

Atmanirbhar Bharat Abhiyan – Bold reforms for a Vibrant Bharat

Tranche 3

15 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

13 May 2020

14 May 2020

15 May 2020

Summary



- During lockdown:
 - Farmers have been supported through MSP purchases (INR 74,300 crore), and under PM-Kisan (INR 18,700 crore) and PM Fasal Bima Yagna (INR 6,400 crore)
 - Animal husbandry sector received a new 2% interest subvention scheme for dairy cooperatives and an additional 2% interest subvention for prompt payment and interest servicing (to provide INR 5,000 crore liquidity)
- INR 100,000 crore for strengthening farm-gate infrastructure. FPOs, aggregators and primary agriculture societies to benefit
- INR 10,000 crore fund for micro food enterprises to encourage export of local products
- INR 20,000 crore fund under PM Matsya Sampada Yojana for growth and development of marine agriculture and infrastructure
- INR 15,000 crore fund to support and develop infrastructure for dairy and cattle feed
- INR 4,000 crore allocated to support farmers growing herbal and medicinal plants along River Ganga
- INR 500 crore allocated to support beekeeping initiatives
- INR 500 crore as subsidy to support disruption of supply chain of fruits and vegetables; pilot scheme for six months
- The Essential Commodities Act (1955) amended to tackle abundant crop; cereals, edible oil, oil seeds, potato and onion deregulated
- Farmers to be given a choice to sell; inter-state and e-trade to be facilitated
- Development of a legal framework to assist farmers fix their own price, to facilitate assured price return quantities prior to sowing

Key steps taken during lockdown



Support for agriculture

- Minimum support price (MSP) purchase of more than INR 74,300 crore
- Fund transfer of INR 18,700 crore under PM-KISAN released
- Payment of INR 6,400 crore released under PM Fasal Bima Yojana

Support for animal husbandry

- 560 lakh litre per day (LLPD) milk bought by co-operatives to overcome reduced demand
- Additional 111 crore litre milk procured, with payments of INR 4,100 crore
- New scheme to provide interest subvention at 2% per annum to diary co-operatives in 2020-21
 - To release additional INR 5,000 crore liquidity
 - To benefit two crore farmers
 - Additional subvention of 2% per annum on prompt payments

Support for fisheries

- Validity of SIPs for import of shrimp broodstock extended by three months
- One-month delay in arrival of broodstock consignments condoned
- Re-booking of quarantine cubicles for cancelled consignments allowed with no extra charges
- Verification of documents and grant of NOC for quarantine relaxed to three days
- Registration of shrimp hatcheries and Nauplii rearing hatcheries extended for three months

Key announcements



Farm-gate infrastructure development

INR 1 lakh crore Agriculture Infrastructure Fund to be created

- To provide impetus for development of infrastructure at farm-gate and aggregation points
- Infrastructure expected to support financially viable post harvest management
- Funding will be available for agricultural cooperative societies, farmer producer organisations, agriculture entrepreneurs and start-ups

Micro food enterprises (MFEs)

INR 10,000 crore scheme for formalisation of MFEs

- Scheme to support two lakh MFEs in technical upgradation to attain FSSAI food standards, build brands and market products
- Scheme will follow a cluster-based approach to take advantage of strong production areas in states
- Expected to facilitate growth in retail and export markets

Pradhan Mantri Matsya Sampada Yojana

INR 20,000 crore allocated for fishermen to support integrated, sustainable and inclusive development of marine and inland fisheries

- INR 11,000 crore for activities in marine, inland fisheries and aquaculture and INR 9,000 crore for building infrastructure such as fishing harbours, cold chains and markets
- Focus on islands, Himalayan states, North-East and aspirational districts
- Additional 70 lakh tonne of production and employment for 55 lakh people



Key announcements



National Animal Disease Control

National Animal Disease Control programme for foot-and-mouth disease (FMD) and brucellosis launched with outlay of INR 13,343 crore

- To ensure 100% vaccination of cattle and farm animals (53 crore animals)
- 1.5 crore cows and buffaloes tagged and vaccinated till date

Animal Husbandry Infrastructure Development Fund

Fund allocation of INR 15,000 crore

- To provide investment in dairy processing, value addition and cattle feed infrastructure
- Incentives to be given to establish plants to export niche products

Promotion of herbal cultivation

- Outlay of INR 4,000 crore to cover 10,00,000 hectares under herbal cultivation in the next two years
 - Will lead to INR 5,000 crore in income for farmers
- Network of regional mandis to be formed for medicinal plants
- National Medicinal Plant Board to develop 800-hectare corridor of medicinal plants along River Ganga

Key announcements



Beekeeping infrastructure development

INR 500 crore scheme to develop infrastructure

- Funds to be used for by beekeeping development centres for collection, marketing and storage
- Aims to increase income of two lakh beekeepers, with special thrust on capacity building of women

Operation Green – TOP to TOTAL

To be extended from tomatoes, onions and potatoes (TOP) to all fruits and vegetables

- Additional INR 500 crore earmarked for supply chains disrupted by lockdown
- 50% subsidy to be given on transportation from surplus to deficit markets
- 50% subsidy to be given on storage including cold storage
- Pilot phase for six months and to be extended

Essential Commodities Act

The Essential Commodities Act (1955) to be amended to enable better price realisation for farmers by attracting investments and make the agriculture sector competitive

- Amendments to tackle abundance of crops
- Agriculture food including cereals, edible oils, oil seeds, potato and onion to be deregulated
- No stock limit to be applied on storage (may be imposed under very exceptional circumstances)

Key announcements



Agriculture marketing reform

Central law to be formulated to provide farmers:

- Adequate choice to sell produce at appropriate price
- Barrier-free inter-state trade
- Framework for e-trading of agriculture produce

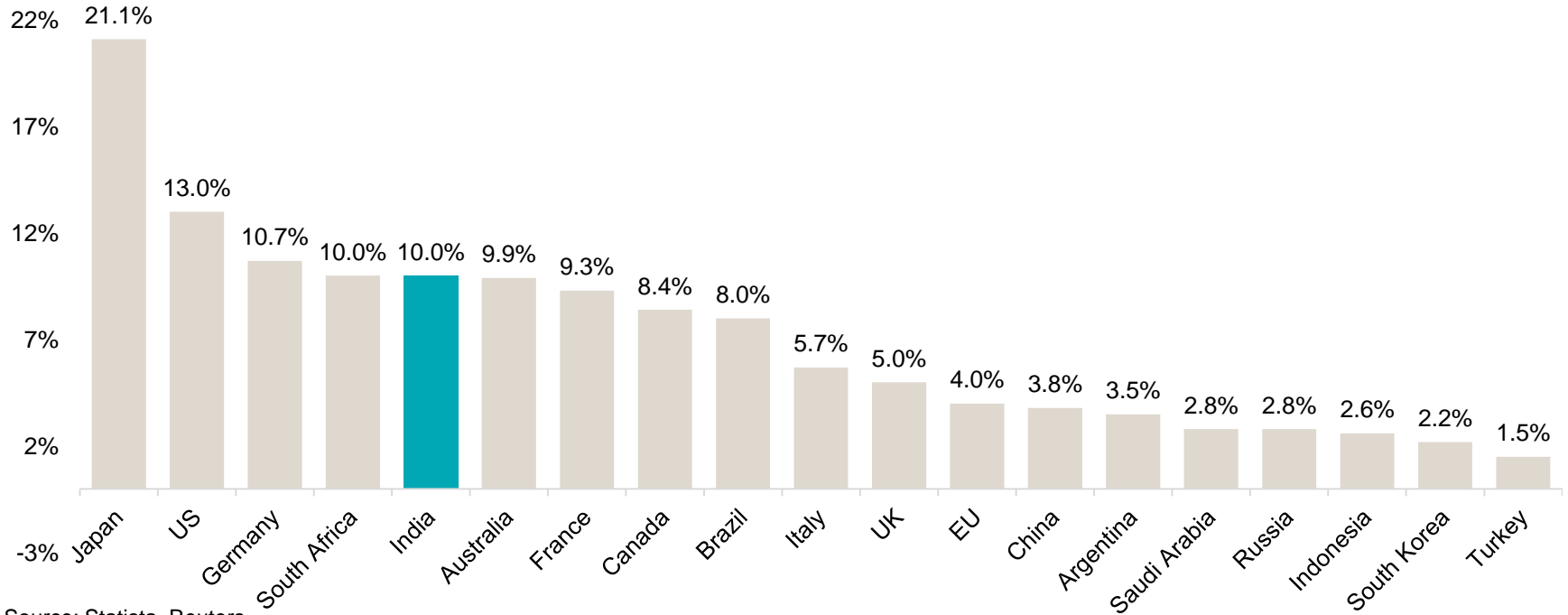
Agricultural produce price and quality assurance

Legal framework to be created to enable farmers to engage with farm supply chain stakeholders in a fair manner:

- To ensure risk mitigation for farmers
- To assure returns and quality standardisation



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



Source: Statista, Reuters

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