



# YOUTH PARLIAMENT' 16

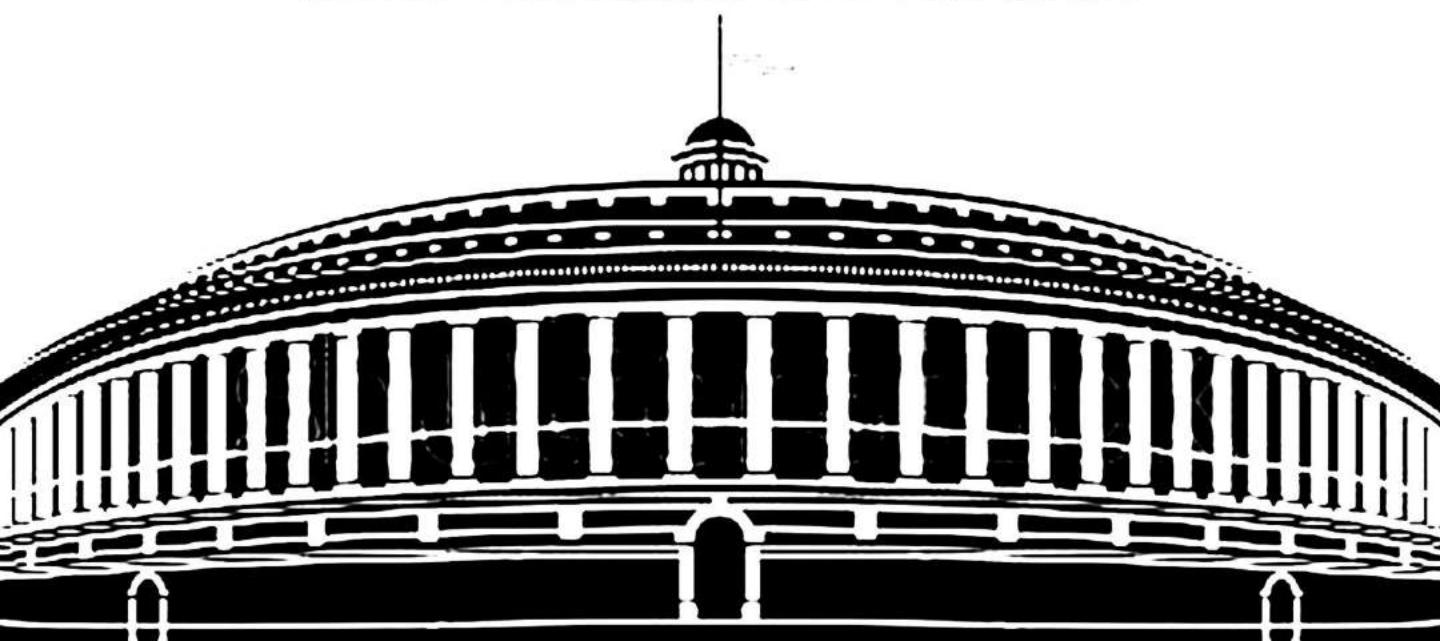
## BIT MESRA, RANCHI

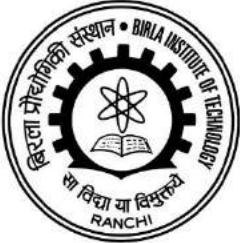


# Rostrum'16



MEMBER'S HANDBOOK ON  
SOCIO-ECONOMIC DEVELOPMENT





# Literary Society

BIRLA INSTITUTE OF TECHNOLOGY, MESRA

PRESENTS

*Youth Parliament'16*

# CONTENTS

1. Introduction
2. Sustainable Growth
3. Sustainable Development
4. IT and Communication Sector
5. Entrepreneurship
6. Industry and Manufacturing Sector
7. Health Sector
8. Environmental Sector
9. Education
10. Quick Facts
11. Conclusion
12. References

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

## Introduction

As a signatory to the historic Millennium Declaration adopted at the United Nations General Assembly in September 2000, India has remained committed to ending poverty and other deprivations. Successive governments have reinforced this priority. The new sustainable development agenda seeks to ensure that the goal is carried forward — to achieve not just substantial reductions in poverty, hunger and other deprivations but finally end them to provide a life of dignity to all. Calls for improved sanitation, health, education, financial inclusion, and security, especially for women are being made. There is simultaneous prioritization of improvement in environmental development with respect to water, air, soil and the biosphere by treating the challenge of climate change adaptation as an opportunity rather than a problem.

Mr. Jim Yong Kim, President of the World Bank group delivered a speech on India's mission for sustainable growth feeling that the dream of sustainable development would be fulfilled only when all the Indians follow a path of rapid growth where the well-being of the citizens is ensured.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

'India's diverse economy ranges from traditional village farming to a wide range of modern industries, and a multitude of services. According to the statistics, Indian economy rose to 6.4 in 2015 and was expected to grow even faster in the coming years. It has broader sustainability agenda dealing with 'five Ps' people, planet, prosperity, peace, and partnership. It seeks to address the universal need for development that works for all people and root causes of poverty.'

## SUSTAINABLE GROWTH

The robust performance of the Indian economy in the last four years, with economic growth averaging 8.5% has generated an intense debate regarding India's future economic prospects. Indeed, the future of more than a billion people, at least a quarter of whom still exist in degrading and unacceptable poverty and deprivation, depends critically on India's ability to grow fast at high rates. Rapid and sustained economic growth, though not sufficient for eliminating poverty, is certainly a necessary condition for improving living standards.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

India's biggest gains since the reforms in the early-1990s have come in its external sector. Policies such as moving away from an artificially pegged exchange rate regime to a broadly market based 'float', bringing down customs tariffs and doing away with quantitative restrictions have pushed both imports and exports and resulted in the Indian economy becoming more integrated with global markets. Foreign trade (i.e. exports and imports of goods and services), as a proportion of GDP, has increased from 21.3% to 50.6%. Post-reforms, India's invisibles inflows have surged, driven by robust software exports and heavy inward remittances. Large segments of the Indian economy have benefited from this greater integration with the global economy. However, agriculture in general, and a few services and manufacturing sectors still remain relatively isolated and their greater integration with the world markets will undoubtedly provide a growth stimulus in the coming years.



# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

## SUSTAINABLE DEVELOPMENT

India is booming and sustainable development becomes increasingly more important. With cities generating two-thirds of the country's economic output, an increasing number of Indians are leaving rural areas to seek employment in cities, relying on an efficient urban infrastructure. The rapid growth of cities causes a large number of challenges, including insufficient power supply, unreliable public transportation systems and limited access to adequate medical treatment.

To meet the challenges of continuing growth without destroying the environment, smart city planning for sustainable development is crucial. While conventional economic development leads to the elimination of several traditional occupations, the process of sustainable development, guided by the need to protect and conserve the environment, leads to the creation of new jobs and of opportunities for the reorientation of traditional skills to new occupations.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

The richness of skills available in society must be harnessed through partnerships involving institutions in civil society, such as NGOs, CBOs, corporate (including private) bodies, academic and research institutions, trade unions, etc., which must be made an integral part of planning and implementation for sustainable development.

Sustainable development is achieved through optimizing gains from several variables, rather than maximizing those from a single one. This requires government departments, by convention sectorally organized, to work together, or in some cases as a single multi-disciplinary authority. For this joint planning, transparency and coordination in implementation are required.



# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

## Information and Communication Technology

The rapid emergence of Indian IT sector has played a significant role in transforming India's image from a slow moving bureaucratic economy to a land of innovative entrepreneurs. More recently, online retailing, cloud computing and e-commerce are emerged as the major growth drivers in the sector. To speed up the rate of growth in this sector and to ensure that government services are available to citizens electronically and people get benefit of the latest information and communication technology the Ministry of Communications and IT has launched the Digital India programme.

## DIGITAL INDIA

- The vision of Digital India program aims at inclusive growth in areas of electronic services, products, manufacturing and job opportunities etc. The vision of Digital India is centered on three key areas -
  - (i) Digital Infrastructure as a utility to every citizen
  - (ii) Governance & services on demand
  - (iii) Digital Empowerment of citizens

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

- In line with these objectives, the government has launched some initiatives which include Digital Locker System, MyGov.in, eSign, National Scholarships Portal etc.
- The estimated impact of Digital India by 2019 would be cross cutting, ranging from broadband connectivity in all Panchayats, Wi-Fi in schools and universities to Public Wi-Fi hotspots. The program will generate huge number of IT, Telecom and Electronics jobs, both directly and indirectly.
- RIL chairman Mukesh Ambani expressed his commitment to the “Digital India” campaign. “We at Reliance will invest over Rs.250, 000 crore across the Digital India pillars,” he said. Microsoft CEO Satya Nadella also supported this project and revealed the company’s plan of action in this direction.

While the intent of the initiative is good, it is riddled with challenges:

1. Spectrum is a scarce resource in the country and full implementation of this program demands a very large range of it. The shortfall of spectrum availability raises the demand and prices. If price of spectrum increases, companies will not be able to provide internet at affordable internet.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

2. Manufacturing has always been a weak link for the country and the same applies for electronic goods.

## Entrepreneurship

To boost entrepreneurship at grassroots, 'Start-up India, Stand-up India' programme was recently launched. Start-up India campaign is based on an action plan aimed at promoting bank financing for start-up ventures. The initiative is also aimed at promoting entrepreneurship among SCs/STs, women communities. It is focused on to restrict role of States in policy domain and to get rid of "license raj" and hindrances like in land permissions, foreign investment proposal, environmental clearances.

Key points:

- Single Window Clearance even with the help of a mobile application
- 10,000 crore fund of funds
- 80% reduction in patent registration fee
- Modified and more friendly Bankruptcy Code to ensure 90-day exit window
- Freedom from mystifying inspections for 3 years
- Freedom from Capital Gain Tax for 3 years

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

- Freedom from tax in profits for 3 years
- Eliminating red tape
- Self-certification compliance
- Innovation hub under Atal Innovation Mission
- Starting with 5 lakh schools to target 10 lakh children for innovation programme
- New schemes to provide IPR protection to start-ups and new firms

The Ministry of Human Resource Development and the Department of Science and Technology have agreed to partner in an initiative to set up over 75 such start up support hubs in the National Institutes of Technology (NITs), the Indian Institutes of Information Technology (IIITs), the Indian Institutes of Science Education and Research (IISERs) and National Institutes of Pharmaceutical Education and Research (NIPERs).



# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

However the initiative has following challenges:

- 1) Restrictive nature of policy as only start-ups "driven by technology or intellectual property" would have access to an enabling environment
- 2) GOI will provide 2500 crore a year for 4 years but funding is not a problem of start-ups as it is growing at a great pace and this will not be the best use of tax payers money to fund a sector which is not facing financial problem
- 3) Easing of rules and conducive policy environment is only restricted to start ups, instead it should be extended to all businesses for real quantifiable change.

Thus, it is a laudable policy as start-ups definitely hold potential of creating jobs and pushing up economic growth; but the real long term challenge is extending this to all businesses.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

## INDUSTRY & MANUFACTURING

The 'Make in India' initiative seeks to place India on the world map as a manufacturing hub and give global recognition to the Indian economy. The Government of India has set an ambitious target of increasing the contribution of manufacturing output to 25 per cent of Gross Domestic Product (GDP) by 2025, from 16 per cent currently.

The central government initiatives are:

- Registration of Labour Identification Number (LIN)
- Submission of returns
- Combined returns under 8 labour laws
- Online portals for Employees State Insurance Corporation (ESIC) and Employees Provident Fund Organization (EPFO)

Some of the state government initiatives are:

- GIS-based land identification system (Gujarat)
- Online consent system for environmental clearances (Chhattisgarh)
- Commercial benches established in Mumbai High Court (Maharashtra)

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

In a major boost to the 'Make in India' initiative, the Government of India has received investment proposals of over US\$ 3.05 billion till end of August 2015 from various companies. India has become one of the most attractive destinations for investments in the manufacturing sector with companies like Magna International Incorporated and Ikea investing in different sectors.



The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

- The Government plans to organise a 'Make in India week' in Mumbai between February 13-18, 2016 to boost the 'Make in India' initiative .

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

- The National Institution for Transforming India Aayog (NITI Aayog) plans to release a blueprint for various technological interventions which need to be incorporated by the Indian manufacturing economy, with a view to have a sustainable edge over competing neighbours like Bangladesh and Vietnam over the long term.

The disadvantages of the Make in India campaign are:

- India ranks low on the "ease of doing business index". Labour laws in the country are still not conducive to the Make in India campaign. This is one of the universally noted disadvantages of manufacturing and investing in India.
- India's ailing infrastructure scenario and defunct logistics facilities make it difficult for the country to achieve an elite status as a manufacturing hub. The bureaucratic approach of former governments, lack of robust transport networks, and widespread corruption makes it difficult for manufacturers to achieve timely and adequate production

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

## HEALTH:

Growth can be achieved by having awareness of growth potential in some key growth areas. This section is to discuss about one of the potential growth drivers that could stimulate growth and drive the Indian economy on a high and sustainable growth path.

### NATIONAL HEALTH INSURANCE SCHEME:

It is also known as "STATUTORY HEALTH INSURANCE".

The programs under this scheme are:

- Rashtriya Swasthiya Bima Yojana (RSBY)
- Employment State Insurance Scheme (ESIS)
- Central Government Health Scheme (CGHS)
- Aam Aadmi Bima Yojana (AABY)
- Universal Health Insurance Scheme (UHIS)

Key developments:

- RNCOS REPORT: Health insurance market is one of the fastest growing, 2nd largest non-life insurance segment in the country.
- The insurance is expected to grow at a CAGR of over 25% for the period spanning from 2009-2010 to 2013-2014.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

## FRUGAL INNOVATIONS

- The palm sized device called life phone plus helps people to take ECG, monitor their blood glucose levels and get a specialist advice without travelling anywhere.
- This approach is known as “frugal innovation”; which aims at fulfilling the social needs through affordable technologies.

The inequities in health care provision represent the extreme levels of inequality and social injustice pervading in the country.



## TARGETS:

1. Proposals from private companies would make a healthy partnership that would provide health insurance to the needy.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

2. The government should appoint a commission which makes recommendations for the healthcare system and monitors its performance.

The present system and its escalating costs are not sustainable due to its inefficiency and a lack of aligned incentive. It is not that easy and surely will not be inexpensive. The potential to create the best healthcare system in the world exists. It is time to commence the debate, develop a plan and execute it.

## ENVIRONMENT

Alongside the two central problems – how to achieve rapid economic growth and to ensure that it is broad-based and inclusive – India is also necessarily grappling with a third, to ensure that growth is environmentally sustainable. For an environmentally sustainable growth, the government has come up with various schemes such as:

1. The Paryavaran Vahini Scheme was launched in June, 1992 with the basic objective of encouraging people's participation in environmental protection. The salient features of the Scheme are to create environmental awareness and involve people through active participation and reporting of illegal acts pertaining to forests, wildlife, pollution, environmental degradation and cruelty to animals.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

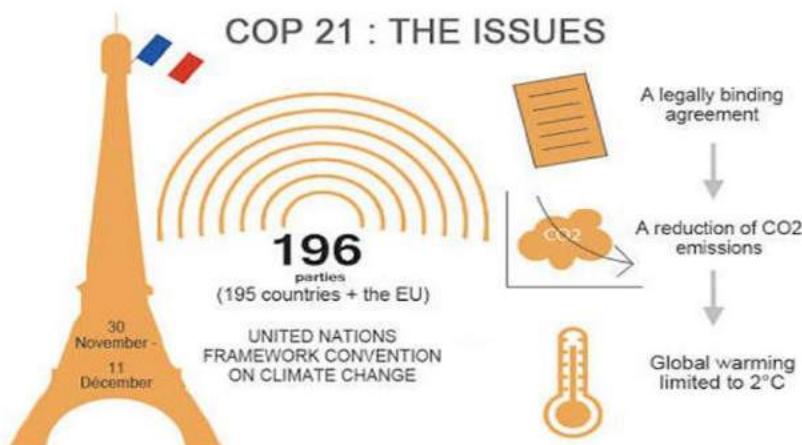
2. The National Green Tribunal has been established under the National Green Tribunal Act 2010 for effective and expeditious disposal of cases relating to environmental protection and conservation of forests and other natural resources including enforcement of any legal right relating to environment and giving relief and compensation for damages to persons and property and for matters connected therewith or incidental thereto.

The single most damaging aspect of the Act is the fact that aggrieved industries too can approach the Tribunal. Now whenever the Ministry of Environment and Forests (MOEF) rejects environmental clearance, it can be challenged under section 16 (i) of the new Act.

3. The Supreme Court on 10th July 2009 issued orders that there will be a Compensatory Afforestation Fund Management and Planning Authority (CAMPA) as National Advisory Council under the chairmanship of the Union Minister of Environment & Forests for monitoring, technical assistance and evaluation of compensatory afforestation activities.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

Peer-reviewed scientific research has clearly established that fragmentation is one of the most serious threats to long-term biodiversity conservation, causing several devastating impacts. Instead of addressing this critical issue, successive governments have been pursuing the flawed idea of trying to 'compensate' for forest loss and fragmentation by raising artificial plantations elsewhere.



## COP21:

- To achieve a binding and universal agreement on climate from all the nations of the world, 2015 United Nations Climate Change Conference (COP21) was held in Paris from 30th November to 12th December.
- The objective of the agreement is to keep global average temperatures to well below 2 degrees while pursuing efforts to keep it below 1.5.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

- India played a key role in the shaping of the agreement. The country set an ambitious goal of receiving 40% of its power from renewable resources by 2030. The country also recently set a target to develop 100 GW of solar power capacity by 2022, a huge ramp up from current capacity.
- But for these plans to work, a robust and ongoing national process must be built to examine the country's energy and climate future, to replace India's current, disconnected, process of energy planning and policy. It also requires exploring actions that bring synergies across development and climate outcomes (such as energy efficiency and public transport) and those that come with direct costs to the economy.

## Education

For a country, sustainable growth can be achieved by enhancing the education system through investing in this stream. Education in India is provided by the public sector as well as the private sector, with control and funding coming from three levels: central, state, and local.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

Present situation in India:

There is a projected increase in per capita income, government schemes such as mid-day meals, availability of schools and incentives for attending are expected to result in a higher enrollment ratio, especially in case of girls, and in turn help increase the literacy rates by 2020. Moreover, dropout rate at primary level are expected to decline further.



## STEPS TAKEN BY THE GOVERNMENT:

- ☒ Shiksha Sahayog Yojana: this scheme provides scholarships for the families that are marginally above poverty line.
- ☒ Sarva Shiksha Abhiyan: It is a national flagship program which aims to provide useful and relevant elementary education for all children in the age group of 6-14 years.

# **SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT**

- ☒ Saakshar Bharat – The main objective is to further promote and strengthen Adult Education especially for women, by extending educational options.
- ☒ Kanya Saaksharta Protsahan Yojna: The central idea of this scheme is to reduce the dropout rate & to increase the interest of Tribal Girl Students to continue their study.

**Key developments expected in the country's education system by 2020:**

- Entry of foreign universities in the country.
- Revising the syllabus that covers the advancements and vocational course. Increase in distance learning courses.
- Offering Internet based educational methods that have the potential to transform the concept of school and classrooms.

## **TARGETS:**

As per D&B's estimates, public expenditure in education is expected to increase to 3.9% of GDP by FY20, compared with 3.0% (budget estimates) of GDP in FY11. Private expenditure on education is also expected to increase substantially in the current decade.

The main areas of concern include wide variation in enrolment, attendance and actual coverage of children, cumbersome procedures for releasing of funds by states, shortage of trained teachers, inadequate monitoring and management structures.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

## QUICK FACTS ON INDIAN ECONOMY:

- The eight key infrastructure sectors grew by 3.2 per cent year-on-year in October 2015 as against 3.2 per cent in September 2015 with fertilizer sector exhibiting the maximum growth of 16.2 per cent.
- India continued to remain at the top of Nielsen's global consumer confidence index for the sixth quarter in a row. The country's confidence score was 131 in the three months ended September 2015, same as that of previous quarter.
- According to Society of Indian Automobile Manufacturers (SIAM), domestic car sales in November 2015 stood at 173,111 units as compared to 156,811 units in the same month of 2014. Overall passenger vehicle sales during the month grew by 11.4 per cent at 236,644 units as against 212,437 units in the year-ago month.
- India's current account deficit in the July-September 2015 quarter at US\$ 8.2 billion was wider than the US\$ 6.2 billion in the previous quarter. However, it was lower than the US\$ 10.9 billion deficit recorded in same period last year.
- India's Wholesale Price Index (WPI) inflation rate remained negative at 1.99 per cent for the thirteenth consecutive month in November 2015 as against negative 3.81 per cent in the previous month.

# SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT

- India's Consumer Price Index (CPI) inflation rate increased to 5.41 per cent in November 2015 as compared to 5 per cent in October 2015.
- The total Mergers and Acquisitions (M&A) transaction value for the month of November 2015 was US\$ 2.97 billion involving a total of 47 transactions.
- Private Equity investment activity in November 2015 increased in terms of volume (91 deals or 82 per cent increase) as well as in terms of value (US\$ 1.43 billion or 84 per cent increase) on a year-on-year basis.
- The Indian economy is expected to grow at 7.8 per cent in FY 2015-16 and 8.2 per cent in FY 2016-17, as per the forecast by Asian Development Bank (ADB).
- Foreign direct investment (FDI) inflows have increased 13 per cent during April-September this year to reach US\$ 16.63 billion, compared to same period last year.
- India's foreign exchange reserves were US\$ 352.5 billion in the week up to December 11, 2015, an increase of US\$ 408 million over the past week.
- Mutual Funds asset base of equity funds and Equity Linked Saving Scheme (ELSS) has increased to Rs 4.03 trillion (US\$ 60.81 billion) in November 2015 from Rs 3.96 trillion (US\$ 59.72 billion) in October 2015.
- India's Index of Industrial Production (IIP) grew by 9.8 per cent in October, 2015 compared to 3.8 per cent in September 2015.

# **SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT**

## **CONCLUSION**

In general, development can be viewed as a multi-dimensional phenomenon. Here a composite index of development is constructed using four broadly accepted components: a) economic production b) common minimum needs c) health and health-related services d) communication

The factors, which are found to be more important for the overall development processes, relate to basic needs like education, availability of food, minimum purchasing power and facilities like safe drinking water, health care infrastructure, etc. True development requires government action to improve elementary education, safe drinking water facilities and health care, and to remove barriers against sections of societies, especially women.

Although, economic growth in the sense of expanding gross national product and other related variables is one of the most fundamental inputs to the overall development process, the basic objective of development should focus on the expansion of human capabilities.

# **SUSTAINABLE GROWTH THROUGH SOCIO -ECONOMIC DEVELOPMENT**

## **REFERENCES:**

[www.makeinindia.com](http://www.makeinindia.com)

[www.digitalindia.gov.in](http://www.digitalindia.gov.in)

<http://www.ibef.org/>

<http://india.gov.in/>

## **FURTHER READING:**

**1. Advantage India: From Challenge to Opportunity**  
**by Dr. A.P.J Abdul Kalam**

**2. Economic Development and Planning in India by**  
**V. Nath**

**3. India's Move Towards Sustainable Development by**  
**P.K Agrawal**