



Atma Nirbhar Bharat Abhiyan : A Panacea for Meeting the Challenges Posed by Changing Post Covid-19 World Order

Dr. Rakesh Kumar Tiwari

Assistant Professor, Department of Economics, Mahatma Gandhi Kashi Vidyapith,
Varanasi, U.P., India

ABSTRACT

Atma Nirbhar Bharat means self-reliant India. In May 2020, Prime Minister, Mr. Narendra Modi launched the Self-reliant India (Atmanirbhar Bharat Abhiyan) mission to promote Indian goods in the global supply chain markets and help the country achieve self-reliance. It is possible only when India's policy change from "Make in India" to "Made in India". In addition, strong budgetary push for the manufacturing sector, MSMEs, along with supportive PLI reforms, will boost the domestic manufacturing companies and attract foreign companies to invest in the country; thereby, foster India's path to achieve self-reliance. The mission was announced amid the pandemic when the government allocated funds worth Rs. 20 lakh crore (US\$ 268.74 billion), which amounts to ~10% of India's GDP, as a stimulus package to help recover the economy by promoting incentives for domestic production. While announcing the Atmanirbhar Bharat scheme, PM Modi said that his government took several bold reforms such as Supply Chain Reforms for Agriculture, Rational Tax Systems, Simple & Clear Laws, Capable Human Resource and Strong Financial System. It encompasses themes such as 'Local for Global: Make in India for the World' and 'Vocal for Local'. The road map is to make India self-sufficient to an extent that we won't need to depend much on global factors to chart the way for our economy.

Keywords : Union Budget-2023, Atma Nirbhar Bharat, Atma Nirbhar Bharat Abhiyan, MSMEs, Agri-preneure, COVID -19, Post Covid-19 World Order, **Time-bound development, Global knowledge superpower** etc.

Introduction : After Independence India was heavily dependent on the west for everything, from basic commodities like food grains to acquiring small spare parts for machineries used in industries (Kumar, 2022). During lock down we came to know that India is dependent on other countries; especially China for several things. So, self-reliance is a must, it will enhance self-esteem of our Country. Only a self-reliant country can serve the diverse needs of its people and provide them with different choices. A self-reliant country can also contribute to the welfare of other countries with a sense of self-pride.



There are many things which will favour Atmanirbhar Bharat . Till now the scheme has met with some criticism. A major part of Atmanirbhar Bharat rests on the MSMEs and startup businesses. Presently these enterprises have, by and large, been seen as struggling for survival. But the reforms announced as part of the Atmanirbhar Bharat like collateral free credit, expanding the scope of the sector, an online market place exclusively for it, the proposal that governments will pick up equity stakes in enterprises that show growth potential should put them on a stronger footing. Also, creation of large scale employment opportunities for both the skilled and unskilled workforce and a stronger manufacturing base will also help Atmanirbhar Bharat plan. The active participation in post Covid-19 global supply chains as well as the need to attract foreign direct investment is also important. Self-reliance will be successful when we work at multiple levels - at a national level, industry level, and at an individual level. Similarly, the incentive should be given to such industry which believe in Make in India.

However, all these initiatives should be monitored by one central agency which will review and suggest course correction. Also, it should be kept in mind that we should not return to license-permit raj and inspector raj. All these initiatives require a generalized system of social trusts. We also need to carry out administrative reforms and, more specifically, reform of the legal system. It has been observed that the inefficiencies and delays of the legal system are one of the single biggest hurdles for the economic development. Atmanirbhar Bharat does not just become a slogan but rather it should help India to stand up confidently in the world. It should not make our country isolated stand behind “narrow domestic walls” but should definitely help in improving global economy.

What is Atma Nirbhar Bharat Abhiyan? The current Indian PM Narendra Modi has always emphasised developing a "self-reliant India", precisely economic vision and achievements. A sudden pandemic occurred around the world towards the beginning of 2020, which led to most countries starting a complete lockdown. It naturally brought a sharp sales drop in most industries, and businesses faced significant losses.



The PM introduced this Aatma Nirbhar Bharat scheme in this context. It came as an economic package of ₹ 20 lakh crores to support India and its economy during this crisis. This mission mainly emphasised five components with this package, including economy, infrastructure, systems, vibrant demography, and demand. Moreover, the Ministry of Tribal Affairs (MoTA) also actively pursues Aatma Nirbhar Bharat Abhiyan through self-reliant projects and policies.

What Are the Objectives of Aatma Nirbhar Bharat Abhiyan? The Aatma Nirbhar Bharat Abhiyan can effectively recover from an economic disaster after COVID-19 and make the Indian citizens more self-reliant. If you are still wondering about the expected outcomes of this scheme, check out its objectives as listed below.

- To strengthen the local manufacturers and service providers to enhance a sense of self-reliance of the nation;
- To improve the standard of living by focusing on the trade deficit and the exchequer balance;
- To revive every sphere of the economy with a rise in fiscal stimulus;
- To emphasize on self-reliance with a focus on land, labour, liquidity, and laws;
- To issue economic packages equivalent to 10% of the Indian GDP;
- To provide Special incentives and funds for small businesses and farmers who faced losses from COVID-19;

Significance of Atmanirbhar Bharat Abhiyan :

- Talking about turning a crisis into an opportunity, he gave the example that the production of PPE kits and N-95 masks in India has gone up from almost being negligible to 2 lakh each, daily.
- Remaking that self-reliance is the only way out for India, the PM quoted from our scriptures “Eshah Panthah”, that is – self-sufficient India.
- Self-reliance will make globalization human-centric. The definition of self-reliance has changed in a globalized world and it is different from being self-centred. India’s



fundamental thinking and tradition of “Vasudhaiva Kutumbakam” provides a ray of hope to the world. This should be seen in the context of Human-Centric Globalization versus Economy Centralized Globalization.

- Self-reliance does not mean cutting India off from the world. India believes in the welfare of the world and India’s progress is linked with the world. The world trusts that India has a lot to contribute to the development of the entire humanity.
- The PM also stressed the need to be vocal about local products and urged people to buy only local products.
- Bold reforms across sectors will drive the country’s push towards self-reliance. Several reforms are announced to make India a self-reliant economy and mitigate negative effects in the future. Some of the reforms are:
 - Simple and clear laws
 - Rational taxation system
 - Supply chain reforms in agriculture
 - Capable human resources
 - Robust financial system
- To spur growth and to build a self-reliant India, Atmanirbhar Bharat Abhiyan rests on 5 important pillars.
 - ✓ **Economy:** It considers a quantum leap rather than an incremental adjustment to turn current difficulty into an advantage.
 - ✓ **Infrastructure:** It can be viewed as a symbol of modern India or as the country’s identity.
 - ✓ **Systems:** It should be driven by 21st-century technology, and should not be based on out dated rules.
 - ✓ **Democracy:** a lively democracy that is the source of energy for India to become self-sufficient.
 - ✓ **Demand:** This is where the strength of our demand and supply chains is put to good use.



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- The package includes measures across many sectors such as MSME, cottage industries, middle class, migrants, industry, etc.

What Are the Features of Aatma Nirbhar Bharat Abhiyan?

While this Aatma Nirbhar Bharat scheme focuses on making India self-reliant, there are several other activities and features associated with it. Becoming self-sufficient is usually a long and complex process. Learning more about all the subordinate activities and features of the Aatma Nirbhar Bharat Abhiyan will help you understand it further.

- **Businesses and MSMEs :**

The activities of the Aatma Nirbhar Bharat scheme aim to benefit businesses, including cottage industry, MSMEs, labourers, middle class, and others. In this context, the Pradhan Mantri Garib Kalyan Package of ₹ 1.70 lakh crores can be considered a relief package for the poor to help battle against COVID-19. Moreover, there have been initiatives to extend the last date for Income Tax Returns, file GST returns, custom clearance, all day long, etc. Businesses, including MSMEs, can avail of business loans up to ₹ 25 crores outstanding and ₹ 100 crores turnover.

- **Poor and Backward Classes :**

About three crore farmers have received agricultural loans of ₹ 4.22 lakh crores. The healthcare workers will receive an insurance cover of ₹ 50 lakhs, and about 80 crore poor people will receive 5 kg wheat or rice per head for the next three months. Other activities include Jan Dhan accounts of 20 crore women, free gas cylinders to 8 crore low-income families, Employee Provident Fund EPF to get a non-refundable advance of 75%, etc.

Moreover, the State Governments plan to utilise the State Disaster Response Fund (SDRF) to develop shelters for migrants and provide their daily essentials. The scheme details of Atma Nirbhar Bharat Abhiyan also include a disbursement of Revolving Fund (RF) to Self Help Groups.



Minimum wages were made applicable to 30% of the rural labourers, and Affordable Rental Housing Complexes (ARHC) were built for migrant labourers and urban low-income families.

- **Agricultural Features :**

To learn more details about Atma Nirbhar Bharat Abhiyan, you need to consider its emphasis on farming activities in India. Additional Emergency Working Capital for farmers through NABARD provides aid of ₹ 30,000 crores to benefit over three crore farmers. PM KISAN fund has exceeded ₹ 18,700 crores in this period, with an investment of ₹ 1 lakh crores for Agri - Infrastructure Fund for farm-gate infrastructure. The Government has also developed a ₹ 10,000 crores scheme to formalise Micro Food Enterprises (MFE). Pradhan Mantri Matsya Sampada Yojana (PMMSY) supports fishermen with ₹ 20,000 crores.

- **New Growth Horizons:**

With this new Aatma Nirbhar Bharat scheme, the Indian Government is also trying to upgrade the industrial infrastructure of India. The Industrial Land/ Land Bank is made available for inviting new investment. Moreover, the coal sector has got competition through Revenue sharing mechanism instead of a regime of fixed Rupee/tonne. The Government has also invested about ₹ 50,000 crores in Diversified Opportunities in the Coal Sector. Private investments in the mineral sector will help in a seamless composite exploration-cum-mining-cum-production regime.

- **Government Reforms:**

The Government aims at introducing a large number of reforms under the Aatma Nirbhar Bharat scheme. Corporate Law measures have resulted in 44% Recovery in 221 resolved business cases. SWAYAM PRABHA DTH channels have been developed to support people who do not have access to the internet. The PM eVIDYA, on the other hand, is a program for multi-mode access to digital/online education.



The development of the Aatma Nirbhar Bharat scheme has been a reasonable attempt to recover from the losses of COVID-19. It is a government initiative to help businesses, MSMEs, industries, backward classes and farmer families. The government's call for atma nirbharta (self-reliance) has acquired a new silence and ironically, achieving it requires astute global inter-linkages and perhaps even more dense global networks for a country that houses a sixth of humanity. Trusted connectivity, diversified sources of materials and components and resilient financial and trading arrangements are no longer buzzwords but a strategic imperative requiring all of India's consensus, including within its business community, lawmakers and all stakeholders.

Benefits of Atmanirbhar Bharat Abhiyaan: Farmers are one of the pillars of an economy. The economic health of a farmer matters significantly to whether an economy can be regarded as self-reliant. The greater ambition for a self-reliant economy is to transform the farmer into an agri-preneur. India's farmers are bound by the shackles of low productivity, low incomes, lack of access to institutional credit, indebtedness etc. They are reeling under the burden of a fragmented agricultural marketing ecosystem and climatic uncertainties and vagaries of nature. A self-reliant farmer is fundamental to the vision of a self-reliant India. The Key benefits of Atmanirbhar Bharat Abhiyaan are:

- **Agriculture** : For the longest time, the measures of financial inclusion and access to institutional credit were redundant for the farmer given low productivity and low incomes. From the perspective of low incomes, the three major agricultural market reforms announced by the government under the Abhiyan has ended a longstanding wait. The first of these reforms includes the provision of INR one trillion as Agri Infrastructure Fund to bridge the gaps along the agricultural value chains. The second reform pertains to the elimination of the Essential Commodities Act and the third being the introduction of a new legislation that will empower farmers to sell their produce at remunerative prices by eliminating inter-state barriers to trade and articulating a framework for e-trading of agricultural produce. The question of low



productivity still glares into the face of the small and marginal landholders, which constitute the majority of the farming community in India.

Indian agriculture is atma nirbhar (self dependent) in terms of food-grains, dairy , horticulture, spices production. But in the field of oilseeds production and refinery of oils we are still dependent or we can say our domestic need is high than our production of oil-seeds, and pulses (though India is largest producer of total pulses) e.g. palm oil we still import it. The wastage of fruits vegetable and other perishables is as high as 30 %. There is no proper post -harvest management and the conversion of raw products into value added ones are low, food grains are locked in warehouses where there is no proper storage and high wastage of food grains. The small sectors but remunerative sectors are not highlighted and converted into income generating sectors such as apiculture, nursery, lac, sericulture, duckery, floriculture, mushroom, these should be given due training and made practical in ground level for marginal farmers. The following steps have been taken by the government of India to boost the agriculture sector under atma nirbhar bharat scheme :

- ✓ Proper line management of oilseeds and pulses from farm to consumer.
- ✓ Highlighting small and remunerative fields and given proper training in converting raw products into value added items, practicing floriculture, mushroom, apiculture, sericulture, etc.
- ✓ Loans for promoting high quality cottage industry and proper market and security to farmers to sell their products in the era of globalization.
- ✓ Proper chain and promotion of organic products cultivation, market and easy certification procedure for farmers to certify their farm as organic.
- ✓ Boosting dairy sector and providing cold storages for dairy, fruits, vegetables at nominal cost.
- ✓ Roads and cold transportation facility for quick travel and less wastage.
- ✓ Contract farming should be promoted with protection of farmers land.
- ✓ Silvi-culture should be promoted on waste lands.



- ✓ Poultry, piggery, fisheries should be made high quality for domestic as well as export purposes.
- ✓ Instead of wasting food-grains in warehouses we should shift our cultivation toward high value crops .
- ✓ Local products, local fruits, vegetables, local dairy products should be promoted and there should be a proper cycle where farmers products should get plenty market prices and consumer in their local vicinity and then extra should be transported without state to state barriers.
- ✓ Local industries in food sector such as of chips and others which we buy from lays, we should promote Indian brands and company should also ensure good quality.
- ✓ Aromatic and medicinal products should be promoted and exported.
- ✓ Agriculture as a daily practice should be taught at school level so that we can ignite minds for innovation in this sector and also understand the importance of food and stop its wastage, respect the hardships of farmers, and conserve our mother earth by educating agriculture each house will be green and one will in built sensitivity towards environment and will produce their own daily foods and that will reduce the usage of chemicals and decrease diseases .
- ✓ Indian agriculture is atma nirbhar in production but we have to improve our management of production so that no farmer suicide and no land turns barren.
- **Employment** : A nation cannot aspire to be self-reliant with a large portion of the working-class population being unemployed. Informal employment cannot be the answer to the question of unemployment. The Atmanirbhar Bharat Abhiyan does involve a conversation about fast-tracking investments and measures to promote investment in the country, schemes to boost manufacturing, upgrading and augmenting industrial infrastructure, initiatives for improving the quotient of Ease of Doing Business and so on. In envisioning an Atmanirbhar



Bharat during his address at the Confederation of Indian Industry (CII), PM Modi alluded to the concerns of high logistics cost and R&D expenditure as well. The moot question remains as to how does this translate into reality; and does this reality have space for not just employment, but formal gainful employment? There is no strategy outlined for the formalisation of the economy unless it is being tacitly assumed by these measures.

Over 90 percent of the Indian workforce operates in the informal sector. It means irregular and uncertain earnings, lack of job and social security, and lack of appropriate working conditions. The reality of an Atmanirbhar Bharat cannot coincide with such a large informal sector. The recent Covid-19 crisis has exposed the vulnerabilities of the informal workers. The Covid-19 pandemic has left them in the lurch- without food, income and in several cases, even shelter. The picture that is painted contradicts the tenet of self-reliance. Nevertheless, the Atmanirbhar Bharat Abhiyan falls short of announcing a consolidated, comprehensive set of measures for social protection apart from some isolated initiatives like affordable social rental housing which appear to be too little too late.

Social protection in Atmanirbharta has to be the last resort. When an unexpected shock hits an economic agent, (s)he falls back on social security. Such security is meant to ease and cushion against unexpected frictions created in the normal course of events. This is the stage at which a self-reliant economy should find itself and this should be the functional role assigned to social security.

- **Manufacturing:** As far as transforming India into a global manufacturing hub is concerned, the measures should not be protectionist since they run the risk of breeding inefficiencies in the economy. That cannot be called self-reliance. Measures that enable the industry to emerge and remain efficient and resilient in the face of any form or level of competition is when self-reliance can be said to



be truly achieved. Hence, there has to be careful thought in tweaking policies in order to favour domestic industries. Rather than import substitution, India needs to organically compete with imports in a globalised world than block imports from particular economies artificially. Through this approach, India can become a net exporter from being a net importer.

- **Education:** One of the significant reasons of India's unemployment problem is its unemployability. India's unemployability calls into question the quality of education provided in our schools and higher education institutions. The Atmanirbhar Bharat Abhiyan does focus on skill development and mapping employment opportunities to the skill sets of migrant workers. However, any such endeavour is incomplete without a complete overhaul of the educational system of the nation. Doing so would resolve the problem of the educated unemployed. Furthermore, the question of generating employment opportunities for the migrant workers according to their skill sets cannot be answered in isolation from the demand of the industry. Hence, endeavours to make the country a manufacturing hub and the generation of employment opportunities must go hand in hand.

Criticism of Atmanirbhar Bharat Abhiyan:

- **Inflated Figures:**
 - Several opposition leaders pointed out that as per the calculations by many economists, the actual government expenditure in the Atmanirbhar package is just 1%.
 - The actions of RBI were included as part of the government's fiscal package whereas government expenditure and RBI's actions cannot be clubbed together.
- **Need to Spend More:**
 - The Indian economy is likely to contract and the Gross Value Added across sectors is likely to fall. According to an assessment by Prof. N R Bhanumurthy



of the National Institute of Public Finance and Policy (NIPFP), India's GVA will contract by 13% this year under the Base case scenario (The Base case scenario refers to a scenario where governments bring down their expenditure in line with their falling revenues to maintain their fiscal deficit target).

- Several economists suggest that the government needs to spend much more to prevent an economic contraction. Higher public spending will come at the cost of higher levels of fiscal deficits and higher inflation, but a growth contraction will cause even worse outcomes in the form of widespread economic ruin.
- **Credit Easing will not Work Immediately:**
 - Direct expenditure by a government such as direct benefit transfer or by construction will mean that money reaches the people.
 - But credit easing by the RBI is not direct government expenditure and banks will be hesitant to lend the money available with them.
- **Nothing to Stimulate Demand:** Many economists have opined that the government stimulus tries to resolve only supply-side issues. There is nothing to generate demand. This could only be done by putting money in the hands of people.
- **Modest MSME Package:** according to opposition leaders, the MSME package was modest and the measures were skewed in favour of the larger ones. Moreover, the unorganized sector was not catered to.
- **Insufficient Support for the State Governments:** The state governments which are at the forefront of fighting the pandemic have not been supported adequately via fund transfers.
- **A Remodelling of Make in India Campaign:** The self-reliant India campaign is criticized by many as a re-modelling of the Make in India Campaign which didn't produce expected results - with some add on.
- **The Philosophy of Self-Reliance:** India, like most countries, has been following the principles of globalisation since the LPG reforms in 1991. Even though the globalised world shrank into isolated countries in the COVID-19 period, it is yet to be seen if self-



reliance can be adopted as a viable economic policy by a country like India, post-COVID.

Conclusion: Atmanirbhar Bharat is used as an umbrella concept in relation to making India “a bigger and more important part of the global economy”, pursuing policies that are efficient, competitive and resilient, and being self-sustaining and self-generating. We need bold, out of the box reforms that can ensure access of farmers to technology that can reduce natural or climatic vagaries that will determine their crop producing capacity. Loans can then be aligned to the repayment capacity of the farmer based on the estimation of crop production. Such measures will reduce the probability of debt, making loan waivers irrelevant. Aatma Nirbhar Bharat scheme has been a reasonable attempt to recover from the losses of COVID-19. It is a government initiative to help businesses, MSMEs, industries, backward classes and farmer families. While all of the plans under the overarching theme of the Atmanirbhar Bharat Abhiyan paint an ambitious picture of a self-reliant India, the catch lies in implementation. The implementational hurdles that confront the nation are well-known. Will corruption, red-tape, competitive federalism, failure of coordination between various authorities, overlapping jurisdictions and bureaucratic hurdles in general allow the dream of Atmanirbhar Bharat to become a reality? The largely undelivered promise of maximum governance minimum government made by the Modi 1.0 government is key to this ambition. If India succeeds in crossing this bridge, then a new ray of hope awaits on the other side.



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