

Atmanirbhar Bharat Abhiyan – Bold reforms for a Vibrant Bharat

Tranche 4

16 May 2020



Growth drivers



Key pillars

1. Economy
2. Infrastructure
3. Technology-driven systems
4. Demographics
5. Demand



Focus areas

1. Land
2. Labour
3. Liquidity
4. Law



Possible impact

1. Improve ease of doing business
2. Integrate global value chain



Desired outcome

1. Spur growth
2. Build self-reliant India



Relief package value



Relief package	Value (INR Cr)
MSME	370,000
PF	9,250
NBFC/MFI	75,000
DISCOMs	90,000
Taxation	50,000
Pradhan Mantri Garib Kalyan Package	170,000
Emergency Health Response Package	15,000
Special Refund and Drawback Disposal Drive	18,000
RBI CRR reduction	137,000
RBI TLTRO	150,050
RBI refinance for NABARD, SIDBI and NHB	50,000
RBI SLF	50,000
Free food grain distribution	3,500
Interest subvention - MUDRA Shishu Loans	1,500
Street vendor credit facility	5,000
Tribal employment generation – CAMPA	6,000
NABARD emergency working capital fund	30,000
Kisan Credit Card – concessional credit	200,000

Relief package	Value (INR Cr)
Fund for farm gate infrastructure	100,000
Fund for Micro food enterprises	10,000
Matsya Sampada – marine activities and infra	20,000
National Animal Disease Control Programme	13,343
Animal Husbandry Infrastructure Fund	15,000
Animal husbandry interest subvention	5,000
Herbal cultivation promotion	4,000
Beekeeping infrastructure development	500
TOP to TOTAL subsidy	500
Coal mine evacuation infrastructure	50,000
Viability gap funding for social infra projects	8,100

13 May 2020

14 May 2020

15 May 2020

16 May 2020

Summary



- Privatisation of coal mines with 50 new blocks on auction; minimal eligibility criteria for bidding. INR 50,000 crore allocated to create evacuation infrastructure in coal mines
- 500 mineral blocks to be privatised through open/joint auction with coal. Seamless exploration and production allowed. No distinction between captive and non-captive mines, allowing lease transfer. Stamp duty to be rationalised and a mineral index to be developed
- Ban on import of a notified list of weapons, equipment and spare parts for use on defence; to boost domestic procurement. Corporatisation (not privatisation) of ordinance factory boards. FDI limit in defence equipment manufacturing to be increased to 74% from 49% (subject to approvals)
- Air space to be rationalised and optimally utilised to save fuel and time; aimed at positive impact on environment
- Six more airports to be auctioned on PPP basis, additional private investments in 12 airports already managed by private players
- Aim to make India a maintenance, repair and overhaul (MRO) hub for both civil and defence aircrafts
- Power distribution companies in Union Territories to be privatised
- Increase (30% from 20% allowed earlier) in Viability Gap Funding for social infrastructure projects; INR 8,100 crore allocated
- Policy to be developed to encourage private sector participation in the space sector. Private sector allowed to use ISRO labs and assets as well geo-spatial data
- PPP to be allowed for medical isotopes to promote low-cost cancer treatment. Establish research facilities to develop irradiation technology in PPP mode for the food sector

Key announcements



Privatisation of coal mines

Government to allow private sector participation through revenue sharing mechanism:

- 50 blocks to be auctioned with no eligibility conditions, only upfront payment with a ceiling
- INR 50,000 crore allotted to create evacuation infrastructure in coal mines

Privatisation of mineral blocks

Structural reforms to boost growth and employment as well as bring in state-of-the-art technology in exploration

- Composite exploration, mining and production regime to be introduced
- 500 mining blocks to be auctioned
- Joint auction of bauxite and coal mineral blocks to be introduced
- Distinction between captive and non-captive mines to be removed
- Mineral index to be developed
- Stamp duty to be rationalised

Indigenisation of defence equipment

Make in India for self-reliance in defence related manufacturing

- Notified list of weapons/platforms to be banned from import
- Indigenisation of imported spare parts and others in the notified list
- Separate budget for domestic capital procurement
- Ordnance factories to be corporatised
- FDI limit raised to 74% from 49%
- Time-bound defence procurement process and faster decision making

Key announcements



Indian air space rationalisation

- Restrictions on utilisation of Indian air space to be eased to make civilian flying more efficient and cost-effective as well as have a positive impact on the environment

PPP for airports

- Six more airports to be auctioned under PPP
- Additional investment in 12 airports by existing private players
- Private investments of up to INR 13,000 crore expected

MRO hub in India

India to set up a MRO Hub

- Tax regime for MRO ecosystem to be rationalised
- MRO to service civil and defence aircrafts
- Maintenance costs for airlines expected to come down

Key announcements



Power distribution to be privatised in Union Territories

- Power departments/utilities in Union Territories to be privatised
- Standard of service and associated penalties to be introduced
- DISCOMs to ensure adequate power; to be penalised for load shedding
- Reduction in cross subsidies
- Competitive selection of project developers

Increased Viability Gap Funding for social infrastructure

- Revamp Viability Gap Funding (VGF) scheme to boost private sector investment in social infrastructure projects, with a total outlay of INR 8,100 crore
- Quantum of VGF to be enhanced up to 30% of total project cost, up from 20%
 - VGF to remain 20% for other sectors

Private participation in space sector

- Boost private participation in space activities by providing predictable policy and regulatory environment
- Level-playing field for private companies in satellites, launches and space-centric services
 - Future projects for planetary exploration, outer space travel, etc. to be opened for private sector
 - Liberal geo-spatial data policy for providing remote-sensing data to tech entrepreneurs
 - Private sector to be allowed to use ISRO facilities and assets

Key announcements

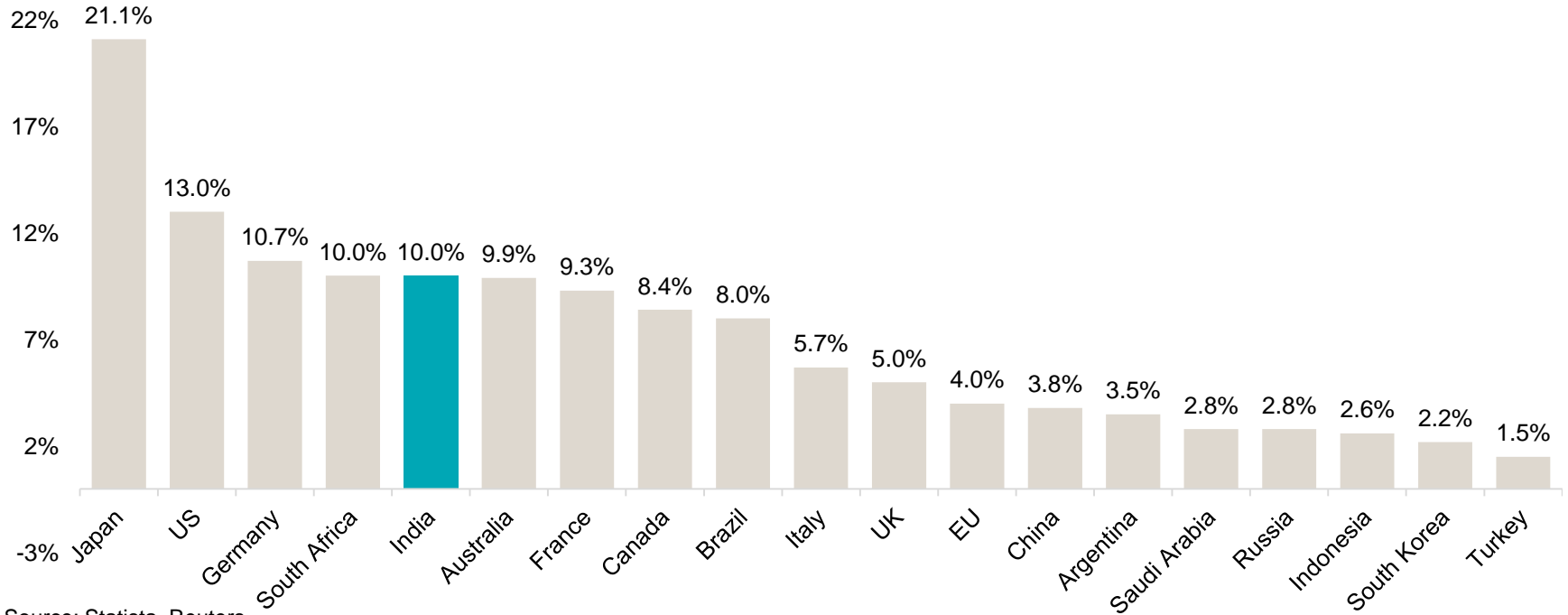


PPP in select atomic energy projects

- Research reactor to be established in PPP mode for production of medical isotopes
- Promote welfare through affordable treatment of cancer and other diseases
- Establish facilities to use irradiation technology for food preservation in PPP mode
- Technology development cum incubation centres to be set up



Annexure: Value of COVID-19 stimulus packages in the G20 as share of GDP



Source: Statista, Reuters

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