

AATMANIRBHAR BHARAT: A STEP TOWARDS STRENGTHENING ECONOMY

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ABSTRACT

With the outbreak of Covid-19, the whole world has come to a halt. There is a deep and dark cloud of uncertainty. Due to travel restrictions, the economies across the world are bound to impose and implement adverse policies and regulations regarding manufacturing and export. This has resulted in de-globalization. The condition has brought problems for developing nations like India which were highly dependent on other countries for the availability of various products. Economic fallouts, loss of jobs and dependence on other countries for not only luxurious goods but some essential and lifestyle goods also, India had to face dual problem as negative supply and demand along with the health challenges had to be faced. The only solution for the recovery of Indian economy from the impact of this disastrous pandemic was to become self-reliant. Aatmanirbhar Bharat scheme implemented by the Government of India is the significant step towards the journey of being self-reliant. This paper focuses on the significance and prospective implications of the scheme in the near future. The paper follows the descriptive approach.

Keywords: *Aatmanirbhar Bharat, Entrepreneurship, Make in India, Vocal for Local.*

Introduction

The pandemic has shown the mirror to the whole world of its dependence on China for manufacturing. It has brought out the underlying problem. Some economies have taken this problem as a challenge which can be converted into an opportunity in terms of manufacturing those goods locally which were being imported earlier. Also, they have realized the importance of manufacturing locally and a perfect supply chain management. Due to the urgent need and resentment for China, economies across the world began to plan to develop their domestic manufacturing economy. Elephant was also keen to run with the speed of a dinosaur carrying its extreme weight to if not beat it in the race but at least to make a pace for survival. The entrepreneurs of India ought to take it as an opportunity to make India a global leader by improving GDP and boosting employment. It was presumed that this step would sail the economy in the positive direction through more employment, freeing investments and better Gross Domestic product.

After the virus, the kind of antipathy the world has for China, the priority of the global leaders like USA and Japan is shifting to India with great hopes. These opportunities will not only take India to be a developed nation in the long-run but also would help to lessen the effects of the pandemic and recovering fast in the short-run. At such a situation, a policy for the sustainable and inclusive growth of the nation was immensely required. Announcement of Aatmanirbhar Bharat made India realize its strengths that are required to make any economy powerful. India has got infrastructure, human resource, technological developments, etc. These demographic and technological advantages may yield huge dividends for India to become a global manufacturing hub. If these resources are used in an optimal way, it would not only make a way to supply the manufactured goods as per the global demand but provide India with the goods manufactured by India and for India as per the *Swadeshi* demand.

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Understanding the Mission

Aatmanirbhar Bharat is the mission and vision of our Prime Minister shri Narendra Modi to make India self-reliant. The announcement of the mission was made on 12th May 2020. The breakup of the package and the distribution to different sectors of economy was announced by our finance minister Nirmala Sitharaman. The package of self-reliant India mission includes the change in definition of MSMEs, boosting the scope for private participation, increased FDI in defense sector, etc.

There are five pillars of Aatmanirbhar Bharat which are Economy, Infrastructure, System, Demography and Demand. The major focus of the mission is on laborer, middle-class, cottage industry and MSMEs. The motto is to infuse liquidity in them.

Existing and Revised Definition of MSMEs

Existing MSME Classification			
Criteria : Investment in Plant & Machinery or Equipment			
Classification	Micro	Small	Medium
Mfg. Enterprises	Investment < Rs. 25 lac	Investment < Rs. 5 cr.	Investment < Rs. 10 cr.
Services Enterprise	Investment < Rs. 10 lac	Investment < Rs. 2 cr.	Investment < Rs. 5 cr.
Revised MSME Classification			
Composite Criteria : Investment And Annual Turnover			
Classification	Micro	Small	Medium
Manufacturing & Services	Investment < Rs. 1 cr. and Turnover < Rs.5 cr.	Investment < Rs. 10 cr. and Turnover < Rs.50 cr.	Investment < Rs. 20 cr. and Turnover < Rs.100 cr.

Source: Press Information Bureau, Government of India

It signifies the globalization of our local industries. The extension of registration and completion date of real estate projects under RERA is the soothing step for the budding entrepreneurs because due to corona period and subsequent lockdowns, they were not able to complete their ongoing projects in prescribed time. MGNREGS support for the returning migrants and special credit facility for the street vendors is undoubtedly a good step. One ration card for the migrants is apraiseworthy step which covers 23 states providing basic things to the underprivileged class. One more area focuses on strengthening of agricultural infrastructure by setting up of agri-infrastructure fund is likely to bring fruitful results in Indian agriculture. The next dimension focuses on the new horizons of growth for which private participation in space technology is a major reform. For the better efficiency of fuel, privatization has been increased in coal and mineral sector. Ease of doing business by simplifying the norms and reforming corporate laws is a noteworthy step for the new entrants who are fearful of the bigger formalities.

Prospects for the Future

The policy of 'vocal for local' has led Indian economy on the path where the significance of domestic manufacturing is highly understood. It is an opportunity to realize that manufacturing at local level is not only the need of an hour but also a great responsibility towards the citizens of the country. This pandemic situation has also alarmed the economies that research and development, more affordable raw material, cheaper logistics and reasonable quality of production are required for the so-called 'preparedness' to face such unprecedented events. The world is looking at India because of its highlighted "I" list that are Intent, Inclusion, Innovation and Infrastructure (Saraswati, Priya and Ghosh 2020). The initiative of Aatmanirbhar Bharat is not a one-time scheme but an ongoing process. Though the process is slow, but it will transform the trade relations of India with the global leaders, its own educational and healthcare system and public governance system. One more advantage India can receive at this point of time is the advantage of easy licensing which would have been a trouble or a long process otherwise, especially for export to some countries.

The initiative proposes to follow the idea of 'Swaraj' propounded by Kalidas Chandra Bhattacharya without getting protectionist in nature. Under the current scheme of Aatmanirbhar Bharat, more focus has been on the migrant workers, public health, technology-driven education and state level reforms. The shortcomings and flaws in public sector healthcare were exposed during the pandemic situation. Thus, investing in healthcare is equivalent to investing in grass-root level for the better fruits in future. The vaccine trials and productions are also going in high spirit because of this. The news of defense minister not importing weapons and instead structuring them in India is a great example of it. So, the objective is to become global with a human-centric approach.

Criticism

- Most of the projects are re-packaged of the old proposals
- Immediate relief is difficult to be seen as most of the measures would harvest long-term results.
- The focus is more on the supply side rather than the demand side reforms.
- Some critics say that the mission to become self-reliant would make India cut from the global world and advanced technology and make it a 'frog of the pond'

Conclusion

Through the policy, government is aiming to bring the economy in pace with the world. The concern of the government for debt to GDP ratio is also being seen. By introducing this campaign, the government aspires to lead a true Swadeshi movement and resonates with the philosophy of enriching and revolutionizing Indian products. However, in the expedition to attain a self-reliant India, it is necessary for the government to decentralize its policies, take decisions for rural labors, give priority to the poor and underprivileged, draft the policies that are environment friendly and sustainable that are rooted to make India a self-sufficient nation globally. In the history of India, wonders have been already observed with the movements of Gandhi in regard to charkha to become self-reliant. He articulated it as an economic independence and mutual co-operation in the society. Today, when a virus has infringed our freedom, we all shall 'be vocal for local' and adapt to new lifestyle of being mutually independent and get empowered socially and financially.

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