

# ASG Analysis: Modi Reshuffles His Cabinet With an Eye To Coming Elections

July 9, 2021

## Key Takeaways

- On July 7, the Indian government saw the first major Cabinet reshuffle of Prime Minister Narendra Modi's second term in office.
- While the reshuffle has been positioned as an expansion of the Union Cabinet, the changes in several ministerial portfolios and the induction of new ministers also come at a time when the Modi government faces reputational challenges emerging from the country's response to the second wave of the pandemic, the ongoing farmer protests, and introduction of new technology regulations.
- The new Cabinet is younger, more diverse, and more educated, as the Prime Minister's Office (PMO) aims to project energy and deliver results with an eye to the general elections in 2024 and upcoming assembly elections across several important Indian states.
- The full policy implications of the changes are not yet clear, and it will take time for the dust to settle, but there are several movements that are worth watching very closely, including changes in the technology and health sectors.

## Cabinet 2.0

On July 7, Prime Minister Narendra Modi announced a significant Cabinet reshuffle, the first of his second term. While the reshuffle has been positioned as an expansion of the Union Cabinet, the changes in high-profile ministerial portfolios, the elevation of certain public officials, and the induction of several new ministers comes at a time when the Modi government faces reputational challenges emerging from the country's response to the second wave of the pandemic, the ongoing farmer protests, and introduction of new technology regulation. It also comes at an important juncture in PM Modi's second term as he refocuses on his priorities for the second half of the term and marshals resources to seek future electoral success.

Four features of the new Cabinet are particularly notable:

- **Younger:** The new Cabinet is being pitched as younger, with an average age of 58. This is lower than the previous average of 61, but still higher than the Cabinet's average age during the United Progressive Alliance's (UPA) second term as well as during Prime Minister Modi's first term.

- **More diverse:** Modi's choices also reflect more gender, caste, and religious parity. The council will have 11 women; five ministers from the Muslim, Sikh, Christian, and Buddhist communities cumulatively; and 27, eight, and 12 ministers from OBC, ST, and SC communities, respectively.
- **More educated:** With the selection of members like Ashwini Vaishnaw, Jyotiraditya Scindia, and Meenakshi Lekhi, there has been a marked effort to induct representatives with stronger academic credentials into the Cabinet. The inductees include 13 lawyers, six doctors, five engineers, and seven former civil servants.
- **More geographically balanced:** The new Cabinet includes increased representation from northeastern India, with five of the new ministers coming from the four northeastern states. PM Modi's choices reflect a new effort to expand geographic and ethnic representation to incorporate both current and prospective political allies of his Bharatiya Janata Party (BJP).

With general elections three years away and given the criticism the government has received in the last two years, the Prime Minister's Office (PMO) is keen to deliver results. Modi no doubt hopes that the new faces added to the Cabinet will also be eager to prove themselves and show significant results. Displaying a new, young, and "shining" Cabinet will be critical for the 2024 general elections.

While the full implications of the changes are not yet clear, we forecast three key likely results. First, by introducing new leadership in Health, Education, Labour, and small businesses (Ministry of Small and Medium Sized Enterprises), Modi and his team are bringing much-needed reinforcements into areas of the economy where the government's efforts need to be considerably strengthened. Second, the government is increasing its level of focus on improving indigenous pharmaceutical manufacturing capacity by bringing the Ministries of Health and Chemicals under the same minister. This aligns with the government's realization that the health and pharma sectors in India need to be far better equipped and less dependent on international supplies. Third, the reshuffle could presage a deeper bureaucratic overhaul, following up on past campaign promises around improving governance at all levels.

## Preliminary Analysis

**Effort to change the narrative:** The reshuffle has emerged against the backdrop of rising criticism of the government's management of the pandemic and other issues. The resignation of the Cabinet minister and Minister of State (MoS) of the Health Ministry indicates the government's intention to alter the narrative around its Covid-19 response. The replacement of the labor minister also points towards an effort to allay criticism that the government received due to the migrant crisis of 2020 and the fallout of the farmer's bill. The replacement of Ravi Shankar Prasad and Prakash Javadekar similarly suggests that there were concerns within the government about the failure to control the public messaging arising from the IT Rules, 2021, which has resulted in considerable public and international criticism. Three new MoS have also been added to the Ministry of External Affairs in recognition of the importance of greater global coordination in a pandemic-stricken world.

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**Strong pivotal role of the PMO:** The inclusion of new names in the Cabinet, sidestepping several veteran politicians, would not have been possible under most other prime ministers in India. This

Cabinet reshuffle has gone against the norm, replacing several strong, seasoned political leaders with fresh, relatively younger faces with robust educational backgrounds, including a selection of current and prospective allies, individuals from across different parts of the country, and from across social castes. While poor performance and widescale public criticism is believed to have been a reason behind the exit of several ministers, it remains to be seen if these officials re-emerge in important election-facing roles in the key states that are headed to the polls.

**Eye on the upcoming state elections:** The reshuffle also comes ahead of upcoming critical state elections and could be a reflection of the BJP's disappointing performance in recent elections in West Bengal, even after pulling out all stops. The elections in Uttar Pradesh and Punjab (both in early 2022), Gujarat (in December 2022), and Karnataka (in or before May 2023), are expected to provide an early indication of PM Modi and the BJP's prospects in the general elections in 2024. The inclusion of several politicians from marginalized communities (possibly in order to counter criticism related to the Farmers' Protests) and higher representation from the northeastern states and Punjab likely reflect the importance of these upcoming contests.

## Who Is In the New Cabinet?

The table below highlights key politicians sworn in on July 7.

Name	Important highlights
Jyotiraditya M. Scindia	Rajya Sabha MP from Madhya Pradesh; Former Lok Sabha MP from Guna constituency in Madhya Pradesh; In March 2020, 22 MLAs of Congress led by Scindia resigned from Congress to join the BJP; Previously Minister of State with independent charge for Power in ex-PM Manmohan Singh's Cabinet.
Bhupender Yadav	Previously Rajya Sabha MP from Rajasthan; National General Secretary of the BJP; Lawyer by profession and key strategist for the BJP in past state elections; Has been a part of multiple Parliamentary Committees.
Sarbananda Sonowal	MLA in Assam Legislative Assembly; Former Chief Minister of Assam
Kiren Rijiju	Previously Minister of State of the Ministry of Youth Affairs and Sports and Minister of State in the Ministry of Minority Affairs of India; Lawyer and politician from Arunachal Pradesh.
Hardeep Singh Puri	Previously, Minister of State (Independent Charge) for Housing and Urban Affairs and Civil Aviation and Minister of State for Commerce and Industry; Former diplomat.

Anurag Singh Thakur	Lok Sabha MP from Hamirpur in Himachal Pradesh; Previously Minister of State for Finance and Corporate Affairs; Son of Prem Kumar Dhumal, the former Chief Minister of Himachal Pradesh; ex-BCCI president.
Rajeev Chandrasekhar	Rajya Sabha MP; Speaks regularly on technology-related matters.
Nisith Pramanik	Lok Sabha MP from Cooch Behar in West Bengal (defeated veteran TMC opposition in the constituency); Ex-member of All India Trinamool Congress (TMC); Youngest member of the new Cabinet.
G. Kishan Reddy	Previously, Minister of State for Home Affairs; Lok Sabha MP from Secunderabad constituency in Telangana.
Meenakshi Lekhi	MP from New Delhi constituency; Former spokesperson of BJP in 2013; Lawyer, active participant in the parliamentary processes and BJP operations; Chairperson of JPC on PDP Bill.
Ashwini Vaishnav	Rajya Sabha MP from Odisha; Member of JPC on PDP Bill; Former IAS officer; Has held leadership roles across major global companies including General Electric and Siemens; Former deputy secretary in PM Vajpayee's office and Private Secretary to Mr. Vajpayee from 2004-06.

## Allocation of new portfolios:

Ministry	Prior to the reshuffle	New Ministers <a href="#">(source)</a>
Electronics and Information Technology	<b>Cabinet Minister (CM):</b> Ravi Shankar Prasad	<b>CM:</b> Ashwini Vaishnav <b>Minister of State (MoS):</b> Rajeev Chandrasekhar
Information and Broadcasting	<b>CM:</b> Prakash Javedakar	<b>CM:</b> Anurag Singh Thakur <b>MoS:</b> Dr. L. Murugan
Health	<b>CM:</b> Dr. Harsh Vardhan	<b>CM:</b> Mansukh Mandaviya <b>MoS:</b> Dr. Bharati Pravin Pawar
Skill Development and Entrepreneurship	<b>CM:</b> Dr. Mahendra Nath Pandey	<b>CM:</b> Dharmendra Pradhan <b>MoS:</b> Rajeev Chandrasekhar

Law and Justice	<b>CM:</b> Ravi Shankar Prasad <b>(CM)</b>	<b>CM:</b> Kiren Rijju <b>MoS:</b> S. P. Singh Baghel
Cooperation	-	<b>CM:</b> Amit Shah
Civil Aviation	<b>Minister of State (Independent charge) (MoS I/C):</b> Hardeep Singh Puri	<b>CM:</b> Jyotiraditya M. Scindia <b>MoS:</b> General (Retd.) V. K. Singh
External Affairs	<b>CM:</b> Dr. Subrahmanyam Jaishankar	<b>CM:</b> Dr. Subrahmanyam Jaishankar <b>MoS:</b> V. Muraleedharan, Meenakashi Lekhi, Dr. Rajkumar Ranjan Singh
Labour and Employment	<b>MoS I/C:</b> Santosh Gangwar	<b>CM:</b> Bhupender Yadav <b>MoS:</b> Rameswar Teli
Education	<b>CM:</b> Ramesh Pokhriyal 'Nishank'	<b>CM:</b> Dharmendra Pradhan <b>MoS:</b> Annpurna Devi; Subhas Sarkar; Rajkumar Ranjan Singh

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