

**COVID-19 PANDEMIC AND FINANCE POLICY FOR ATMANIRBHAR BHARAT****Dr. Annaji Madavi***Assist. Prof. & Head, Department of Economics, Adarsh College, Hingoli-431513 (MS)***Abstract**

*The Covid-19 pandemic disease were first reported by in Wuhan City, China, in December 2019 and after few months the World Health Organization (WHO) declared this outbreak as a Public Health Emergency of International Concern on 30 January 2020 and on 11 March 2020 the WHO declared the Covid-19 to be a pandemic. During this period when the all country were suffering from a deadly pandemic, India was planning to convert this crisis into an opportunity and strengthen its fight by becoming Aatmanirbhar or self-reliant. This article discusses the financial policy taken by government of India for Aatmanirbhar Bharat Abhiyaan (Self- Reliant India Movement).*

**Keywords:** Covid-19, Indian Economy, Finance Policy, Atmanirbhar Bharat.

**Introduction:** Today world is facing a problem of Covid-19 pandemic disease. The disease caused by the novel coronavirus, subsequently named SARS-CoV-2 were first reported by officials in Wuhan City, China, in December 2019 and after few months, it started spreading all over the world. So, the World Health Organization (WHO) declared this outbreak as a Public Health Emergency of International Concern on 30 January 2020. Following large outbreaks of this disease in multiple countries, with thousands of peoples of deaths around the world, on 11 March 2020 the WHO declared the Covid-19 to be a pandemic. During this period when the all country were suffering from a deadly pandemic, India was planning to convert this crisis into an opportunity and strengthen its fight by becoming Aatmanirbhar or self-reliant. This Aatmanirbhar Bharat Abhiyan was stated by the Indian Prime Minister, Mr. Narendra Modi when he addresses to the nation on May 12, 2020. He defined five pillars of this Aatmanirbhar Bharat Abhiyan as Economy, Infrastructure, System, Demography and Demand. He stressed that it is time to become vocal for our local products and make them global.

**Concept of Atmanirbhar Bharat:** Atmanirbhar Bharat which means 'self-reliant India' is a Hindi language phrase used and popularized by the Prime Minister Mr. Narendra Modi and the government of India. Atmanirbhar Bharat concept is related to economic development in the country during and after the Covid-19 pandemic. In this context, the term 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. Government of India claims that self-reliant India does not mean 'self-defense', 'moving away from the world' or 'protectionist', it concerns to the whole world's happiness, Cooperation, and Peace.

**Atmanirbhar Bharat Abhiyan:** Under this campaign, a special economic package released by the Indian government, considering it will benefit various segments like cottage industry, Micro, Small and Medium Enterprises (MSMEs), labourers, middle class, and industries, among others during the lockdown period. The economic package that was announced by the Prime Minister along with various packages released during the lockdown period was around US\$ 283.73 billion, which was about 10 per cent of India's GDP. It was expected to provide support and

strength to various sections of the country and give a renewed boost to the development journey of the country in 2020. In order to prove the determination of a self-reliant India, Land, Labour, Liquidity and Laws have all been emphasized in this package. Finance Minister further announced government reforms and enablers across seven sectors under Aatmanirbhar Bharat Abhiyaan. The Indian 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.

**Government Financial Policy:** The self-sufficient India campaign was launched last year to strengthen the Indian economy due to the corona virus infection. The Prime Minister of India announced a Rs. 20 lakh crore economic package under the Atmanirbhar Bharat Abhiyan. The government and the Reserve Bank of India have invested Rs 27.1 lakh crore under the Atmanirbhar Bharat Abhiyan. This amount is 13% of the country's GDP. On February 1, 2021, the Union budget was announced by the Finance Minister, Ms. Nirmala Sitharaman, that had said that the packages of Atmanirbhar Bharat Abhiyan were launched last year which was equivalent to the mini budget itself.

**The Five phases of Atmanirbhar Bharat Abhiyan:** On May 12, Indian Prime Minister Mr. Narendra Modi announced a special economic package of Rs 20 lakh crore (equivalent to 10% of India's GDP) aimed at making the country independent in the face of stiff competition in the global supply chain and to help empower the poor, laborers, and migrants who have been adversely affected by the Covid-19. Following the announcement, Finance Minister Ms. Nirmala Sitharaman announced detailed measures under the financial package through five press conferences. The highlights of the five phases of Atmanirbhar Bharat package are as follows.

**Phase-(I)** Pradhan Mantri Garib Kalyan Package (1)- Under this scheme, Finance Minister announced a relief package of Rs 1.70 lakh crore to the poor to fight against corona virus. This package included insurance cover of Rs 50 Lakh per health worker, 20 crore women Jan Dhan account holders were given Rs 500 per month for the next 3 months. Increase in MNREGA wage to Rs 202 a day from Rs 182 to benefit 13.62 crore families. Pradhan Mantri Garib Kalyan Package (2)- Under this package Rs 2,000 paid to farmers under the existing PM-KISAN to benefit 8.7 crore farmers. The government announced 24% of monthly wages to be credited into their Provident Fund accounts for the next three months for wage-earners below Rs 15,000 p.m. The limit of collateral-free lending was increased from Rs 10 to Rs 20 lakhs for Women Self Help Groups supporting 6.85 crore households.

Business / MSMEs had been hit hard by COVID-19 pandemic, so they needed additional funding to meet the operational obligations created, purchase raw materials, and resume business. Therefore, government give relief Rs. 3 lakh crores Collateral-free Automatic Loans for Businesses, including MSMEs. For a step towards Self-Reliant India, support Make in India and to help MSMEs to increase their business, global tenders disallowed in Government procurement tenders up to Rs 200 crores.

**Phase-(II)** Finance Minister announced Rs. 4.22 lakhs crore to avail the benefit of 3 months agricultural loan moratorium. Support of Rs. 4,200 crores provided under Rural Infrastructure

Development Fund to States during March 2020 for rural infrastructure. Adverse impact on the livelihoods of the street vendors due to COVID-19. The government announced to launch a special scheme and Rs 5000 crore Special Credit Facility for Street Vendors. The government announced Rs 70,000 crore boost to the housing sector and middle-income group through the extension of the Credit Linked Subsidy Scheme up to March 2021. To create job opportunities for citizens, Compensatory Afforestation Management & Planning Authority (CAMPA) set up by the government under Compensatory Afforestation Fund Act, 2016, and Plans worth Rs 6000 crores decided to approve shortly.

**Phase-(III)** Financing facility of Rs. 1,00,000 crores announced for funding Agriculture Infrastructure Projects at farm-gate & aggregation points. Rs 10,000 crores support for Formalisation of Micro Food Enterprises (MFE) Scheme to promote the vision of Hon. Prime Minister 'Vocal for Local with Global outreach'. Announcement Rs 20,000 crores for Fishermen through Pradhan Mantri Matsya Sampada Yojana (PMMSY). An Animal Husbandry Infrastructure Development Fund of Rs. 15,000 crores were set up by the government. For Beekeeping initiatives –Rs 500 crores announced by the government. **Phase-(IV)** The government Announce to Invest of Rs 50,000 crores for Infrastructure development in Coal sector. Rs 810 crores announced for Boosting private sector investment in Social Infrastructure through revamped Viability Gap Funding Scheme.

**Phase-(V)** The government announced to allocate an additional Rs 40,000 crore under MGNREGS to generate nearly 300 crore person days in total.

**Conclusion:** The fact that India had to face the COVID-19 situation with patience and self-reliance show that from zero production of personal protective equipment (PPE) before March 2020, India today has the capacity to produce 2 lakh PPE kits per day, which is also steadily increasing. The COVID-19 pandemic virus entered India on January 30, 2020 and was the first case in the state of Kerala. Covid-19 disease is now becoming more serious in India. Currently, India has the highest number of confirmed cases in Asia and by March 2021, it is the third largest in the world after the United States and Brazil. Of these, more than 11.4 million Covid-19 infections have been reported. And more than 165,000 deaths as of April 6, 2021. In this situation to achieve goals of Atmanirbhar Bharat Abhiyan is becoming more challengeable for Indian government. Therefore, government needs to announce a second fresh Atmanirbhar package to give relief for poor people and small business i.e., MSMEs.

### References:

- Coronavirus SARS-CoV-2 / COVID-19 pandemic: Information and Guidelines for Pharmacists and the Pharmacy Workforce*, retrieved from <https://www.fip.org/files/content/priority-areas/coronavirus/Coronavirus-guidance-update-ENGLISH.pdf>  
<https://www.indemb-oman.gov.in/docs/15977287161.%20English%20-%20Aatmanirbhar%20Bharat.pdf>  
[https://en.wikipedia.org/wiki/COVID-19\\_pandemic\\_in\\_India#cite\\_note-5](https://en.wikipedia.org/wiki/COVID-19_pandemic_in_India#cite_note-5)  
<https://www.investindia.gov.in/atmanirbhar-bharat-abhiyaan>  
<https://pmmodiyojana.in/aatm-nirbhar-bharat-abhiyan/>  
<https://www.india.gov.in/spotlight/building-atmanirbhar-bharat-overcoming-covid-19>  
<https://www.prsindia.org/report-summaries/summary-announcements-aatma-nirbhar-bharat-abhiyaan>

*Presentation made by Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman under Aatmanirbhar Bharat Abhiyaan to support Indian economy in fight against COVID-19, Ministry of Finance, May 13, 2020,*

*<https://static.pib.gov.in/WriteReadData/userfiles/Aatmanirbhar%20Presentation%20Part-1%20Business%20including%20MSMEs%2013-5-2020.pdf>.*

*Presentation of details of Tranche 2 by Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman under Aatmanirbhar Bharat Abhiyaan to support Indian economy in fight against COVID-19, Ministry of Finance, May 14,*

*2020, <https://static.pib.gov.in/WriteReadData/userfiles/Aatma%20Nirbhar%20Bharat%20presentation%20Part-2%2014-5-2020.pdf>.*

*Presentation of details of 3rd Tranche by Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman under Aatmanirbhar Bharat Abhiyaan to support Indian economy in fight against COVID-19, May 15,*

*2020, <https://static.pib.gov.in/WriteReadData/userfiles/Aatma%20Nirbhar%20Bharat%20Presentation%20Part-3%20Agriculture%2015-5-2020%20revised.pdf>.*

*Presentation of details of 4th Tranche announced by Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman under Aatmanirbhar Bharat Abhiyaan to support Indian economy in fight against COVID-19, May 16,*

*2020, <https://static.pib.gov.in/WriteReadData/userfiles/AatmaNirbhar%20Bharat%20Full%20Presentation%20Part%204%2016-5-2020.pdf>.*

*Presentation of details of 5th Tranche announced by Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman under Aatmanirbhar Bharat Abhiyaan to support Indian economy in fight against COVID-19, May 17,*

*2020, <https://static.pib.gov.in/WriteReadData/userfiles/Aatma%20Nirbhar%20Bharat%20%20Presentation%20Part%205%2017-5-2020.pdf>.*