

Atma Nirbhar Bharat Abhiyan : A Miniature of PM Modi's Dream India

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ABSTRACT

India does not support a self-centred system when it talks about becoming self-reliant. There is a concern for the happiness, collaboration, and peace of the entire world in India's self-reliance. It has been on its quest to become more self-reliant ever since the pre-independence era, with activities such as the Swadeshi movement. However, the COVID-19 issue and its subsequent lockdown were severe to the Indian economy and businesses. Thus, our PM launched the Aatmanirbhar Bharat scheme following this crisis, trying to make India more self-reliant to recover from it. Under the 'Atma Nirbhar Bharat Abhiyaan,' he has offered a Rs. 20 lakh crore economic package to help our country recover from the Coronavirus epidemic (by making us self-reliant). The launching of Atmanirbhar Bharat Abhiyan is built on five fundamental pillars e.g. - Economy, Infrastructure, Systems, Democracy, Demand etc. to help India prosper and become self-sufficient. 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.

<u>Keywords</u>: Atma Nirbhar Bharat, Self-reliant India Campaign, Supply Chain Reforms for Agriculture, Rational Tax Systems, Simple & Clear Laws, Capable Human Resource, Strong Financial System, Time-bound development, Global knowledge superpower etc.

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Introduction : Atmanirbhar Bharat Abhiyan or self-reliant India was launched by the PM in the wake of the Covid pandemic to manage the economic disruption in the country. Atmanirbharta means self sufficiency. 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. It is possible only when India's policy change from "Make in India" to "Made in India". The aim is to make the country and its citizens independent and self-reliant in all senses. It is a reasonable attempt to recover from the losses of COVID-19 and government initiative to help businesses, MSMEs, industries, backward classes and farmer families.

What is the Potential of Atmanirbharata (Self-reliance)? The Potential of Atmanirbharata (Self-reliance) may be discussed under the following major heads :

- Atma Nirbhar Bharat Abhiyan is the vision of new India. In the year 2020, Prime Minister raised a clarion call to the nation giving a kick start to the Atmanirbhar Bharat Abhiyaan (Self-reliant India campaign) and announced the Special economic and comprehensive package of INR 20 lakh crores - equivalent to 10% of India's GDP.
- The aim is to make the country and its citizens independent and self-reliant in all senses. Five pillars of Atma Nirbhar Bharat are - Economy, Infrastructure, System, Vibrant Demography and Demand have been outlined.
- It aims towards cutting down import dependence by focussing on substitution while improving safety compliance and quality goods to gain global market share.
- The Self-Reliance signifies neither any exclusionary or isolationist strategies but involves creation of a helping hand to the whole world.
- The Mission focuses on the importance of promoting "local" products.
- Along with Atma Nirbhar Bharat mission, the 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 which will help in achieving self-reliance in a faster way.



Phases of Atmanirbhar Bharat Abhiyaan Packages :

The Atmanirbhar Bharat Scheme is announced in Five Phases or Tranches to cover initiatives of various sectors of the Indian Economy. Finance Minister Nirmala Sitharaman announced atmanirbhar bharat Abhiyan package details in the following five phases :

| Parts | Focus Areas | Stimulus in Cr (Rs) |
|-------|--|---------------------|
| I | MSME, EPF, Gareeb Kalyan, RERA, Credit | 5,94,550 |
| 11 | Farmers, Migrants | 3,10,000 |
| III | Agriculture & Allied Sectors | 1,50,000 |
| IV | Coal, Minerals, Aviation, Defense, Space, Atomic Energy | 48,100 |
| V | Ease of doing business, Health, Education 1,50,000 | |
| | Earlier measures like PMGKP | 1,92,800 |
| | RBI measures | 8,01,603 |
| | Total | 20,97,053 |



□ The first tranche of Atmanirbhar Bharat Abhiyan - Total Rs 5,94,550 Cr :

- Collateral-free loans and emergency finance to help small businesses, such as MSME, get back on their feet \$3,000,000 Cr.
- 20,000 crores in subordinate debt for troubled SME;
- 50,000 crores in a Fund of Funds for MSMEs equity infusion. It would also encourage MSMEs to list on the major stock exchanges' mainboards.
- Government contributions to qualifying establishments' EPF accounts 2800 Cr;
- 6750 crores reduced employer and employee EPF contributions;
- NBFCs, HFCs, and MFIs 30,000 Cr Special Liquidity Scheme;
- NBFC/MFI partial loan guarantee plan 45,000 crores;
- 90,000 crore in liquidity infusion for DISCOMs through the Power Finance Corp/REC;
- 50,000 crores for lowering TCS/TDS prices;
- □ The second tranche of Atmanirbhar Bharat Abhiyan : Total Rs 3,10,000 Cr :
 - Free food grains to migrant workers for 2 months 3500 Cr;
 - Interest subvention of MUDRA-Shishu loans -1500 Cr;
 - Special credit facility to street vendors -5000 Cr;
 - Extension of credit linked subsidy scheme in the housing sector for the middle-income group -70,000 Cr;
 - Additional emergency working capital for farmers through NABARD -30,000 Cr;
 - Additional concessional credit through Kisan Credit Cards 2,00,000 Cr;
 - One Nation One Ration card to enable a migrant beneficiary to purchase grains from any ration shop in the country.
 - Affordable housing for migrants and urban poor via a scheme under PMAY and affordable rental housing complexes (ARHC) under PPP mode.



□ The third tranche of Atmanirbhar Bharat Abhiyan - Total Rs 1,50,000 Cr:

- Agriculture Infrastructure Fund for farm gate infrastructure including cold chain and post-harvest infrastructure 1,00,000 Cr;
- Food micro-enterprises with a cluster-based approach- 10,000 Cr;
- Pradhan Mantri Matsya Sampada Yojana (PMMSY) 11,000 Cr for activities in Marine, Inland fisheries and Aquaculture and 9000 Cr for Infrastructure -Fishing Harbours, Cold chain, Markets, etc.
- Animal Husbandry Infrastructure Development Fund 15,000 Cr;
- Promotion of Herbal Cultivation 4000 Cr;
- Extending Operation Greens project from Tomatoes, Onion, and Potatoes (TOP) to all fruits and vegetables 500 Cr;
- Beekeeping initiatives 500 Cr;
- □ The fourth and fifth tranches of Atmanirbhar Bharat Abhiyan (combined) Total Rs 48,100 Cr:
 - Viability gap funding 8,100 Cr;
 - Additional MGNREGA allocation 40,000 Cr;
- □ Earlier measures Total Rs 1,92,800 Cr:
 - Pradhan Mantri Garib Kalyan Package for the poor 1,70,000 Cr:
 - ✓ Insurance cover of Rs 50 lakh per health worker;
 - ✓ Free cereals and pulses, gas cylinders to poor families for 3 months;
 - ✓ Direct cash transfer via Jan Dhan account to poor women;
 - ✓ PF credits to low-income workers and advances from EPF;
 - ✓ Collateral-free lending for Women SHG up to Rs 20 lakhs;
 - ✓ Revenue lost due to tax concessions 7,800 Cr;
 - ✓ PM's announcement in the health sector 15,000 Cr;



- Measures taken by the Reserve Bank of India- Total Rs 8,01,603 Cr:
 - ✔ RBI enhanced liquidity by Rs. 1.37 lakh crores by reducing CRR;
 - ✓ Targeted long-term repo operations of Rs. 1 lakh crore;
 - Raised the Ways and Means advance limits of the state governments by 60 percent.
 - ✓ Raised borrowing limits of banks under the marginal standing facility to avail additional Rs. 1.37 lakh crore.
 - ✓ Special refinance facilities to NABARD, SIDBI, and NHB;
 - ✓ Special liquidity facility for mutual funds;
 - ✓ Moratorium on loan repayments;



- □ Other major decisions taken under Atmanirbhar Bharat Abhiyan: Apart from the above, under Atmanirbhar Bharat Abhiyan decisions are also made to reform labour, agriculture, coal sector etc.
 - Labour sector reforms:
 - ✓ To avoid regional disparity in minimum wages, National Floor Wage to be introduced.
 - ✓ An appointment letter is to be provided to all workers to promote formalization.
 - ✓ Occupational Safety & Health (OSH) code to cover all establishments engaged in hazardous work.
 - ✓ Definition of the inter-state migrant worker to include migrant workers employed directly by the employer.
 - ✓ ESIC coverage will be extended to all districts and all establishments employing 10 or more employees as against those in notified districts/areas only.
 - ✓ Mandatory ESIC coverage for employees in hazardous industries with less than 10 employees.
 - ✓ Introduction of re-skilling funds for retrenched employees.
 - ✓ Provision for Social Security Fund for unorganized workers.
 - Provision of gratuity on completion of one-year service as against 5 years.
 - Agriculture Marketing Reforms to provide choices to farmers:
 - ✓ Now, farmers are bound to sell agricultural produce only to licensees in APMC.
 - ✓ A law will be formulated to provide choices to farmers to sell produce at an attractive price and enable barrier-free inter-state trade.



- ✓ The legal framework will be created towards contract farming and enable farmers to engage with processors, aggregators, large retailers, exporters in a fair and transparent manner.
- ✓ Risk mitigation for farmers assured returns and quality standardization to be an integral part of the framework.
- Coal sector reforms:
 - ✓ Introduction of commercial mining in the coal sector through a revenue-sharing mechanism instead of the regime of fixed Rupee/tonne;
 - ✓ To lower impact on the environment, coal gasification and liquefication will be incentivized through rebate in revenue share.
 - ✓ Coal Bed Methane (CBM) extraction rights to be auctioned from Coal India Limited's (CIL) coal mines.
- Self-reliance in defence production:
 - ✓ Ban the import of several weapons and a separate budget provisioning for domestic capital procurement to help reduce the huge defence import bill.
 - ✓ Corporatize the Ordnance Factory Board to improve autonomy, accountability, and efficiency.
 - ✓ Increased FDI limit in the defence manufacturing under the automatic route from 49 percent to 74 percent.
- Aircraft and airspace sector:
 - ✓ Restrictions on the utilization of the Indian airspace will be eased so that civilian flying becomes more efficient.
 - ✓ Development of world-class airports through PPP;
 - ✓ The tax regime for Aircraft Maintenance, Repair, and Overhaul ecosystem is rationalized and the convergence between the defence sector and the civil MROs will be established to create economies of scale.



- Boosting private participation in space activities. The private sector will be allowed to use ISRO facilities and other relevant assets to improve their capacities.
- Technology-driven education:
 - ✓ PM e-VIDYA a program for multi-mode access to digital/online education- will be launched. The program will comprise one earmarked TV channel per class from 1 to 12. Special e-content will be prepared for the visually and hearing impaired. Top 100 universities will be permitted to automatically start online courses by 30 May 2020.
 - ✓ Manodarpan- an initiative for psycho-social support of students, teachers, and families for mental health and emotional wellbeing, will also be launched simultaneously.
 - ✓ National Foundational Literacy and Numeracy Mission- will be launched in December 2020 to ensure that every child attains learning levels and outcomes in grade 5 by 2025.
- Ease of doing business related measures:
 - ✓ The minimum threshold to initiate insolvency raised to Rs 1 crore;
 - Suspension of fresh initiation of insolvency proceedings up to one year.
 - ✓ Special insolvency resolution framework for MSMEs to be notified soon.
 - ✓ Decriminalization of violations under Companies Act;
 - ✓ Allow direct listing of securities by Indian public companies in permissible foreign jurisdictions.
 - ✓ The government will announce a new, coherent policy where all sectors are open to the private sector while public sector enterprises (PSEs) will play an important role in defined areas.



- ✓ A list of strategic sectors requiring the presence of PSEs in the public interest will be notified.
- ✓ In strategic sectors, at least one enterprise will remain in the public sector but the private sector will also be allowed.
- ✓ In other sectors, PSEs will be privatized.
- Parallels with Swadeshi Movement and need for Self-reliance:
 - ✓ The call self-reliance can be compared with the Swadeshi movement and we can find that it is a relatable response to the evolving political and economic currents in a globalized world.
 - ✓ If Swadeshi was the rejection of the colonial exploitation of India and criticism of the Western model of Capitalism based economic growth, Atmanirbhar Bharat is an attempt to find India's legitimate place in a rapidly changing world.
 - ✓ Atmanirbhar Bharat like the Swadeshi movement is a program that is against the unrestricted import of Western thinking and economic models but is not averse to technology. It stands for modernization, but without unbridled Westernisation.
 - ✓ The clarion call 'Vocal for local' needs to be seen as a response to the anticipated changes in geopolitical order in the post-COVID world.
 - ✓ The COVID crisis has shown the failings of multilateral and regional institutions and also the ineffectiveness of trade barriers and standalone economic models.
 - ✓ Indian entrepreneurship must be freed from the shackles by adopting suitable governance models and reforming laws.
 - ✓ The 'new Swadeshi' must transform local industries to connect the ever-changing global trade structure and lead to 'glocalization' that serves local and global markets.



✓ Some early signs of this development were seen during the COVID crisis where India's position as the 'pharmacy of the developing world' was cemented. The importance of self-reliance was also seen in the self-sufficiency for food especially cereals, the lack of which would have exasperated the current crisis.

What Are the Benefits of AatmaNirbharBharat Abhiyan? Now that you know all about the scheme of Aatma Nirbhar Bharat, you can identify its specific goal of reviving selfdependency in the Indian business context. As the COVID-19 pandemic caused the immediate downfall of business and sales, the Government aims at improving the situation with new sets of regulations. Here are the following benefits of Aatma Nirbhar Bharat Abhiyan to throw further light on the issue.

- ✓ Sanction of □ 3 lakh crore for unsecured loans to MSMEs with an annual turnover of □ 100 crores;
- ✓ Investment of □ 90,000 crores bailout to discoms and independent power producers;
- ✓ Fiscal assistance for improving cold chains, warehousing, post-harvest management and dairy infrastructure;
- ✓ NABARD will allow a financing facility for funding agriculture infrastructure projects;
- Pradhan Mantri Matsya Sampada Yojana for the improving marine and inland fisheries;
- ✓ Investment of □ 30,000 for particular liquidity scheme for debt papers of NBFCs, HFCs, and MFIs;
- ✓ Extension in payment of Income Tax and GST for businesses;
- ✓ Investment for improving five pillars, including economy, infrastructure, systems, demography and demand;



Conclusion : The strategy of Atmanirbhar Bharat Abhiyan seems to give a strong supply-side push by boosting the availability of capital on easy terms and through supporting agriculture and business sectors. The additional allocation to MNREGA will help in productively employing returning migrants. Income support to migrant workers and the urban poor is also an immediate concern. Thus, even with falling revenues, a deeper fiscal stimulus could have been attempted. States are now allowed to borrow within a higher limit but with clear reform conditions. The demand-side stimulus via deficit financing is not considered for the time being. But it cannot be denied that there is a desperate need for demand stimulus now. People's purchasing power needs to be increased and demand for industrial products and services must be created. Several of the reform measures like opening up more sectors for private participation and enhancing foreign direct investment are not to be seen as part of COVID relief but long-term structural changes. The effect of these measures will have to be watched carefully.

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