

Government Policy Report

June 2021 Edition



Policies Covered In The Edition

COVID-19 PROTECTION



1. National Covid Vaccination Program

2. Ethanol Blending Program 2025

ETHANOL



3. One Nation One Ration Card Policy



National COVID Vaccination Program

Free Sanjivani to Everyone from Central Government

The Central Government has revised its existing National COVID vaccination guidelines to guarantee the right to free vaccination to every Indian citizen. India is on the list of countries where free vaccination to all their citizens is pledged at the national level similar to USA, Canada, etc. Under the revised guidelines the Government of India will procure 75% of total manufactured vaccines and distribute them among states/ UTs free of cost from 21st June 2021. The distribution of vaccination will be based on the criteria of the total population, the burden of disease, and the progress of the vaccination program in the respective state/UT. These allotted vaccines will be administered by the state governments at government vaccination centres based on the priority. The wastage of vaccines will also be counted and negatively affect the allocation quota of state/ UTs.



The rest of 25% of monthly manufactured vaccines will be procured by private hospitals. It will help to boost the speed of the national COVID vaccination program in India at large. The equitable distribution of vaccines among private hospitals will be administered by the state governments. Based on their recommendation, GOI will facilitate the supply of vaccines to private hospitals of each state/ Uts. This step has been taken to better incentivize and encourage domestic vaccine manufacturers and support future vaccine production and research in India.

production and research in India. The GOI has put an upper cap on the service charges of private hospitals at Rs 150 per vaccine dose to keep a check on the overpricing of vaccination at private centres.

The free vaccination program is universal for all. This guarantees the right to life to Indian citizens in a way that was enshrined under article 21 of the Indian constitution. The vaccines will be administered on a priority basis as per the GOI guidelines in order of Health care staff, Front line workers, citizens more than 45 years of age, citizens due with their second dose of vaccines, and citizens above 18 years of age. The registration will be done on the COWIN platform as per the convenience of their time and safety. The facility of online registration will also be available on vaccination centres to cover the maximum beneficiaries in the ambit of this largest vaccination drive as early as possible.

The GOI also devised a policy of non-transferable electronic vouchers at private vaccination centres to help the vaccination process of economically weaker sections at private hospitals. This will promote the spirit of “Lok Kalyan” among Indian citizens and boost the pace of the vaccination program in India and will also financially help the vaccination program to individuals who can afford it. Right now, we are witnessing the largest vaccination program in the world and thus it will be a challenge at the administration level to address the financial as well as social concerns associated with it. A continuous and effective awareness program will help individuals to overcome their dilemma and get their vaccination the earliest. This will benefit the Indian society at large and secure us from the upcoming waves of the Corona virus.

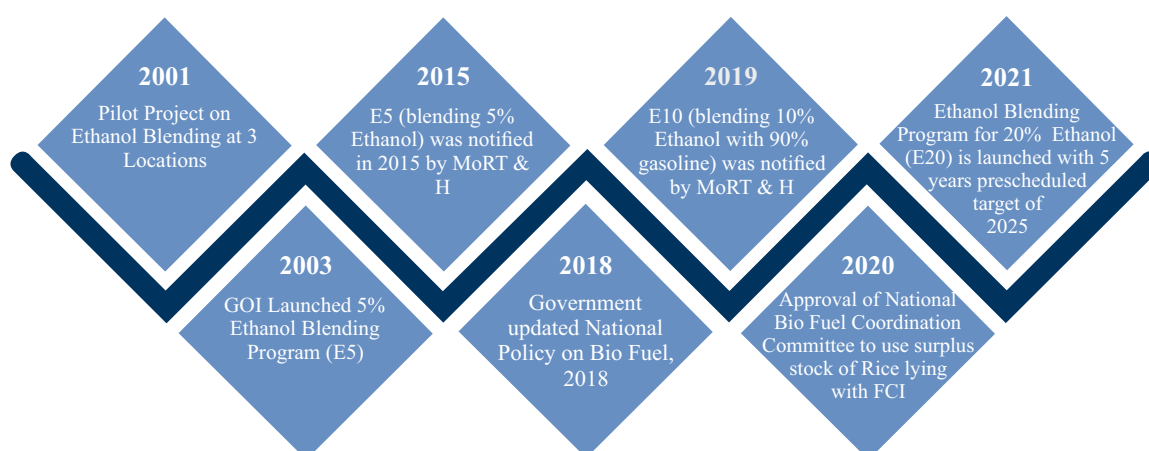
Over the time, the speed of the vaccination program will decide the growth of the Indian economy. As pre corona stage economic activities can be restored only when a significant number of Indian citizens will get vaccinated. The continuous burden on the healthcare system can also be eased through only this “Brahmastra” against the deadly virus. It is also the most cost-effective way to deal with this global pandemic. At the global level also it is accepted that healthcare facilities and vaccines are a public good. Thus monopoly, competition, and other business aspects in the vaccination process must be substituted with the welfare of humanity at large.

Ethanol Blending Program 2025

Road ahead for sustainable Fuel in India

On the occasion of World Environment Day 2021, the Prime Minister of India launched Ethanol Blending Program 2025 to address the environmental concern due to fossil fuels. This will help to advance the ethanol blending target of 20% at the pan India level by 5 years. Now the ethanol blending of 10 % (E10) will be achieved by April 2022 and then ethanol blending of 20%(E20) will be achieved in a phased manner from April 2023 to 2025 at the Pan India level. As per the ongoing National Policy on Biofuels, 2018 the ethanol blending of 20% (E20) was targeted by 2030. Currently, India achieved only 8.5 % ethanol blending in Petrol. So the GOI has set an ambitious target for ethanol blending which will set a roadmap for clean and sustainable India in the Petroleum sector.

Timeline and status of Ethanol Blending program in India:



Ethanol is an organic chemical compound also known as Ethyl Alcohol. It is one of the primary biofuels that can be produced naturally. This is an efficient alternative to fossil fuels and can reduce the import requirement of petroleum in a significant way. According to a NITI Aayog report, if the E20 program is successfully implemented, it will help India to save around Rs 30,000Cr annually on fuel import. The major part (around 98%) of India's petroleum imports is used in road transportation. So replacing it with ethanol will help in reducing the cost of transportation in the coming future. Other than fuel, ethanol can also be used for medical purposes such as antiseptic, disinfectants, and chemical solvents.

In India, ethanol is produced by the fermentation of sugarcane waste, B and C molasses, damaged food grains, and Surplus Rice with FCI. At present, the government is promoting the use of Maize, Jawar, Bajra, fruit and vegetable waste, and non-feedstock also for the production of ethanol. This will help to increase the income of Indian farmers too. The GOI allows oil manufacturing companies to procure ethanol for petrol blending from domestic sources only and the prices are also administered by the Government of India since 2014. But in India, the cost of ethanol production is relatively high in comparison to other parts of the globe.

Country	USA	Brazil	Thailand	India
Cost of Ethanol Production (in USD / ltr)	0.613	0.606	0.684	0.757 (Average Price)

Source: NITI Aayog Report On Ethanol Blending in India 2020-25

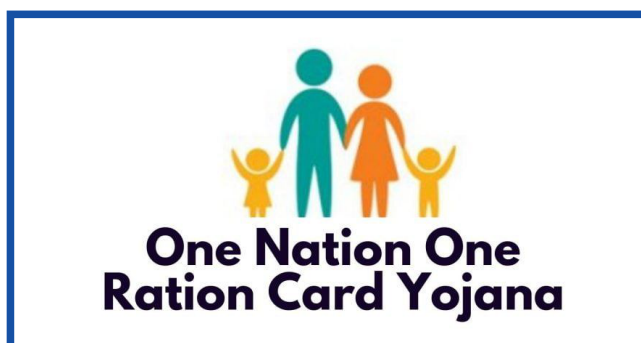
In India, the agriculture sector gets incentives from the government for its promotion and development. This results in high cost of raw materials and hence increases the cost of ethanol production. The Department of Food & Public Distribution is the nodal department to administer the promotion of fuel-grade ethanol production in India.

The automobile manufacturing companies are working to meet new engine specifications and changes required in some rubber and steel parts to be compatible with ethanol-blended petrol. As only E20 tuned engine vehicles will be running on Indian roads from April 2025. The changes in fuel lines will also be required at the infrastructure level till then. At the policy level, the Indian Government is planning to promote ethanol blending fuel vehicles through price and tax incentives to achieve the set target of E20 by 2025.

The E20 program will help India to be self-sustainable in our transport fuel requirement up to a significant extent by cutting the petroleum imports. It will also enhance the quality of life and reduce pollution levels by reducing carbon emissions. Other than this, the direct benefit of this ambitious program of the Government of India will work towards the goals of the “Atmanirbhar Bharat” and “Make in India” program. It will also help in achieving the target of “Swachh Bharat Abhiyan” and double the income of Indian farmers by converting agricultural waste into wealth.

One Nation, One Ration Card

Opportunity in Adversity



During the last two Covid19 Waves, it was evident that the migrant labours, daily wage workers in organized and unorganized sectors, and urban poor were severely affected due to the economic shutdown. Although, they are the driving force behind the economic

development of the country yet vulnerable to fulfil their basic needs of life such as Food in these tough times.

In the light of this issue Ministry of Consumer Affairs, Food & Public Distribution, Government of India comes up with the One Nation, One Ration Card (ONORC) scheme to address the problems related to Food Security of the migrant workers in these unprecedented times. Right to Food is legally entitled to **around 2/3rd of the total population of India** under the **National Food Security Act, 2013 (NFSA)** through ration cards. By using these ration cards they were allowed to purchase food grains at subsidized rates through the Public Distribution System at the assigned fair price shops. For the migrant workers who move frequently in the search of employment and economic opportunities, the ONORC will safeguard their food security across the Indian territories. Near about **37% of migrant workers** will get the direct benefit of this reform. It will allow the **Inter-State portability** of their ration cards. The reform was scheduled to be implemented by March 2021 at the Pan India level. But only **32 states/ UTs (except Delhi, West Bengal, Assam, and Chhattisgarh)** have implemented it to date.

This technology-based reform will be implemented with the help of the **Aadhaar linking of the ration cards and Biometric verification at electronic Point of sale (e-POS)** at all Fair Price Shops across the country. This will solve the food security problems of migrating population as well as curb possibilities of corruption. This reform will enable the authorities to better target the beneficiaries and to eliminate the fake/ duplicate/ bogus/ ineligible ration cardholders by using the Aadhaar and biometric linking. The migrant workers can get their entitled ration card quota of

food grains within the cluster of states/UTs who have implemented the ONORC. This will ensure their right to food at their place of livelihood.

ONORC reform will address the issues of corruption, empowerment of ration card holders, social exclusion, and thus help in achieving the commitments of the Sustainable Development **Goal of ending hunger by 2030** which is ratified by India also. This will place India in a better position in the **Global Hunger Index**. It is an indicator of hunger at a global level and released every year. In long term, it will also boost the economic development of India as it addresses the food security problem of our work force effectively and empowers them to move freely for their livelihood.

Irrespective of its immense benefits for the poor and migratory populations, some of the states are still not implementing it on the basis that it is against the federal structure of the Indian constitution. Some of the states are not able to implement it due to the lack of technical compliance. To date, most of the social security schemes were implemented on a domicile basis. But to allow the interstate operability of ration cards where data of migrant workers are not readily available will be a daunting task. The logistic issues of this scheme will also need to be addressed. To address the financial burden of the state's **Ministry of Finance**, the Government of India has allowed the **additional borrowing limit of 0.25% of the GSDP** of the respective states who have completely achieved the Aadhaar seeding of ration cards and installation of e-POS at all the Fair Price Shops. The distribution of food grains to migrant workers outside their home district will take place through the portal “**Annavitran**”. This will help in reducing the leakages in Public Distribution System in an efficient manner.

In the wake of the unification of the Indian territories through the ONORC scheme, the goal is to achieve maximum coverage of beneficiaries with minimum leakages. Here the main challenge is the food security of the people who are left behind in the family of migrant workers. In this case, the splitting up of ration cards can address the issue in a significant way. To increase the efficacy of this scheme the reform must be implemented in letter and spirit that can increase the productivity of our migrating workforce and rejuvenate the Public Distribution System for a better India.

Resources

1. <https://www.mohfw.gov.in/pdf/RevisedVaccinationGuidelines.pdf>
2. https://niti.gov.in/sites/default/files/202106/EthanolBlendingInIndia_compressed.pdf
3. <https://vikaspedia.in/energy/policy-support/renewable-energy-1/biofuels/ethanol-blended-petrol-programme>
4. <https://pib.gov.in/PressReleasePage.aspx?PRID=1694556>
5. <https://pib.gov.in/PressReleasePage.aspx?PRID=1704063>

AG Group

AG was established in the year 1998. In the due course of time AG has become multi-functional, multi-disciplinary organization offering a wide range of consultancy services to multiple sectors for implementation of projects under one roof from “Concept to Commissioning” AG shareholders has track record in the development of mega projects in country & overseas in field of sports, hospitality, tourism, flood management, turf farms, F&B, real estate, fashion & clothing, import & exports, chemical & fertilizers.

The integration and coordination of our in-house experts delivers the pragmatic, valued solutions expected in the markets of today. Quality and Service delivery are key elements of AG Group corporate philosophy and are upheld by a professional management team. The highly motivated, experienced and multi-disciplined team, plans, develop and implement that meet, and often exceed client expectations. We can synergies our experience with your projects to make it a success.



Disclaimer

The documentation created is by using information available on public domain as general in nature. It does not address to any particular situation or source. However, the information received from these sources is believed to be reliable. This information might be partially amended and it's also subject to revision.

A G Horizon Pvt. Ltd. does not make any warranties, expressed or implied, as to the accuracy of such information. We do not accept any liability whatsoever, for any direct or consequential loss arising from this document or its contents.

Contact Details

 +91-11- 45356553, 54
  +91-9810046249
 info@aggrp.in
  www.aggrp.in

★ New Delhi ★ Mumbai ★ Hyderabad ★ Imphal

