

# Atmanirbhar Bharat Abhiyan – Bold reforms for a Vibrant Bharat

## Tranche 2

14 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



# Summary



1. Free food for migrant labour and urban poor, currently not covered under Public Distribution System, for another two months
2. National portability of ration cards (One Nation, One Ration); aim to cover the entire eligible population by March 2021 (current coverage is 83%)
3. Affordable rental accommodation under Pradhan Mantri Awas Yojana (states, manufacturing industries and PPP mode to be used)
4. Interest subvention incentive to loans less than INR 50,000 under MUDRA Shishu Loan; 2% interest subvention for 12 months after moratorium period
5. Working capital loans of up to INR 10,000 for street vendors
6. Credit-linked subsidy scheme for affordable housing extended until March 2021
7. Employment creation for tribal population under Compensatory Afforestation Management and Planning Authority (CAMPA)
8. Emergency working capital fund of INR 30,000 crore as credit to small and marginal farmers through NABARD
9. Concessional credit through Kisan Credit Card (to include fishermen and animal husbandry farmers)

Relief package focus area	Value (INR crore)
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's TLTRO	150,050
RBI's refinance for NABARD, SIDBI and NHB	50,000
RBI's SLF	50,000
Free food grain distribution	3,500
Interest subvention under MUDRA Shishu loans	1,500
Street vendor credit facility	5,000
Tribal employment generation under CAMPA	6,000
NABARD emergency working capital fund	30,000
Kisan Credit Card – concessional credit	200,000

13 May 2020

14 May 2020

# Key announcements



## Migrant labour and urban poor

### Food grain distribution

Non-PDS holders to get 5 kg per person of wheat/rice and 1 kg per family of chana (pulse) for two months

- INR 3500 crore earmarked for this initiative by Central government
- 80 million migrants and urban poor expected to benefit
- State governments to oversee implementation

### Ration card portability

One Nation One Ration Card scheme to ensure portability of ration cards across the country

- PDS card can be used across 23 states
- To be implemented for 85% of the eligible population by August 2020 and expected to cover 67 crore beneficiaries (100% coverage expected by March 2021)

### Affordable rental housing

Pradhan Mantri Awas Yojana to provide affordable rental accommodation to migrants and urban poor

- Private sector participation through PPP mode and concessionaire arrangement
- Incentives for manufacturing units, industries, institutions and associations for operation and development on private land
- Incentivise state governments for developing on their land

# Key announcements



## Tribal population

## Small and marginal farmers

### Funds under CAMPA

- CAMPA to be used to generate employment
- Plans worth INR 6,000 crore to be approved
- Funds to be used for
  - Tree plantation
  - Artificial regeneration
  - Forest management and protection
  - Wildlife protection

### Emergency Working Capital Fund

- NABARD to provide INR 30,000 crore Emergency Working Capital Fund to small and marginal farmers
- Benefit to reach three crore small and marginal farmers
- Expected to assist farmers meet post harvest (rabi) and current kharif requirement in May and June 2020

### Kisan Credit Card

- INR 2 lakh crore concessional credit to be extended to 2.5 crore farmers through Kisan Credit Card special drive
- Fishermen and animal husbandry to be included
- Expected to enable 2.5 crore farmers gain access to institutional credit at concessional interest rates

# Key announcements



## MUDRA Shishu loans

- Interest subvention incentive for loans of up to INR 50,000 or less
- Entire subvention cost expected to be INR 1,500 crore
- Loan moratorium granted by RBI
- Interest subvention of 2% provided for up to 12 months for prompt payers

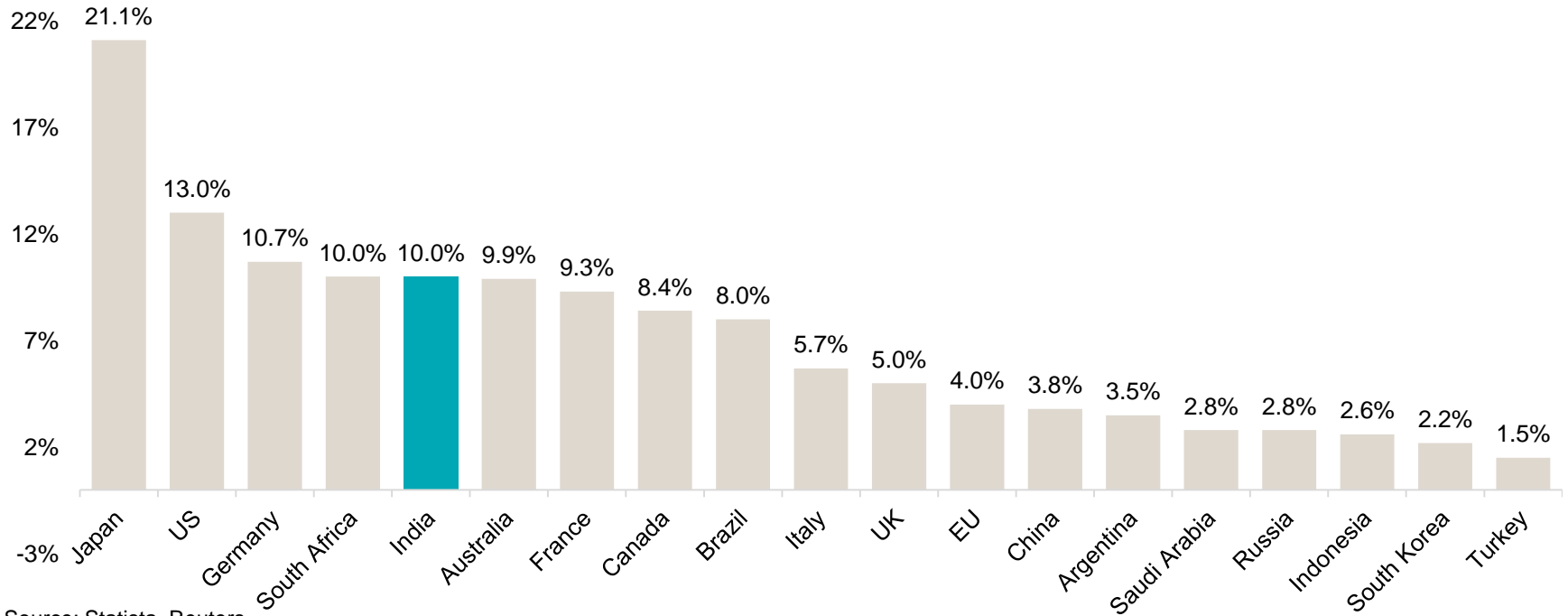
## Street vendors

- Liquidity of INR 5,000 crore to be provided; to benefit up to 5 million street vendors
- Special scheme to facilitate easy access of credit to street vendors to be launched
- Initial working capital of INR 10,000 to be offered
- Digital repayments to be incentivised and bigger working capital credit to be made available on good repayment track record

## Affordable housing

- Credit Linked Subsidy Scheme to be extended until March 2021
- Benefit to reach 2.5 lakh middle income (INR 6-18 lakhs per annum income) families
- Expected to create jobs; lead to investment of over INR 70,000 crore in housing
- Expected to spur demand for construction and building materials and related sectors

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



Source: Statista, Reuters

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