



## ATMANIRBHAR BHARAT – A SELF-RELIANT INDIA

**O**n May 12, 2020, amidst the first wave of covid-19 pandemic, the government announced Atmanirbhar Bharat package 1.0 worth Rs 20 lakh crore which was estimated to be the 10% of the country's GDP to tide over the coronavirus crisis. The package was aimed to cater to various sections including cottage industry, MSMEs, labourers and migrants among others that were expected to be impacted adversely by the covid-19 aftermath.

Similarly, two more Atmanirbhar Bharat packages worth ₹29.87 lakh crore (US\$420 billion) were announced by the government. The second and the third packages were announced on October 12, 2020 and November 12, 2020 respectively. The Atmanirbhar Bharat Abhiyan 2.0 included perks for Central government employees to spend more on consumer durables during the festive season and a much higher capital expenditure for both the Centre and states. Interest free loans for states to boost capital expenditure were also made available. Likewise, the Atmanirbhar Bharat Abhiyan 3.0 focused on sectors such as housing and infrastructure. Stimulus was provided for domestic defence manufacturing and green energy.

The objective of announcing the package more or less was to incentivize the creation of new employment opportunities during the covid-19 economic recovery phase. Besides, it was also aimed at making India self-reliant by creating an eco-system that will allow Indian companies to be highly competitive on the global stage.

Furthermore, the major focus of the government while announcing these reforms was also directed towards short- term and long-term measures for supporting the poor, including migrants, farmers, etc., including MSME, agriculture, fisheries and food processing sectors. Besides, employment, support to businesses, ease of doing business and education sector were also considered largely under the package.

Over the period of time, the country has witnessed the worst after-effects of coronavirus pandemic, however, with the timely execution of these packages the country is on its way to recovery. According to the recent International Monetary Fund (IMF) report, India's GDP growth projections for the current fiscal year is at 9.5% and forecasts an 8.5% expansion in 2022, retaining the fastest-growing major economy tag. ■

– Amitabh Ranjan