Budget will continue in 2022-23. This will encourage further adoption of digital payments.”

On 2nd August, 2021, the Prime Minister launched the E-Rupi voucher programme, which is a digital payment instrument developed by the National Payments Corporation of India (NPCI). The cashless nature of the E-Rupi is designed to help beneficiaries use the voucher in the absence of cards, digital payments apps, or access to the internet. These vouchers are supposed to revolutionise India’s digital payments system and even assist in the delivery of COVID-19 vaccinations. While this move has been applauded by some, others have pointed out concerns related to financial surveillance and possible exclusion. One of the main concerns about the E-Rupi programme is the threat of the exploitation of the data generated by the usage of E-Rupi vouchers. These concerns centre broadly around two key broad themes: financial surveillance by governments and financial exploitation by private entities.

The E-Rupi programme will introduce massive changes into not only India’s digital payments system but also our welfare delivery framework. Such changes will impact the lives of millions of India, especially those dependent on welfare benefits, and so they require significant consultation before they can be implemented. Thus, we recommend that the Department of Financial Services puts out a white paper on the E-Rupi scheme, after which it begins a publicly

notified consultation process, drawing on perspectives not just from the financial sector but also civil society, technical experts, and academics. Furthermore, in case the E-Rupi programme is to be implemented in the absence of such a law, it is important security standards for the storage and processing of E-Rupi data be specified, including guidelines for strict access controls.

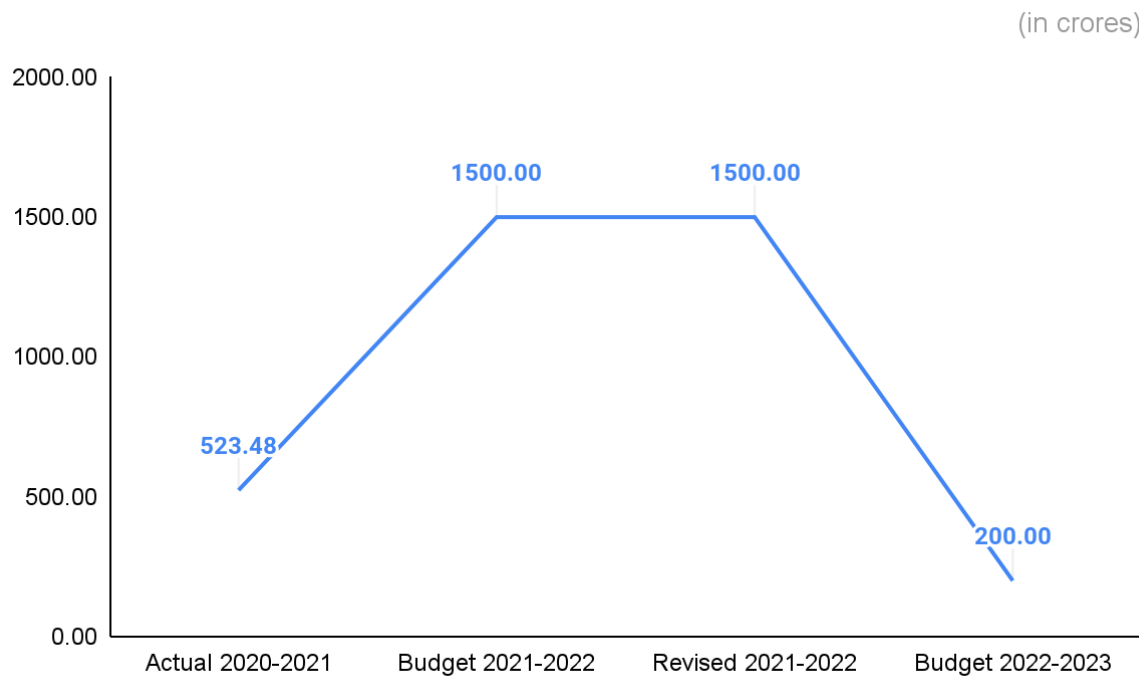


Figure 7: Allocation to Promotion of Digital Payments

## **DISABILITIES**

### **National Platform for the Rights of the Disabled**

#### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

The overall specific allocations for persons with disabilities as a ratio to GDP show a declining trend. Allocations specific to people with disabilities % age to GDP was 0.0097 in 2020-21 (BE) as compared to 0.0093 in 2022-23.

The only positive takeaway for the disabled is the announcement made to amend 80DD of the Income Tax Act to allow for the maturity of an insurance policy even while the parent/guardian of the disabled ward (in whose name the policy has been taken), is alive. But this has come three years after the Supreme Court gave directions to the Centre on the issue.

The Department for Empowerment of Persons with Disabilities is the nodal agency responsible for overseeing the implementation of the RPDA 2016 and for rehabilitation services, production and supply of assistive devices through the Deendayal Rehabilitation Scheme (DDRS) and through autonomous bodies such as the National Institutes and the National Trust. While an increase of 3% compared to last year is seen, it needs to be noted that there was a cut by 12% last year as compared to 2020-21.

CBGA analysis underlines that there has been a massive under utilisation of resources to the extent of nearly 35% in 2020-21

#### **ANALYSIS<sup>22</sup>**

##### **(i) Mental Health**

Allocations to Mental Health programmes as also for implementation of the various provisions of the Mental Healthcare Act, 2017 have seen no addition despite the pandemic bringing mental health issues to focus. There have been huge underutilisation as well.

##### **(ii) Deendayal Rehabilitation Scheme**

The allocation for the Deendayal Rehabilitation Scheme (DDRS) remains constant at Rs 125 crore. However, there has been a wide gap between budget estimates and actual expenditure since 2020-21.

##### **(iii) Disability Pensions**

Disability pension has been static at Rs 300/- for more than a decade. It covers a mere 3.8% of the disabled population identified by the 2011 census. Even the ex gratia of Rs 1000/- announced at the beginning of the pandemic targeted this population only.

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<sup>22</sup> Budget papers, Economic Survey, CBGA Analysis and NPRD statements.

#### **(iv) Disaggregated Allocations**

Only four departments - including the Departments for the Empowerment of Persons with Disabilities (DEPwD), Health and Family Welfare, and Rural Development - have disaggregated the budget allocations specific to persons with disabilities

#### **RECOMMENDATIONS AND DEMANDS**

**(i)** The issues of persons with disabilities need to be recognised as cross-sectoral. In the light of RPDA 2016, the government should have a relook at the design of various existing programmes and align them with the objective of RPDA, 2016 for effectiveness. A life-cycle approach should be adopted in this context.

**(ii)** In line with gender budgeting, disability budgeting should be introduced.

**(iii)** 5 % allocations across ministries should be made for the disabled.

**(iv)** Enhanced allocations are required for the DEPwD, including to fulfill the various mandates of the Rights of Persons with Disabilities Act, 2016 and also under the MHFW for implementation of the Mental Healthcare Act, 2017 and various mental health programmes.

**(v)** Enhanced allocations for making infrastructure and IT services accessible. More allocations for meeting the “accessible India” targets set for railways as also other modes of transport. More allocations for making education accessible including for promoting augmentative and alternative modes. Subsidies should be provided for retrofitting/modification of existing houses to make them accessible.

**(vi)** Reservations should be extended to the private sector. Alternatively, penal provisions, like enhanced taxation for establishments with a substantial workforce for not employing disabled persons, should be introduced.

**(vii)** Uniform disability pension of a minimum of Rs 3500/-. This should be linked to the price index. Taking into consideration the disability related costs, an additional 25 % in similar schemes should be given to the disabled.

**(viii)** AAY cards be provided to all disabled.

**(ix)** Free and universal health coverage for all disabled; remove the income criteria in the Pradhan Mantri Jan Arogya Yojana for persons with disabilities; provide life and insurance coverage to all disabled; insurance should also cover assistive devices, aids and appliances.

**(x)** Support to women with disabilities for livelihood and housing as well as for exercising sexual and reproductive rights; priority to disabled women in all schemes and programmes.

## **EDUCATION**

All India Forum for the Right to Education and the Right to Education Forum

### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

The constitutional right to education makes it an obligatory responsibility on the part of the Union and state governments to provide conditions for achieving the goal of quality education for all children irrespective of class, caste, gender, disability, religious, linguistic or regional considerations. The Constitutional right is a universal right defined by the constitutional principles of equality, non-discrimination and social justice.

### **ANALYSIS**

#### **(i) School Education**

The first Education Policy (Kothari Commission Report 1964-68) rejected the private school model as unsuitable for building a democratic, egalitarian society and stated that universalising education would have to be achieved through a state-funded, completely free and compulsory system of Common (Neighbourhood) Schools.

It consequently recommended adequate investment in educational infrastructure and trained personnel to reach at least 6 % of GDP by 1986. That no government has ever gone beyond 3 to 4 % means that our demand in 2022 must be for adequate resources *to achieve the constitutional goal*, however much that may require.

In this context, both the National Educational Policy 2020 and the Budget 2022 provisions fail miserably to fulfil the constitutional responsibilities placed on the Union and state governments. NPE 1986-92 promoted NFE for working and oppressed caste/class children, Right to Free & Compulsory Education Act (RTE)2009 legalised multi-track discriminatory schooling and introduced PPP schemes even though it did lay down infrastructural and pedagogical requirements.

NEP 2020 has given up the very demand for the state to provide for education. It promotes a merger/closure policy for neighbourhood government schools and furthers PPP through the cluster-school concept. This will rapidly increase privatisation and commercialisation while dismantling the existing state-run school structure.

NEP 2020 has given up all pretence of adhering to Constitutional norms. It centralises policymaking by violating federal principles of governance. The altered structure of 5+3+3+4 years violates the constitutional provision for schooling up to Class VII which even RTE 2009 with its no-detention policy had provided for. The literacy-numeracy 5-year component, after which centralised evaluation will be introduced means that a child can be removed from formal schooling with only these `skills at 8 years of age.

The education minister has talked of seeing students receiving training in three types of categories: 1) Anganwadi (literacy-numeracy); 2) Vocational skilling; 3) Formal education. Entry-exit with centralised evaluation at all stages means only a small %age (currently this is approx., 10%) will either reach or complete formal education. A vast majority of Bahujan and marginalised sections, including girls, the disabled and religious minorities especially Muslims, will be excluded at or after either category 1 or 2.

The policy has not been debated in Parliament or been referred to a select committee. The cabinet has passed it during the pandemic and its implementation is being imposed in all states and institutions.

Creating space for `swayamsewaks'/volunteers/community seniors from early childhood care and education (ECCE) onwards; centrally preparing curriculum and textbook content; preparing online courses, including dedicated TV channels for each class, to bring `uniformity' into the education system present a grave threat to the very basis of interactive face-to-face education especially given the ideological rigidity of the present government and the ruling party.

### **(ii) Higher Education**

NEP 2020 makes no space for academic autonomy which is crucial for a sound higher education and research. It only promotes financial and administrative autonomy for "autonomous institutions". These will be exclusively headed by Boards of Governors, primarily financial and management experts/ private investors with limited inclusion of academicians. The Boards will run institutions on market principles of efficiency and will function unregulated as long as they do not depend on Budgetary inputs. However, public funds can be given to them as institutions of eminence and under other such `developmental' categories and schemes!

Introduction of the Four-Year Undergraduate Programme (FYUP) with exit at every year and possible re-entry in the same or other institutions on the basis of the Academic Credit Bank points appears choice-based but presents insurmountable problems. ACB is based on `skills' which are differently evaluated and assessed for their credit value. Elite subjects and institutions will be credited higher and upward mobility will be severely restricted. FYUP delays the process of either research or gainful employment and will be a huge deterrent for the vast majority of young people from deprived sections.

Faculty and Students have no democratic right to form unions or associations and participate in decision-making in the academic and administrative life of the institution.

### **RECOMMENDATIONS AND DEMANDS**

In conclusion, it can be said that NEP 2020 is a policy for placing the entire financial burden of education on the student and her family and is designed to exclude the oppressed and marginalised sections. The Budget 2022 fully reflects the government's resolve to corporatise the education system as a whole.



- It places the entire emphasis on online learning and digitalisation which will benefit MNCs;
- Public investment in upgrading and improving the system of education as a whole is neglected and private investment is promoted as the solution;
- Appointment of trained permanent faculty and not less qualified contractual teachers against over 40% vacancies are not taken up;
- ECCE is sought to be implemented by anganwadi workers who will receive only a short online training for this crucial pedagogical task;
- There is no clarity on scholarships particularly for SC/ST, OBC, and other marginalised sections. There is no mention of proposals to ensure girls education at all levels;
- Mid-day Meal scheme is poorly budgeted despite high food prices. No provision made for introducing breakfast;

The Corona virus pandemic and the sudden, unplanned but harsh lockdown in March 2020 created a severe educational crisis. Lakhs of migrant labour had to leave cities and towns due to job losses. Their children have had to leave schools, drop-out and even join the work force due to incomes collapsing. Besides this lakh of children have left private schools and moved to government schools. In this situation the claim that digital/online learning has filled the gap is a myth based on the experience of a miniscule number of elite students in metropolitan private schools. The digital divide, the lack of access to devices or internet connectivity, is only the tip of the iceberg. World-wide researchers have concluded comprehensively that online learning cannot substitute for face-to-face classroom interaction.

Educational institutions have been shut down for almost two years. The learning loss that has occurred for children has severely aggravated an existing crisis. The Union government appears to be either indifferent or unaware of the extent of the problem. Adequate preparations, both pedagogical and health-wise, for their re-opening have not been identified and therefore nor does the Budget make any provisions for coping with this necessary task.

## **ENVIRONMENT**

Vikalp Sangam<sup>23</sup>

### ***Amrit Kaal or Vish Kaal?***

#### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

This analysis looks at the environmental implications of the budget in three dimensions:

- Direct allocations for Environment
- Indirect allocations for Environment in non-environment sectors
- Allocations for other sectors with environmental impacts

Overall, the picture is bleak. There are some welcome allocations and indications of shifts in thinking (e.g. in agriculture and climate). However, overall, environment continues to be a 'sideshow' – it is given a few token sops, while in fact financial allocations continue to fuel an economy that is fundamentally unsustainable. The country's natural resource base will continue to be devastated, especially by the massive increases in mega-infrastructure. There are some positive allocations towards tackling the climate crisis, but almost no direction towards building resilience, adaptation and mitigation for the sake of hundreds of millions of people already impacted and likely to be impacted by it. Air pollution, a national emergency, continues to be neglected.

A search of the Finance Minister's Budget speech for the following words is revealing in itself: nature, wildlife, environment, ecology, ecosystem, pollution, conservation. Total occurrence of these words: ZERO (except in uses such as 'business environment' and 'growth ecosystem').

**Another chance to turn the economy towards real sustainability has been missed.**

#### **ANALYSIS**

##### **(i) Direct allocations for Environment**

- There is a slight increase (easily wiped out by inflation) in the budget of the Ministry for Environment, Forests and Climate Change, from 2021-22 Revised Estimate of Rs 2870 crores to 3030 crores.

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<sup>23</sup> Vikalp Sangam is a platform to bring together movements, groups and individuals working on just, equitable and sustainable pathways to human and ecological well-being. It rejects the current model of development and the structures of inequality and injustice underlying it, and searches for alternatives in practice and vision. Over 80 movements & organisations around the country are involved. For more information:

<http://www.vikalpsangam.org/about/> or Contact: Ashish Kothari, [ashishkothari@riseup.net](mailto:ashishkothari@riseup.net)

- This is a meagre 0.08% of the total budgetary outlay; for the last many years, the share of allocation has been consistently going down, which is an indication of how serious the government considers environmental issues.
- Air pollution, which is a national emergency as it kills or seriously injures millions of people, has seen reduced allocation.
- Environment/forestry/wildlife sector has got an increase of over 30%. However, this too will be more than offset by the likely damage caused by the significant outlays for infrastructure, river linking and other such sectors (see below).
- There is no focus on risk reduction, building resilience, supporting adaptation, preparing for disasters, and other measures that are urgently and desperately needed by hundreds of millions of people to deal with the impacts of climate change. The National Climate Action Plan gets only Rs 30 crores, which is not even an increase over 2021-22, and is abysmally inadequate for what needs to be done. There is no focus on a 'just transition' in which workers in fossil fuel sectors, like coal, are reskilled to get alternative employment as these fuels are reduced (assuming there is any real intention to reduce them in the long run!).
- The National River Conservation Plan, now under 'Other Basins', has been reduced to about half of the 2021-22 Revised Estimate (from Rs 450 crores to 235 crores).
- There is as yet no focus on green accounting, or of sectoral environmental assessments that could give an idea of the overall environmental impact of each economic sector, enabling mechanisms to integrate sustainability as a core feature.

**(ii) Indirect allocations for Environment (to bring in environmental considerations into other sectors)**

- An explicit focus on natural and organic farming, and on promoting millets, is positive for the environment, farmers and consumers, though there are no specific budgetary allocations for these as yet. Nor is it clear that the backward and forward linkages necessary to make such farming viable, including manure, markets, etc., have been considered. There is no mention of reserving this sector for small and marginal farmers, without which current trends towards big brands cornering the organic market may only be encouraged. Nor is there any focus on dryland and rainfed farming, which still employs a sizeable chunk of the farming population and is ecologically more sustainable than artificially irrigated agriculture. And contrary to the FM's declaration of promoting 'chemical-free farming throughout the country', allocation for chemical fertilizers remains extremely high, at Rs 105,222 crores . and 'kisan drones will help spray chemicals from the air!
- Ropeways are proposed as alternatives to roads in 'difficult hilly areas. This is positive; however, compared to the massive increase in outlay for highways (see below), this appears to be tokenism.
- A 'paradigm shift' is proposed for sustainable urban living, for which a committee is being set up; and substantial support for public transport is proposed. We will have to wait to see what the committee comes up with, and what measures the government takes subsequently. Meanwhile, however, much of the public transport allocation appears to be for metros, which are extremely carbon intensive in terms of their construction. Support to electric vehicles (EVs) is also positive but will mostly benefit rich consumers There is no clear indication of a substantial boost to buses, cycling and walking, which the vast majority of urban residents would benefit from.

- Climate is explicitly stated to be a major focus of the budget. Steps like the use of biomass for power stations, boost to batteries, Vande Bharat trains, energy efficiency measures in large commercial buildings, sovereign green bonds for reducing carbon intensity, and increase in renewable energy including for some of the massive increase in infrastructure, will help to some extent. However, this will be more than offset by the 'business-as-usual' approach for most of the economy (see below Point 3). Additionally, mega-parks in solar/wind energy, and nuclear power and large hydro as 'clean energy' sources, have their own serious ecological and people's displacement issues, and reach the poor much less than needed. A focus on decentralized renewable energy with less ecological impacts and greater community access has been missed, and off-grid solar has seen a big drop in allocation. There is a welcome allocation for solar pumping for farmers

### **(iii) Allocations to other sectors with implications for the environment**

- The biggest push in this budget is for infrastructure (roads, railways, airports, etc.). Much of this is for mega-projects, such as 81,000 crores more for the National Highway Authority of India, with very serious impacts on the environment (and people's livelihoods due to displacement and land acquisition). A chance to shift the paradigm to decentralized, community-oriented infrastructure especially for villages and small towns, has been missed.
- The Ken-Betwa river linking project gets an allocation of over Rs 40,000 crores, despite studies showing its severe negative environmental consequences including on tiger habitat. Five more linking projects will also be supported.
- Textiles have seen a major increase in allocation, with most of the outlay for big industry, which could have serious pollution impacts including toxic contamination of water and soil. A chance to shift significantly to decentralized, village and small town-based production of textiles including handlooms, with much less environmental damage and much greater employment potential, has been missed.
- A substantial increase in allocation for the Deep Ocean Mission and on Blue Revolution has little or no focus on conservation, but rather on explorations for mining and extraction, with potentially serious ecological consequences.
- A significant increase in allocation for the Jal Jeevan mission is welcome in principle, but the fear is that much of the money will go for capital infrastructure like pipelines and taps, without reviving/ensuring the ecological and social conditions for water availability and quality, especially for marginalized sections.
- Oil palm has been given nearly 500 crores (interestingly, shown under the SC, ST and gender budgets!), and earlier government announcements had mentioned major plantation of this species in north-east India and Andaman Islands, both with serious ecological consequences of the kind already seen across South-East Asia.
- Programmes like MNREGS could have contributed substantially to green jobs, enabling both ecological recovery as also employment, but the scheme itself has seen a drop-in allocation, and no clear orientation towards such jobs.

## **RECOMMENDATIONS**

### ***What is the absolute minimum the budget should contain?***

Given the urgency and importance of safeguarding India's environment for the sake of its immediate and long-term survival and security, the budget should have at least the following:

**(i)** At least 4% of the budget should be allocated to environment sector, including much higher allocations to reduce and eliminate pollution of various kinds, support to communities for conserving ecosystems and biodiversity around them, incentives for decentralised and clean energy sources, strengthening of regulatory and monitoring institutions at all levels, and replacing wasteful and toxic products with ecologically sensitive ones.

**(ii)** At least 1% of the budget to support rural and urban communities to take steps for climate mitigation and adaptation, including building or sustaining climate-resilient livelihoods, settlements and living conditions, reducing risks, disaster preparedness.

**(iii)** Shift much of the investment in infrastructure away from mega-projects to localised, decentralised infrastructure including paths, roads, and communications for villages and small towns.

**(iv)** Provide substantial allocation to public transport, prioritising bus systems rather than metros, and dedicated cycle and pedestrian systems in all cities and towns.

**(v)** To implement the stated intention of promoting 'chemical-free agriculture throughout the country', provide allocations for nationwide consultations and implementation measures to transition agriculture, including allied sectors, to organic, natural, and bio culturally diverse methods. This must also include plans for phased shifting of subsidies in chemical fertilisers to financial support for farmers using non-synthetic inputs, as also necessary support for manure, marketing, etc. This should in particular enable small and marginal farmers (and especially women amongst them) to sustain or rebuild food security and sovereignty based on local agroecological conditions, agrobiodiversity and knowledge.

**(vi)** Orient schemes and programmes on livelihoods towards green jobs, including the regeneration of India's land and water sources and small-and-medium manufacturing (including crafts) based on natural resources, with special attention to this in the budgets for SC/ST and women, and for youth. This should also enable the reskilling of workers in polluting/climate-unfriendly activities like fossil fuels to transition to cleaner occupations.

**(vii)** Set up a process to consider establishing a Constitutionally mandated Environment Commissioner, for monitoring compliance of environmental laws, policies and norms by government and other agencies.

## **FOOD SECURITY**

### **Right to Food Campaign**

#### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

At a time of deep crisis the Union Budget 2022-23 has actually reduced the government spending on the social sector by a huge extent. The negative impact of the economic crisis that began even before the pandemic led to disruption has fallen disproportionately on those at the bottom of the pyramid. Multiple reports and surveys capture the intense distress among the poor and marginalised sections of society exacerbated due to the pandemic and ensuing restrictions and further slowdown of the economy. In this context, spending on social protection schemes such as the PDS, anganwadis, pensions and MGNREGA became especially important.

#### **ANALYSIS**

##### **(i) Food Subsidy Allocation**

What was required was to continue the additional food grains under PMGKAY and in fact expand the PDS to include non-ration card holders as well as to distribute pulses and oils. However, the budget has actually reduced the food subsidy allocation by over Rs 80,000 crores. The Rs 2.06 lakh crore that has been allocated is barely enough to meet the requirements of the regular entitlements under the National Food Security Act. The PMGKAY has currently been announced for up to March 2022, and from the budget it does not seem like there is any intention of extending this.

##### **(ii) Women and Children**

Women and children have once again been ignored although they have been most affected by the pandemic. Schools and anganwadis have remained closed almost throughout the two-year period and this has led to not only learning losses but children and women losing out on the important nutritional support that they get through these schemes. Although there were some provisions for food security allowance and dry rations, these were mostly irregular, of very low amounts and just not enough to make up for the missed meals. Now as schools and anganwadis reopen, they will have to make extra efforts to bring back children and help them make up for the lost time. This would require much more funds for these schemes, which have traditionally been underfunded. However, the allocations for Saksham anganwadi, Samarthya (including maternity entitlements), PM POSHAN (mid-day meals) have remained the same or even reduced in real terms. (*see table 1*)

##### **(iii) COVID-19 and Food Security**

Just as people were trying to recover from the economic and health shocks of the second wave of the pandemic, there has been the third wave. While this has been milder in terms of the severity of the infection, it has once again impacted people's livelihoods as a result of the curfews, night/weekend lockdowns, closure of public places and so on. According to the Oxfam inequality report 84% households reported reduced incomes during the pandemic period in India, while the wealth of the 142 billionaires doubled. Many field studies, including those conducted by the Right to Food campaign over the last two years have shown that the quantity and quality of people's diets has reduced drastically post the pandemic. PDS and the additional food grains under PMGKAY were a lifeline for people who possess ration cards.

## **RECOMMENDATIONS AND DEMANDS**

To meet the basic constitutional obligations of any democratically elected government, as well as towards a more equitable growth path, we demand that the government rethink the dismal allocations that have been made for these various social sector provisions. We also urge that the members of the Opposition parties raise these issues and speak up for the poor and informal sector workers during the discussions on the Budget in the Parliament. In the pre-budget media discussions even some of the corporate giants were advocating for increasing spending on NREGA and also thinking of some urban employment schemes so that the problem of demand could be addressed. With unutilised capacities and lack of purchasing power, what is required now is to put money in the hands of those who spend on consumption, which is not the super-rich rather the wage earners.

**(i)** Universalisation of the Public Distribution System to give subsidised rations to everyone who demands it. To begin with the quotas under the NFSA can be immediately expanded on the basis of the population projections for 2022 to include all vulnerable persons especially migrant workers, homeless, sex workers, trans people and all vulnerable communities even without ration cards. Redetermining the state wise quotas in light of the increase in population since the 2011 census has also been directed by the Supreme Court in the migrant workers case.

**(ii)** Expansion of the PDS to provide millets and other nutritious commodities such as pulses and oil while procuring these at the Minimum Support Price (MSP)

**(iii)** Extension of the Pradhan Mantri Garib Kalyan Anna Yojana till such time that the pandemic continues, with the provision of edible oil and pulses to each household.

**(iv)** Ensure immediate implementation of the June 29th, 2021 order of the Supreme Court, in In Re: Problems and Miseries of Migrant Workers (Suo Motu WP(C) 06/2020), wherein the Court directed that dry rations should be provided to all migrant workers being non ration card holders and that community kitchens should be opened to provide cooked food to people in need.

**(v)** Hot cooked meals under ICDS and midday meals should be revived immediately. The budgets for these programmes should make adequate provisions for inclusion of eggs and nutrient dense diet in the meals. Hot cooked meals should extend to children under three years of age through crèches and to pregnant and lactating women through community kitchens.

**(vi)** Maternity entitlements should be universalized and made unconditional. The amount of benefit should be increased to at least Rs 6,000 per child, as per the provisions of NFSA. 6. Central government contribution for social security pensions should increase at least to Rs 2,000.

**(vii)** Revive National Family Benefit Scheme (NFBS) by increasing its budget and a big increase in the emergency assistance (initially Rs 10,000 raised to Rs 20,000 in 2012) is also required which is long overdue. Benefits should be raised to nearly Rs 1 lakh as per the initial intention to peg 80 % of India's per capita GDP under NFBS benefits. The functioning of NFBS should be made transparent and simplified without delays.

**(viii)** Childcare services must be expanded through making adequate budgetary provisions for anganwadi-cum-creches, expansion of the National Creche scheme, creches under the NREGA and so on.

**(ix)** Allocation for NREGA should be increased to provide at least 200 days of work per year to all rural households seeking employment, at least at the statutory minimum wage. Current issue of payment delay across the country should be resolved with an increase in budget.

(x) Wages of all workers providing care work, such as Anganwadi Workers and Helpers, ASHAs, should be enhanced and decent working conditions for them ensured.

**Table 1: Major schemes see a decline in allocations in real terms compared to the estimated spending last year (Compare Col C with Col A in Table below)**

Scheme/Program	2021-22 RE	2022-23 BE	2022-23 BE (Real) (adjusted for 5% inflation over previous year)
	A	B	C
Food Subsidy	286469	206831	196982 ↓
MGNREGA	98000	73000	69524 ↓
MDMS/PM POSHAN	10234	10234	9746 ↓
Saksham Anganwadi (ICDS, POSHAN Abhiyaan and Creches)	20000	20263	19298 ↓
Samarthya (includes PMMVY)	1863	2622	2497 <sup>24</sup>
NSAP	8730	9652	9192 <sup>25</sup>
DBT -LPG	3400	4000	3810 <sup>26</sup>
LPG Connection to Poor Households	1618	800	762 ↓

*In Rs Crore*

## BE 2022-23 Vs RE 2021-22

<sup>24</sup> Samarthya shows an increase in budget but the PMMVY which is the main component of this basket has seen a slowdown in implementation during the pandemic. The RE of Rs 1863 crores is below the budgeted estimate of 2021-22 of Rs 2522 crores. The scheme covers only the first live birth and gives only Rs5,000 per pregnant woman even though the NFSA mandates at least Rs 6,000 for all pregnant women.

<sup>25</sup> In the case of NSAP too, the RE of 2021-22 is even below BE, which was Rs 9200 crores. The central government's contribution for the pension schemes under NSAP has remained at Rs 200 per person per month since 2009.

<sup>26</sup> This has decline drastically in the last few years the actual expenditure in 2020-21 on DBT for LPG was 23,667 crores



## **GENDER**

**National Federation of Indian Women and All India Democratic Women's Association**

### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

Gender Budgeting was first introduced in the year 2005-06. The Gender Budget statement is part of the main budget statement and is tabled in the Parliament. The Finance Ministry sends a budget circular in the month of October to all ministries and departments to report allocation earmarked for women in the existing schemes. If necessary, new programmes and schemes can be initiated. Based on the response from the ministries and departments, the Gender Budget statement is prepared. It has two parts. Part A includes public expenditure earmarked for programmes and schemes which are exclusively meant for women, i.e., 100 % provision is for women. Part B includes programmes and schemes where 30 to 99 % provision is compulsorily targeted towards women. The Gender Budget statement is part of the Union Budget but also included in the budget of state governments.

According to the Gender Budget statement for 2022-23 Rs 1,71,006 crores are allocated for women in Part A and Part B. The revised estimate for the same in the year 2021-22 is Rs 1,66,182 crores.

The total budget amount for the year 2022-23 is Rs 39,44,919 crores (Rs 39.44 lakh crore) while the Gender Budget for women in 2022-23 constitutes only 4.3 % of the total budget and has never exceeded 5.5% of the total expenditure. However, many state governments have shown greater gender sensitivity. The schemes and the programmes in the state budget are such that the share of Gender Budget to the total expenditure is much higher. Kerala, Odisha, Bihar and Karnataka have performed better than the other states in this regard. In Odisha, the share of the Gender Budget is as high as 36% of the total budget. Kerala reports 18.4 % of its budgetary allocations in the Gender Budget.

The Union Budget 2022-23 remains a disappointment, it fails to account for 2 successive years of the COVID-19 and fails to satisfactorily address necessary safeguards against further vulnerability and marginalisation. Food, Livelihood, Health, Education, etc. are all sectors that critically impact women, however, the Budget 2022-23 is not reflective of this reality.

### **ANALYSIS**

#### **(i) Allocations for Gender Budget 2022-23**

Part A of the Gender Budget, which includes programmes and schemes targeted 100 % at women, totaling to Rs 26,772 crores. The allocation to schemes and programmes targeted exclusively to women in the field of education and health is relatively minor and doesn't affect women at large. For instance, the department of agricultural research and education allocates Rs 8.44 crores. The Department of School Education and Literacy had allocated Rs 1 crore in the year 2021-22. However, in the year 2022-3, there is no allocation.

The Department of Higher Education allocates Rs 20 crores which goes to the Prime Minister Girls Hostel Scheme. The Ministry of Ayush allocates Rs 19.04 crores and the Department of

Health Research allocates Rs 72.36 crores. The allocation to schemes targeted 100 % at women by the Ministry of Women and Child Development is Rs 3,343 crores.

The major allocation to Gender Budget in Part A comes from the Department of Rural Development. It allocates Rs 22,027 crores to the gender component. Out of this Rs 20,000 crores are allocated to Pradhan Mantri Awas Yojana and Rs 2,027 crores are allocated to Indira Gandhi National Widow Pension Scheme. **The Pradhan Mantri Awas Yojana provides housing in the name of husband and wife, both. One wonders how it can be 100 % allocation to women. So, the biggest item of Rs 20,000 crores is wrongly included in Part A.** In any case, the contribution of Part A to the total gender budget is less than 16 %.

**Part B** which includes programmes and schemes partially targeted towards women amounts to Rs 1,44,233.58 (Rs 1.44 lakh) crores. This is more than 84 % of the total Gender Budget.

The Department of Agriculture and Farmers' Welfare allocated Rs 4813.26 crores in the year 2021-22 as a gender component. The actual expenditure was only Rs 2946.84 crores. This year, this amount is cut short to Rs 1889.40 crores only. Department of School Education and Literacy allocates Rs 17,814.64 crores on gender component. The major part of it is contributed by Samagra Shiksha Scheme which is Rs 11,215 crores. This is one-third of the total in this head. The Department of Higher Education allocates Rs 13,146.98 crores towards the gender component. The major part is allocated to support for UGC, IITs and National Institutes of Technology. True the allocation is targeted to women, but one notices that women belonging to elite institutes are not the needy ones. The Department of Health and Family Welfare has budgeted Rs 30,720.06 crores. Last year, i.e., in 2021-22, this allocation was Rs 30,227 crores. But the actual amount spent was Rs 27,674 crores.

The next major allocation is from the Ministry of Housing and Urban Affairs. It has allocated Rs 23,405 crores of which Rs 22,955 crores are PM Awas Yojana (Urban). The Department of Rural Development allocates Rs 32,668 crores to the gender component. Out of this Rs 26,000 crores are allocated to MGNREGA. This is almost one-third of the total amount allocated to the MGNREGS, but the participation of women in MGNREGS works is much higher than one-third. Women's participation's all India average is about 55 % in MGNREGS.

In Part B, the gender component in the Ministry of Women and Child Development is Rs 12,744 crores. From this amount, Rs 11,752 crores are for Saksham Anganwadi Poshan Yojana. We may note that the Prime Minister has announced modernisation of Anganwadi centers in the budget speech, but the allocation this year is less than 2021-22, when it was Rs 12,921 crores.

## **(ii) MNREGA**

Unemployment in the urban informal sector led to migrant workers going back to their villages and demand for MGNREGA jobs increased substantially. The urban informal sector has still not come back to normalcy and demand for MGNREGS jobs is still in abundance. In the year 2020-21 the MGNREGA expenditure increased to Rs 1,11,170 crores. The revised estimates for 2021-22 are Rs 98,000 crores. But this year's budget is only Rs 73,000 crores. MGNREGS has been one of the main ways by which women and their families: its allocation has come down by 25 % from the revised expenditure of the last year.

### **(iii) Food Subsidy**

Pradhan Mantri Gareeb Kalyan Ann Yojana (PMGKAY) which gave 5 kgs of food grain free of cost to unemployed and famished people will end in March 2022. Before the pandemic in 2019-20, food subsidy was Rs 1,15,770 crores. In 2020-21, it increased to 5,41,330 crores. This increase was done in the context of pandemic and lockdown. The revised estimate for 2021-22 is Rs 2,86,469 crores. For the year 2022-23, the budget for the food subsidy is further cut down to Rs 1,05,222 crores. Hunger has been reported from many parts of the country and the position of India in the Global Hunger Index has declined. This budget will do nothing to address the problem of malnutrition and hunger. The food subsidy has come down by 27.7 %: this means that prices of food products will go up and the PDS system will be further weakened. The allocation for Saksham Poshan 2.0 encompassing the umbrella ICDS programme has remained almost the same: but the government proposes to start 2 lakh Smart ICDS centers; this means that all the money will be diverted to this and the larger ICDS programme will suffer.

### **(iv) Expenditure on Health and Family Welfare**

For the year 2021-22, the revised estimate of expenditure on health and family welfare was Rs 85,915 crores. Budget 2022-23 allocates Rs 86,616 crores. This marginal increase will be completely washed out when we take inflation into consideration. In fact, in real terms, the budgeted expenditure on health and family welfare this year is less than the revised estimate of last year. Considering the abominable (very poor) performance of public sector health units, the government should have increased the health budget substantively. Within the department of health and family welfare, it is the National Health Mission (National Rural Health Mission and National Urban Health Mission) which provides health facilities to the majority of poor people. The expenditure on the National Health Mission increased from Rs 34,447 crores (revised estimate of 2021-22) to Rs 37,000 crore this year. This is a very marginal increase. The government instead decided to introduce the “National Digital Health Mission” and allocated more than Rs 15,000 crores to it. When people are not getting food and clean water and basic health facilities, Nirmala Sitaraman is bothered about mental health and depression. This is totally disproportionate.

### **(v) Expenditure on Education**

In 2020-21, the budget allocation for education was Rs 93,224 crores, but according to revised estimates, only Rs 88,002 crores were spent. This year’s budget allocation is Rs 1,04,277 crores. Rs 63,449 crores will be spent on school education and Rs 48,828 crores on higher education. The new scheme introduced for school education is in the digital India format where education will be given to children on television channels. The budget of Samagra Shiksha Abhiyan has only increased by Rs 6333 crores (from Rs 31,050 crores to Rs 37,383 crores). The budget 2022 announces 750 virtual labs and 73 skilling e-labs. Digital education is no substitute for classroom learning and it will only enhance inequality in a country like India where there is a very big digital gap.

### **(vi) National Social Assistance Programme (widow and single women pension)**

There is no substantive increase in the National Social Assistance Programme including widow pension etc., in this budget.

### **(vii) Ministry of Rural Development**

The expenditure on rural development announced in the budget 2022-23 is Rs 2,06,293 crores. Allocation to the rural development ministry is Rs 1,35,944 crores. In the year 2021-22 the budget allocation was 13,1519, but the revised estimates were Rs 22,000 crores more i.e. Rs

1,53,519 crores. The major expenditure by this ministry is on MGNREGA, Pradhan Mantri Awas Yojana, Pradhan Mantri Gram Sadak Yojana and National Rural Livelihood Mission.

#### **(viii) Ministry of Child and Women Development**

The allocation for the ministry of women and child development was Rs 25,172 crores slightly higher than that in 2021-2. The budget allocation in 2021-2 was Rs 24,435 crores and the revised estimate Rs 23,200 crore.

#### **(ix) Transpersons Budget was not included in the Gender Budget**

The budget also failed to make allocations for sexual minorities such as transgender and other across the LGBTQI+ spectrum. The budget has completely invisibilised them and has failed to address issues of intersectionality. Under the scheme 'Support for Marginalized Individuals for Livelihood and Enterprise (SMILE)' there is allocation only for the component 'Comprehensive Rehabilitation of Persons Engaged in the Act of Begging' while under the component 'Central Sector Scheme for Comprehensive Rehabilitation for Welfare of Transgender Persons' didn't see any allocation. Such an approach towards development shows the failure of the planning process to redistribute resources towards inclusive development.

#### **(x) Dalit and Adivasi Women**

The significant cuts in allocation for schemes for Dalit and Adivasi women reflects that the Gender Budget indicates a huge gap between the goals and lived realities of Dalit and Adivasi women. <sup>27</sup>

### **RECOMMENDATIONS AND DEMANDS**

The share of the gender budget as a proportion of GDP has reduced from the last budget from 0.71 % to 0.66 % of GDP and constitutes less than 5% of the total budgetary expenditure. The budgetary allocation for the Ministry of Women and Child Development remains less than 0.01 % of the total expenditure. Furthermore, important to highlight that the actual expenditure of the government on women-oriented schemes has declined by 36.9 % between March 2020 and March 2021. Expenditure on schemes for prevention of violence against women (under Mission Shakti) remain well below 1 % of the total expenditure. These minuscule budgetary allocations fail to sufficiently meet the demand of women who constitute nearly 50% of the total population. The Gender Budget is a reflection of the Government's abject neglect of women and its seriousness towards implementing schemes that benefit women. Though the government states that the outlay of the gender budget has increased by 11.5 %, this increase can be traced to the increase in allocation of only one scheme - the Prime Minister Awas Yojana – Urban Yojana, and if the allocations of this scheme are taken out of the total, the Gender Budget sees a decrease of 9 %.

**(i) Gender Budget Allocation:** Gender Budget allocation should be proportionate to women population. Transpersons Budget must also be included in the Gender Budget.

**(ii) NREGA:** MGNREGA is the only hope for women for assured employment and equal wage. In most of the state women beneficiaries are more than men. From note ban to pandemic to

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<sup>27</sup> See section on SC/ST Gender Budget for detailed analysis. Pg 51

lock downs, all sections of people; educated, illiterate, middle class – poor, young- old, a time when turned towards NREGA for work. This, in some places, led to denial of work to women. International and national institutions like the UN, NSSO, reputedly pointed to the fact that women’s employment participation is drastically decreasing, and gender wage gap is increasing. In such a grim situation, to ensure work and wage for women the Budget should have allocated three times more than what it allocated now.

**(iii) Food Subsidies:** This allocation does not reflect the ground reality of poverty, hunger, malnutrition, anaemia etc. Women and children are the worst victims. NFHS -5 point towards silent genocide of women and children. Targeting excludes and denies the basic rights of women and children. Strengthening with all essential commodities and Universalizing PDS, ICDS, Universalising Maternity entitlement without conditionalities must be done. Anganwadi Teacheres and helpers, MDM cooks and ASHA workers should be recognized as workers so that they get minimum wages and other benefits.

**(iv) Access to Health:** For the women, poor and marginalized, the Primary Health Centre is their first and the last access to health services. Adequate allocations should be made to strengthen PHCs, Sub Centres, CHCs etc with adequate number of health staff and with all diagnostic facilities. A minimum of 6% should be allocated for Health sector.

**(v) Access to Education:** Even after 75 years of Independence, for a large variety of reasons women still have far less access to education than men. The pandemic and the subsequent lockdowns have only widened this gap. Dropout rate of girls are increasing at an alarmingly rate. In this context, the government should have earmarked a minimum 6% for education so that access to the new era education is ensured to girls.

## **SC/ST GENDER BUDGET**

**National Campaign on Dalit Human Rights and Dalit Arthik Adhikar Andolan**

### **ANALYSIS**

#### **(i) Allocations for SC/ST Gender Budget 2022-23**

There is a reduction of Rs 3157.25 crore in the budget for the SC women in 2022-23 (1195895 crore) in comparative to 2021-22 (15116.20 crore). Similarly, the budget is also reduced by 1460.50 crore in year 2022-23 (5744.20 crore) for Dalit women from the year 2021-22 (7204.70 crore). Union Budget allocates 0.97% for Dalit women while for Tribal women, its 0.47% from total eligible centrally sponsored schemes and Central Sector Schemes.

#### **(ii) Post Metric Scholarship**

The commitment to allocated INR 7000 crore to Post Matric Scholarship has not been fulfilled this year too. This year there is an allocation of only Rs 5660 Cr for SCs and Rs 3416 Cr for STs. There is a slight increase in allocation of budget under PMS.

### **(iii) Violence against Women**

Women from these communities are particularly vulnerable to discrimination and violence owing to their caste and gender identities. The latest NCRB data, 2019 reveals that atrocities against Dalit women and girls accounts for 15.11% of total crimes registered under the SCs & STs (PoA) Act from 2014-19. These atrocities have increased by 46% in the last six years for Dalit women and girls<sup>28</sup>. Despite growing incidences of violence against SC and ST women there is only a marginal allocation of Rs. 180 crore for their access to justice. There is only one scheme pertaining to the same namely 'Strengthening of Machinery for Enforcement of PCR Act, 1955 and PoA Act, 1989' which focuses primarily on sensitization programmes and not on equitable redress mechanisms, this year this scheme didn't see any increase in allocation.

### **(iv) No allocation for Trans Dalit community.**

### **(v) Women and Labour**

As per National Sample Survey Office (NSSO) report, 2.8 crore rural women have vanished from the rural market over last six years. The pandemic has further intensified this. The labour force shrank by 14% for women and 1% for men in Dec 2019 and Dec 2020 as per Centre for Monitoring Indian Economy data. This budget has no allocation under Ministry of Micro, small and Medium Enterprises for SC and ST women.

### **(vi) Women with Disabilities**

Total Persons with Disabilities (PwD) population in India is 21,906,769 (2.21%), of which SC PwD are 49,27,433 (22.5%) and ST PwD are 21,40,763 (9.8%) and no separate data is provided for SC and ST women PwDs.

## **RECOMMENDATIONS AND DEMANDS**

**(i)** Allocation of 50% of Special Component Plan for Dalit women should be established with strong mechanism to monitor and ensure effective implementation.

**(ii)** In all schools and hostels, focus should be given to the PwD, and their specific needs. Special focus should be given to the SC and ST girl PwDs.

**(iii)** Special provisions should be introduced for the SC and ST girls to access digital education.

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<sup>28</sup> <http://www.ncdhr.org.in/wp-content/uploads/2021/04/Dalit-Women-Rise-For-Justice-Status-Report-2021.pdf>

## **HEALTH**

### **Jan Swasthya Abhiyan**

**Health Budget falls flat, betrayal of people's health despite COVID crisis!**

#### **OVERALL VIEWS ON THE UNION HEALTH BUDGET 2022 -23**

Given the unprecedented human calamity that the country faced during the first two waves of COVID-19 pandemic, and inadequate health facilities to protect lives of people linked with the under-resourced public health system, it was expected that the Union government would present a significantly increased Health budget for 2022-23 which would take concrete measures to improve the dilapidated health system of India. But contrary to popular expectations, allocations to health and related programs reduced in real terms in the budget 2022-23 by 7% compared to Revised Estimate of 2021-22.

If we look at the Union Health Ministry's total budget (including Ministry of AYUSH), the allocations have been increased from Rs 88,665 crores (2021-22 Revised Estimate) to Rs 89, 251 crores (2022-23 BE), that is a meagre increase of Rs 586 crores only. If we adjust for the effect of inflation this means a decline of 7% in real terms.

As percent of GDP, Union government allocation to health has declined from 0.382% to 0.346% between 2021-22 RE and 2022-23 BE. This also means that the Union Government has reduced its priority towards the health sector - share of health in the total budget has declined from 2.35% to 2.26% compared to previous year.

#### **ANALYSIS**

##### **(i) COVID related provisions being rolled back**

As regards COVID-related expenditure, while it was Rs 11,940 crores in 2020-21 and in the RE for 2021-22 this stands at Rs 16,545 crores, there is only an insignificant allocation of Rs 226 crores (which is the insurance cover for health workers) for COVID response in 2022-23. Is the government assuming that there is now no need to make provisions for care related to the COVID pandemic, even though cases continue across the country? We demand the entire range of public health measures, as well as expanding capacity of public health services through adequate, massive increase in Union government expenditure are ensured so that COVID-19 related care should be made freely available through public systems to the maximum extent possible.

Further, the ₹35,000 crore allocated earlier towards COVID-19 vaccination has been drastically cut in 2022-23 to only Rs 5000 crore, as a result the public resources will seriously fall short in achieving the goal of vaccinating all against COVID-19, particularly when future vaccination needs and vaccination for adolescents and children are taken into account. It seems that now the Government's policy would be that the private sector hereafter will be the main source of covid vaccines. The UB 2022-23 also fails to make any provisions for management of post-COVID syndromes and long term COVID complications which will need to be managed now on large scale.

### **(ii) Allocation Cuts in National Health Mission:**

One of the most crucial flagship schemes which has been performing relatively better and contributed to improvements in health of mothers and children is the National Health Mission. However, since 2019-20, NHM allocations have declined in real terms.

In the year 2020-21 actual expenditure on NHM was Rs 37,080 crores, but now allocation for NHM in 2022-23 is only Rs 37,000 crores which is not only a decline of 80 crores in nominal terms, in real terms this is actually a cut of INR 4106 crores. It includes Rs 7500 crores for infrastructure development, (which are being planned to be in the PPP mode to further the privatization agenda) leaving only 30,000 crores for primary and secondary care through Public Health Services. This means that essential services provided under NHM in 2020-21 cannot be provided anymore with current limited resources. It was essential that the government takes up special efforts to ensure safe motherhood, universal vaccination and expand various disease control programs to catch up with the loss during the pandemic, but this major need has been ignored.

### **(iii) Pay Frontline Health workers their due**

Frontline health workers have played a critical role during the pandemic, braving multiple obstacles and even salary cuts and delayed payments and often losing lives. However, beyond tokenistic measures, there have been hardly any steps taken to improve fair compensations and wages for these dedicated health workers! Even the provision to provide insurance coverage in case of death of health workers has been reduced from Rs 813 crore in RE 2021-22, to Rs 226 crores in 2022-23. It should further be noted that much of the success of the vaccination that is being claimed is based on the untiring efforts from ASHAs and other frontline health workers, but the NHM budget cut is going to considerably affect the compensations to ASHAs and ANMs.

### **(iv) Failure of PMJAY**

It has been clearly seen during the COVID-19 pandemic Pradhan Mantri Jan Arogya Yojana (PMJAY) abysmally failed in providing access to healthcare services to the poor and deprived sections. Moreover, during COVID-19, a significant drop in insurance claims was seen. Amount allocated for PMJAY in Budget Estimates 2021-22 was Rs 6400 crore, but as revealed by the Revised Estimates only half of this (Rs 3199 crores) was actually projected to be utilised.

Despite these massive failures, the government is continuing large and wasteful allocations for this scheme. It is significant to note that 75% of payments under PMJAY, up till February 2020 has been to the private sector which proves that schemes like PMJAY divert government money to the private sector. The government should immediately scrap PMJAY and instead use these resources to strengthen the public health system.

### **(v) Allocations for Women's Health and Protection either stagnant or reduced**

While cut in NHM allocations directly impacts the programmes on reproductive and child health care, there are other critical elements related to women's health that got neglected under the current budget. In the Union budget 2022-23 there has been a decline in allocations for SAMBAL scheme from Rs 587 crore in 2021-22 budget to Rs 562 crore in 2022-23 budget. SAMBAL scheme includes components such as One Stop Centre, Mahila Police Volunteer, Women's Helpline/Swadhar/Ujjawala/Widow Homes etc) which focus on women's health and protection. Such a decline has serious repercussions in the times when crimes against women are on a rise.



Allocations for Saksham Anganwadi and POSHAN 2.0 have increased only marginally by about Rs 150 crore. This scheme includes important components such as Anganwadi Services, Poshan Abhiyan, Scheme for Adolescent Girls, National Creche Scheme. During the COVID-19 pandemic, the nutrition of women and young girls has been adversely affected and it requires adequate attention.

SAMARTHYA scheme (Beti Bachao Beti Padhao, Creche, Pradhan Mantri Matru Vandana Yojana, Gender Budgeting/Research/ Skilling/ Training etc.) has also got a meagre increase in allocations by about Rs 100 crore.

#### **(vi) Cut in funds for Indian Council of Medical Research (ICMR)**

The recent COVID crisis also raises questions on the extent of emphasis being laid on research in the health sector. The allocation for the Department of Health Research has been a meagre 3% of the total budget of health. In the year 2020-21 Actual expenditure on health research was 3.8% of health budget, which declined to 3.6% in the current budget. Furthermore, ICMR, which has led several research initiatives during the pandemic including vaccines, has received a cut. In the 2021-22 Budget ICMR had been allocated INR 2358 crores. This year allocation has been cut to INR 2198 crores- a 17% decline in real terms. This is going to affect funding of several health research institutes who depend on ICMR funding.

#### **(vii) Mental Health continues to be neglected**

Though the Honourable Finance Minister has announced a special National Tele Mental Health Program, the existing National Mental Health Programs (NMHP) and various Union Government funded institutions continue to face neglect. The NMHP has received a measly allocation of INR 40 crores- which continues to be the same since 2019-20. This amounts to spending just 30 paise per person per year, for the NMHP! Furthermore, even these allotted funds remain largely underspent; Actual Expenditure in 2020-21 was just Rs 20 crores. The budget for NIMHANS as an apex institute for mental health has been somewhat increased from Rs 500 crores (2021-22) to Rs 560 crores (2022-23), but in the larger context this is clearly insufficient, in absence of adequate support for the Mental health programme on the ground; even after many years of its inception there remain huge gaps of human resources. Trying to fill those major gaps in services just by relying on a tele-medicine program will invariably mean that a large section of the society would continue to be deprived of quality mental health care.

Further there is no specific amount allocated to those persons with disabilities in the health budget though a 12 % increase from the last fiscal Union Budget 2022-23 in the Social Justice and Empowerment Ministry.

#### **(viii) Ayushman Bharat Digital Mission receives 566% increase**

One of the biggest gains in expenditure has been received by the Ayushman Bharat Digital Health Mission - from meagre INR 30 crores allocated in the previous year, ABDM budget has increased to INR 200 crores for 2022-23, almost seven times increase in one year. This amounts to placing undue emphasis on 'Health cards' while neglecting actual 'Health care'. Government's fascination to create electronic health records in the middle of a pandemic, while neglecting the actual public healthcare delivery system, raises serious doubts about the main intentions of the program. It is highly likely that this scheme is going to benefit the big IT companies and

commercial health insurance companies while the safety and security of personal information remain doubtful. When at ground zero health services are grossly inadequate, what sense does it make to prioritise digital health records of doubtful value, compared to provision of actual health services?

**(ix) Lack of transparency and inconsistency in budget documents**

We would also like to note with serious concern that it has been a routine practice for the current government to continuously hide information related to budget. For instance, all the schemes and programs under NHM, including National Rural Health Mission (NRHM) and its sub-components have been rolled into one head in this budget. This do not allow us to understand the trends in allocation on key programs like NUHM, immunisation, various disease control programs! Prior to 2015-16 the detailed Financial Management Reports of NHMs with details of all subcomponents was available in public domain but since then have disappeared. At larger level, the utter lack of transparency of the PM CARES funds, which has been collected from people in the name of the Honourable Prime Minister, is also disturbing. All funds related to PM CARES must be brought under democratic accountability, and dissemination of public data should be made a priority.

**To conclude, the Union Health budget 2022-23 falls flat because it has refused to learn the lessons of the Covid-19 epidemic, and fails to allocate much-needed increases in allocations for public health system strengthening,** the major National Health Mission programme, COVID related provisions which remain a continuing requirement, protection and remuneration for health workers, services for women and children, Mental health programme, and essential Health research. It seems that to cover up these multifaceted failures, the presentation of data in the current health budget has been made deliberately opaque and difficult to compare with earlier years

## **LABOUR AND EMPLOYMENT**

### **Working Peoples' Charter**

#### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

India's had been witnessing declining economic growth even before the pandemic, however, the most vulnerable sections of Indian society have had to bear the brunt of its adverse effects. In last two years, the wealth of the 10 richest men in the world doubled, while 99% of the world's people are worse off. Also, there are 53 million unemployed people as of December 2021 (7.9% unemployment rate) and a huge proportion of them are women. Apart from that, amongst the total employed population, 43.7 crore workers are in the unorganised sector, who are legally not covered by social security benefits.

While many governments spent vast amounts of money to revive their economies; loan and interest waivers, spending on social security to compensate citizens for job and other losses and to improve health outcomes and so on. India, on the other hand, spent far too little and the Budget 2022 saw virtually no change in allocations for health, food security, pensions, employment, insurance and so on and saw decreased spending for some sectors, such as MNREGA.

The brunt of the lockdown is still being felt as daily wage, migrant and other workers in the informal sector still continue to face the ripple effect of lockdown in the form of loss of livelihood, indebtedness, loss of children's education, malnutrition and so on. The Union Budget 2022-23 does not reflect any of the lived realities of informal labour and continues to violate the basic constitutional rights of informal workers who contribute over 60 % of the GDP and constitute one third of the country's total population.

Social Security is a universally recognized human right. The International Labour Organisation through its Convention No. 102 of 1952 and two of its recommendations on a social protection floor of 2012 (R 202), and (B) and on transiting from the informal to the formal economy of 2015 (R204), has recognised that life cycle approach must be adopted in order to promote social inclusion and human dignity. This is to be achieved by provision of benefits, in cash or in kind, intended to ensure access to medical care, and health services, as well as income securities through provision for illness, unemployment, employment injuries, maternity, family responsibility, invalidity, loss of family breadwinner, as well as during retirement and old age. It is pertinent to mention that ESI Act of 1948, and EPF, 1952 put together satisfy 9 components of the ILO social protection floor. It means India has already achieved ILO convention 102 despite not ratified yet.

Indian Social Security Legislations and ILO Convention 102 of 1952 mandates following 9 indicators for comprehensive Social Security Benefits:

1. Medical Benefit
2. Sickness Benefit
3. Unemployment Benefit
4. Old age Benefit
5. Employment Injury
6. Family Benefit

7. Maternity Benefit
8. Invalidity Benefit
9. Survivor's benefits

Out of these, 8 indicators are covered in ESIC, and 3 Indicators are covered in EPFO and Employees compensation Act. Currently, these benefits are enjoyed by only 2% of the employed workforce (mostly from the organised sector).

These Social Security benefits must be extended the entire **unorganized sector and workers informally employed in the organised sector**. To understand its implications on the budget, WPC had done Financial Proposal for a National Social Protection Floor for Informal Workers in 2017. As per this exercise, the state required Rs 3.5 Lakh Crores (approximately) at roughly 2.3% of the GDP (2016-17) to provide a national social protection floor for more than 40 crore informal workers and their families.

## **RECOMMENDATIONS AND DEMANDS**

### **(i) Ensure Dignified Working Condition and Protect Livelihood**

Ensure dignified working conditions for all working populations, including preservation and protection of livelihoods and last but not the least- "Dignity" in the labour market and beyond. In this context we demand,

- Urgent halt of eviction drive against street vendors and notification of draft Street Vendor Scheme
- Recognition of labour nakas by creating 'Labour Naka sheds' and installing drinking water and toilet facilities
- Revisiting the safety norms/mechanism at construction site
- Recycling Industry
- Bring all sectors in to the list of schedule employment so that their minimum wages gets determine
- Urgent allocation of subsidy to revive MSME sector which is backbone for india's economic growth

The Constitution of India backs this position through its Preamble, its Fundamental Rights and its Directive Principles of State Policies seeks to achieve economic, social and political justice for all its citizens, and casts a duty on the state, to apply relevant principles, in making laws. These principles, include measures to reduce inequalities, to ensure that the health and strength of workers, men, women and transgender, and the tender age of children are not abused (Art-39), that right to work, to education, and to public assistance in cases of unemployment, old age sickness, and disablement (Article 41), that provision for just and humane conditions of work, and maternity relief, that living wage, condition of work ensuring decent standard of life and full enjoyment of leisure, and social and cultural opportunities, ending with Article 43A, which stipulated participation of workers in the management of undertaking, establishments or other organisations engaged in any industry. Against the above national and international standards related to social security, this Consultation is of the opinion that the following 9 components endorsed by the ILO must be converted into non-negotiable minimum standards made available through justiciable legislation concerning social security. India being a founding member of ILO also owes political responsibility to implement such standards.

## **(ii) Budgetary Provisions**

With regards to budgetary provisions, there are multiple areas/avenues that can be explored. The fact that at present, PF and ESI are contributory schemes. This arrangement may continue for the organised sector, but when it comes to the unorganised sector, the primary responsibility of finding budgetary resources shall be that of the state, including measures like making welfare boards (building and construction, domestic workers) taking inspiration from the Maharashtra Mathadi Board could function and fulfill the employers role.

Another framework could be employed is putting dedicated tax on industries linked to certain employment, like cess on construction, cess on app-based companies (suggested in labour code on social security 2020) cess on home appliances for domestic workers (suggested in national draft policy for domestic workers by MOLE) etc.

We cannot allow our government to continue to ignore the informal sector workers. Labour being in the concurrent list, it is also prerogative for the state governments to ensure social security entitlements are available for informal sector workers. The state needs to step up and should come up with more innovative policy measures where finances can be generated. It is pertinent to mention that growing conflict between center and state have paralyzed the welfare measures meant to be available for the working poor. Under such a situation, states have to reclaim their space and power while respecting the principles of federalism. Tamil Nadu white paper is one such example, which suggests a number of measures to raise resources and reduce the dependency in the union government. Other states should experiment/replicate such measures.

Finally, the Working Peoples' Charter did a detailed analysis for the financial need to implement unorganized workers social security act 2008 in 2017. <sup>29</sup>We had calculated Rupees 3.5 Lakh Crores (approximately) at roughly 2.3% of the GDP (2016-17) to provide a national social protection floor for more than 40 crore informal workers and their families.

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<sup>29</sup> <https://tinyurl.com/WPCanalysis2017>

## NREGA

Peoples' Action for Employment Guarantee and NREGA Sangharsh Morcha

### OVERALL VIEWS ON THE UNION BUDGET 2022 -23

The Mahatma Gandhi National Rural Employment Guarantee Act (NREGA) is a lifeline for millions of rural poor in India. It guarantees 100 days of employment for each household at minimum wages, and is especially crucial in times of rural economic distress. People's Action for Employment Guarantee (PAEG), in its pre-budget statement, estimated that **at least Rs. 2.64 lakh crores would have to be allocated for NREGA in FY 2022-23**, if 100 days of work are to be provided the number of households that were employed in FY 2021-22, at a wage rate equal to Rs. 269<sup>30</sup>. PAEG also estimated that FY 2021-22 would end with pending liabilities of over Rs. 21,000 crores. Close to the Act's 16th anniversary, the Finance Minister in her budget speech announced that the budget estimate for NREGA in FY 2022-23 would be only Rs. 73,000 crores. PAEG's post-budget statement estimates that **only 21 persondays of work can be generated per household with this amount**.

Since 2015-16, the annual budget allocation has never been sufficient to provide work to all those seeking employment under the program. In fact, every year about 80-90% of the budget gets exhausted within the first 6 months, resulting in heavy slowdown of work on the ground. The government has not been able to provide employment to all active job card holding families due to inadequate budget allocation. NREGA Sangharsh Morcha (NSM) in its pre-budget statement, recommended that no less than Rs.3.62 lakh crore will be needed to ensure maximum employment generation for all active job card holding families. Out of the current budget allocation, about Rs.18,350 crore are pending liabilities from previous years. Therefore, only about Rs 54,650 cr is available for next year. If the government wants to provide legal guarantee of work to all the active job card holding households, which is 9.94cr, then considering the current budgetary estimate, it will only be able to provide some **16 days at per person per day average cost of Rs 334**<sup>31</sup>.

**The manner of arriving at the estimation used by PAEG and NSM varies. However, we are deeply pained that the programme is systematically undermined by ridiculously low budget allocation of 73,000 crores.**

### ANALYSIS

In this context, analysing the functioning and outcomes of NREGA becomes crucial. Based on data from the NREGA Management Information System (MIS), PAEG prepared a tracker examining NREGA, with data as on January 31, 2022. This data lets us analyse whether the funds allocated in FY 2021-22 was adequate and gives a picture of what NREGA implementation will be with the current FY 2022-23 budget estimate of Rs. 73,000 crores.

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<sup>30</sup> This wage rate is based on the national average of states' minimum agricultural wage rates.

<sup>31</sup> Cost per person calculated at 12% hike from the current year.

The NSM post-budget statement can be found [here](#).

**(i) Drying up Funds:**

The national net balance of NREGA funds is at a deficit of Rs. 15,190 crores. Even if the expenditures in this financial year for which payments are still pending are not included while calculating the balance of NREGA funds, the net balance is a negative Rs. 2,337.78 crores. Only 4 of the 28 states, namely Maharashtra, Odisha, Goa and Mizoram, still have positive net balances with 2 months remaining in the FY. In other words, only 4 states have money left from this year's budget left to provide employment to people. Andhra Pradesh, West Bengal and Tamil Nadu have negative net balances of more than Rs. 2,000 crores each.

Select States	Total Available Funds	Total Expenditure (Excluding Pending Liabilities)	Actual Balance (Excluding Pending Liabilities)	Pending Liabilities (from Current Year)	Net Balance
Odisha	6,114.66	5,260.90	853.75	414.00	439.75
Maharashtra	1,793.06	1,483.41	309.65	134.88	174.77
Bihar	6,159.51	5,575.61	583.90	745.09	-161.19
Chhattisgarh	3,107.63	2,978.55	129.07	381.75	-252.68
Gujarat	1,457.65	1,553.57	-95.91	200.15	-296.07
Uttar Pradesh	7,827.71	7,505.66	322.05	851.70	-529.65
Jharkhand	2,479.83	2,802.06	-322.23	338.19	-660.42
Karnataka	5,525.51	5,457.93	67.57	860.30	-792.72
Telangana	3,933.15	4,752.39	-819.24	116.19	-935.44
Madhya Pradesh	6,735.41	7,093.89	-358.48	1,184.72	-1,543.20
Rajasthan	8,594.38	8,865.61	-271.22	1,358.48	-1,629.71
Andhra Pradesh	6,657.87	7,404.48	-746.60	1,376.40	-2,123.01
West Bengal	9,269.68	9,798.76	-529.08	1,693.04	-2,222.13
Tamil Nadu	8,015.26	9,806.31	-1,791.04	685.03	-2,476.08
<b>All India</b>	<b>90,583.65</b>	<b>92,921.44</b>	<b>-2,337.78</b>	<b>12,852.19</b>	<b>15,189.98</b>

Source: MGNREGA MIS Report R 7.1 accessed on January 31 2022

All figures in Rs. Crore

### (ii) Work Demand

9 crore households demanded work this year, of which 1.42 crore households that have applied for work are yet to be even issued job cards, let alone be provided work. Even among households with job cards, around 11% were not provided work. Also, the figures on demand provided by the government are most definitely underestimated, as only demand that is registered in the MIS is included. Many workers are simply turned away by officials when they demand work, without this demand being registered. Refer to [previous PAEG NREGA tracker](#) for a detailed explanation. Unmet demand (%) was the highest in the state of Gujarat (28.49%) followed by Bihar, (23.64%) whereas it was as low as 3.48% in the state of Tamil Nadu.

Select States	Number of Households Demanded Employment	of that were Employment	Number of Households that Provided Employment	of that Unmet Demand [b-c]	Unmet Demand as a % of Employment Demanded [100*(d/b)]
a	b	c	d	e	
Gujarat	15	10.39	4.14	28.49%	
Bihar	46	35.05	10.86	23.65%	
Madhya Pradesh	58	47.81	10.09	17.43%	
Odisha	39	33.24	5.65	14.53%	
Uttar Pradesh	87	74.98	12.16	13.95%	
Chhattisgarh	30	26.34	4.03	13.27%	
Maharashtra	19	16.66	2.54	13.23%	
Jharkhand	27	23.39	3.54	13.15%	
Andhra Pradesh	52	45.49	6.42	12.37%	
Rajasthan	74	66.74	7.19	9.73%	
Karnataka	35	32.2	3.15	8.91%	
West Bengal	78	72.9	5.22	6.68%	



Tamil Nadu	69	66.34	2.39	3.48%
<b>All India</b>	<b>758</b>	<b>674.97</b>	<b>82.81</b>	<b>10.93%</b>

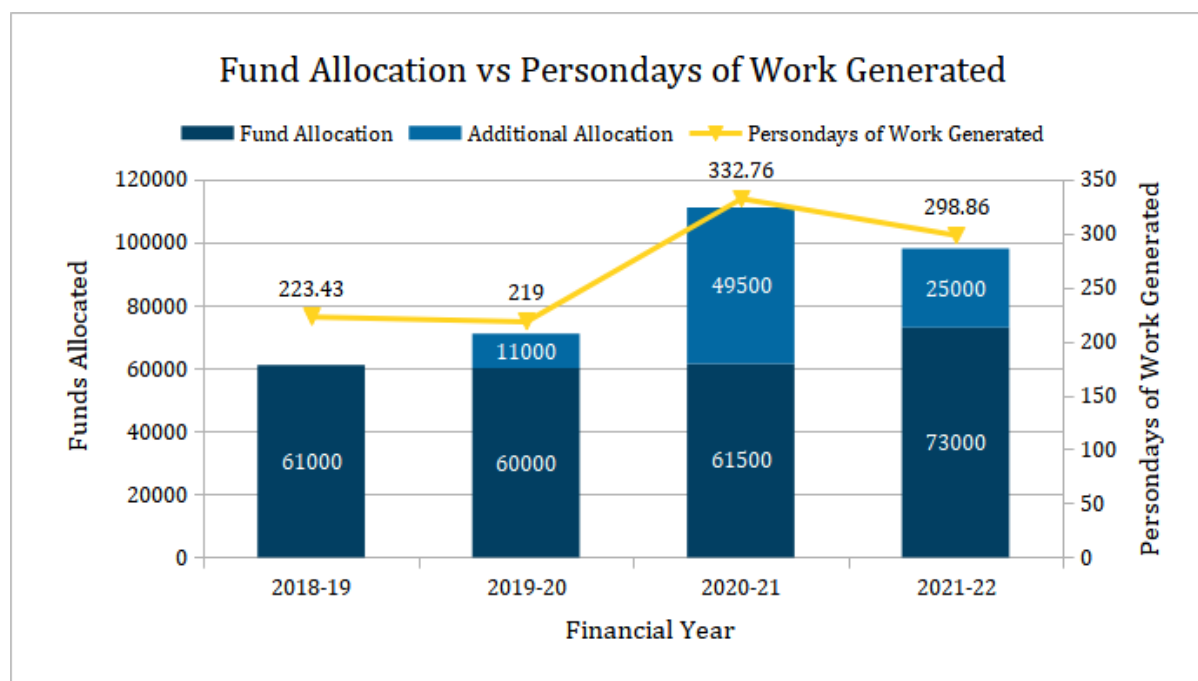
Source: MGNREGA MIS Report R 5.1.1 accessed on January 31 2022

All figures in Lakhs

### (iii) Work Generation

298.86 crore persondays of work have been generated till January 31, 2022. There is a decrease of 9% of persondays generated when compared to last year. However, the number of persondays generated is higher than those of non-pandemic years. Only 12.31% of those households who were employed worked for 81-99 days whereas only 4.62% of such households were employed for 100 days or above. More than 95% of households employed in MGNREGA this year have not completed 100 days of work. With only 2 months of the year remaining and negative fund balances for most states, these statistics are likely to remain stagnant.

### Comparing Fund Allocation, Work Generation and Demand for Work



Over the last four financial years, there has been a strong positive relationship between total funds allocated and persondays of work generated. The revised budget estimate for FY 2020-21 and FY 2021-22 are Rs. 1,11,000 crores and Rs. 98,000 crores respectively. There is a difference of close to 9% between the two. The difference in persondays of work generated in the two years till the end of January is also 9%. This same pattern can be seen in the past four financial years. Also, in all of these years under consideration, more than 10% of households that have

demanding work under NREGA have not been provided with work. Unmet demand is currently at 10.93% in FY 2021-22, but it is likely to increase due to the lack of funds.

Either the government is wantonly allocating an insufficient budget to NREGA year after year, or the government's projection of the person-days of work that need to be generated and its revision are highly inaccurate year after year and they don't seem to be learning from their past mistakes. As per PAEGs pre-budget statement, the pending liabilities at the end of FY 2021-22 is estimated to be around Rs. 21,000 crores, even after the additional allocation of Rs. 25,000 crores. Therefore, serious doubts arise as to whether a deliberately insufficient fund allocation for NREGA by the government year after year has resulted in the decrease in the person-days of work generated.

Such decisions by the government go against NREGA both in letter and spirit, and also lead to the further weakening of NREGA, as an increasing share of the funds allocated will have to be utilized for settling payments pending from the previous years

#### **(iv) Wage Delay & Compensation**

NREGA wage payments are divided into Stage 1 and Stage 2, which are the responsibility of the Stage government and Central government respectively. Both Stage 1 and Stage 2 have to be completed within 7 days each and the wage payment process has to be completed within 15 days of work done. Our previous tracker elaborates on the process and judicial interventions in NREGA wage payments. A wage transaction is said to be delayed if it has been delayed at either Stage 1 or Stage 2 or have not been completed beyond a period of 15 days from when the work was done. 1.18% of wage transactions, to the value of Rs. 727.24 crores, were delayed at Stage 1.

On the other hand, wage payments to the tune of Rs. 3,273.52 crores are delayed by the central government, at Stage 2. This amounts to 5.84% of total wage payments. The number of wage transactions that are delayed by the central government is 1.99 crores. This implies that the central government is responsible for the majority of wage delays. 59.58 lakh Stage 2 transactions from June 2021 alone, amounting to Rs. 1111.23 crores are still delayed.

NREGA workers are entitled to a delay compensation of 0.05% of wages per day, for delays in wages. While Rs. 11.78 crores stand payable to workers as wage delay compensation, less than Rs. 17 lakhs, or 1.52% has been paid.

#### **(v) Rejected Wage Transactions**

1.52% of wage transactions have been rejected in total. 60.06 lakh wage transactions, amounting to Rs. 816.63 crores stood rejected as on January 31, 2022. A majority of transactions were rejected primarily due to errors by the administration in entering bank account details of workers.

## **RECOMMENDATIONS AND DEMANDS**

### i) Wage rates:

In almost no state NREGA workers are paid the minimum wage, based on the most basic nutritional intake for human survival. The Supreme Court through its several judgments has elevated the right to minimum wages to constitutional status. The SC has also ruled that wages less than minimum wage amount to “forced labour”.

States	MGNREGA wage rate, 2021-22 (Rs./day)	Increase in NREGA wage rate from 2020-21 (Rs.)	Minimum wage per day (Rs./day)	Difference between MGNREGA wage & minimum wage, 2021-22 (Rs.)
Andhra Pradesh	245	8	292	47
Assam	224	11	298	74
Bihar	198	4	292	94
Chattisgarh	193	3	262	69
Goa	294	14	307	13
Gujarat	229	5	310	81
Haryana	315	6	377	62
Himachal Pradesh	Non-scheduled areas: 203 Scheduled areas: 254	5 6	300	97 46
Jharkhand	198	4	315	117
Karnataka	289	14	441	152
Kerala	291	0	<a href="#">410</a>	119
Madhya Pradesh	193	3	228	35
Maharashtra	248	10	276	28
Meghalaya	226	23	357	131
Odisha	215	8	315	100
Punjab	269	6	369	100
Rajasthan	221	1	252	31
Tamil Nadu	273	17	322	49
Telangana	245	8	306	61
Uttar Pradesh	204	3	201	-3
Uttarakhand	204	3	245	41
West Bengal	213	9	268	55

Source: MGNREGA wage rate data is from Ministry of Rural Development notification, V V Giri National Labour Institute & state notifications for minimum wages

The issue of stagnating wage rates is not new to NREGA. The government's decision to index the wage rate to the Consumer Price Index - Rural (CPI-R) as opposed to the older Consumer Price Index - Agricultural Labourers (CPI-AL) is a welcome move. However, it has made such an announcement many times in the past and has not acted on it. Also, the change in index will lead to a very meagre increase in NREGA wages since they are very low to begin with. The new indexation will be meaningful if the NREGA wages are at least at par with the minimum wages in the states.

**ii) Revise current allocation:**

The government should therefore revise their budget estimate for FY 2022–23, so that there is adequate work for job cards–holding families throughout the year without interruptions and payment delays.

**iii) Strengthen Social Audits:**

In the past four years, media outlets have indicated heavy misappropriation in NREGA funds as reported by different social audit units. However, since social audits are not regularly held, our observations are that the volume of misappropriation is much more than what is reported in the audits. We also suggest that action be taken to strengthen social audits across the nation by ensuring that independent social audits are regularised in all states, findings are put out in the public domain, and timely actions are taken against each irregularity.

## **PENSIONS**

Pension Parishad

### **OVERALL VIEWS ON THE UNION BUDGET 2022 -23**

The Union Budget 2022-23 has seen meagre increase in allocation of one of the most important social protection schemes - the National Social Assistance Programme (NSAP) which it provides income security to the country's most vulnerable groups - the elderly, widows and disabled.

The Union Budget 2022-23 has seen an increase in allocation from ₹9200 crore (FY'22 BE) to 9652.31 crores which is still less than the allocation of 2020-21 budget allocation of 42443.11 crores. This indicates that the same amount of allocation has been retained for years.

India's budgetary allocation for the NSAP has been declining in the recent year. Further decline in coverage and no proportional increase in the central budgetary allocation is making a vast number of poor elderly vulnerable. Given the increased risk of health problems due to pandemic, need for increased pension has become absolutely necessary.

#### **Highlights of Budget Analysis 2022-23**

- 1) Budget Allocation 2022-23 (9652.31 crores) for NSAP has seen an increase of 452 crores from the Budget 2021-22 (9200 crores) and is still less than Budget 2020-2021 (42443.11 crores)
- 2) No increase in pension amounts for old age, widows or disabled persons.
- 3) Entitlements received under NSAP have remained unchanged since 2007

### **ANALYSIS**

#### **(i) No increase in Pension Amounts**

As the budget allocation for NSAP has remained the same, there is no increase in pension amounts for old age/widows/persons with disabilities. This means that the elderly living below the poverty line will continue to receive a paltry sum of roughly Rs. 7 per day as income security and the widows and disabled Rs. 10 per day respectively.

#### **(ii) Entitlements under NSAP remain unchanged since 2007:**

This safety net programme has suffered over the years because of narrow targeting and lowly entitlements - of Rs. 200 per month for those between 60 years to 79 years, Rs.500 per month to those above the age of 79 years, Rs. 300 per month for disabled between the age of 18 years and 79 years and Rs. 300 per month for widows between the age group of 40 years and 59 years. These entitlements have remained unchanged since 2007 and are limited to the poorest entitled to only Below Poverty Line (BPL) families.

In 2013, a Report of the Task Force on Comprehensive Social Assistance Programme submitted to the Government of India also recommended raising monthly pension and expanding coverage.

## **RECOMMENDATIONS AND DEMANDS**

### **(i) Expand Coverage of NSAP:**

Expand the coverage of the programme to ideally include all elderly barring income tax payers so as to equip the senior citizens to ably manage age -induced problems. At minimum the programme needs to be expanded to all households that do not possess even one criteria of economic well -being out of the seven as mentioned by the SECC. At present the programme through 3 of its schemes serves 3.3 crore individuals. If SECC is used for all beneficiaries and not just widows then the number of people the programme serves can be raised to elderly, widows and disabled across 10.9 crore households that may be facing different levels of deprivation.

The State should mobilise better use of digital technology and undertake proactive identification of beneficiaries and annual renewal of pensions with the help of Management of Information Systems at gram sabha and ward levels.

### **(ii) Revise current amounts:**

Entitlement amounts under NSAP have remained the same since 2007. The amounts should be indexed to inflation and undergo regular revisions like wage-rates.

### **(iii) Increase allocation from 0.45 percent to 1.45 percent of GDP:**

Provisions for the elderly, disabled and widows cannot be a matter of fiscal availability but is a matter of right to a life of dignity. The Union budget for NSAP 2022 -2023 is mere 9652.31 crores for some of the most vulnerable citizens of the country. If the spirit of Article 21 and Article 41 of the Constitution have to be truly maintained by ensuring a life of dignity for the elderly, disabled and widows the Union capital outlay has to be sufficiently raised. In fiscal terms this means raising the allocation from the present meagre allocation of 0.45 percent of the GDP to a modest one of 1.45 percent of the GDP.

## **STATUS OF PENSIONS State and Central Contribution**

State	Elderly pension amount 60 to 79 yrs -79yrs & above	Disability pension amount Under 60 years (disability pension varies in some state depending on the % of disability)	Widow Pensions 60 to 79 yrs- 79yrs & above
Andhra Pradesh	2500	3000	2500
A & N Islands	2500-3000	2500	300-500
Arunachal Pradesh	1700-2000	2000	2000
Assam	300	300-500	300

Bihar	400-500	400	400
Chandigarh	1000	1000	1000
Chhattisgarh	350-650	200	350
Dadra & Nagar Haveli	1000	1000	
Daman & Diu	1000	1000	
Delhi	2000	2500	2500
Goa	2000	1700	2500
Gujarat	400	600-1000	1250
Haryana	1800	2500	2250
Himachal Pradesh	700	1500-2000	450
Jammu & Kashmir	1000	1000	1000
Jharkhand	600	700	600
Karnataka	600	1100	800
Kerala	2000	1300	1400
Lakshadweep	1000	700	
Madhya Pradesh	300	300	600
Maharashtra	600	300	600
Manipur	260	1500	300
Meghalaya	500	200	500
Mizoram	250	100	400
Nagaland	300	300	300

<b>Odisha</b>	<b>300</b>	<b>200</b>	<b>300</b>
<b>Puducherry</b>	<b>2000</b>	<b>2000-3800</b>	<b>2000</b>
<b>Punjab</b>	<b>1500</b>	<b>1500</b>	<b>1000</b>
<b>Rajasthan</b>	<b>750</b>	<b>750-1500</b>	<b>500-1500</b>
<b>Sikkim</b>	<b>2000</b>	<b>1500</b>	<b>2000</b>
<b>Tamil Nadu</b>	<b>1000</b>	<b>1000</b>	<b>1000</b>
<b>Telangana</b>	<b>2016</b>	<b>3016</b>	<b>2000</b>
<b>Tripura</b>	<b>700</b>	<b>700</b>	<b>275</b>
<b>Uttar Pradesh</b>	<b>400</b>	<b>1000</b>	<b>300</b>
<b>Uttarakhand</b>	<b>1400</b>	<b>900</b>	<b>1400</b>
<b>West Bengal</b>	<b>1000</b>	<b>1000</b>	<b>750</b>

\*Amount (Rs. Per beneficiary given by states/UTs)

\*Central contribution: Old age pension: Rs 200, Widow pension: Rs 300, Disability pension: Rs 300

\*\* Figures are based on reply given in the Rajya Sabha, in most cases.





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