

AATM-NIRBHAR BHARAT COMPILATION (I-V)



drishti

ECONOMIC STIMULUS I

- The rates of Tax Deduction at Source (TDS) and Tax Collection at Source (TCS) have been **cut by 25%** for the FY 2020-21.
- The statutory **Provident Fund (PF)** payments have been **reduced from 12% to 10%** for both employers and employees for the next three months.
- **NBFCs, Housing Finance Companies and Microfinance Institutions** serve the MSME sector financially and will be supported through a Rs.30,000 crore investment scheme **fully guaranteed by the Centre**.
- **Power Distribution Companies** which are facing an unprecedented cash flow crisis and thus will receive Rs. 90,000 crore liquidity injection.
- Registered real estate projects will get a six-month extension for registration and completion of **Real Estate Projects under Real Estate (Regulation and Development) Act (RERA)** with Covid-19 to be treated as a “**force majeure**” event.
- The definition of an **MSMEs** has been expanded **to allow for higher investment limits** and the **introduction of turnover-based criteria**. There will be **no difference between a manufacturing MSME and a services MSMEs**.
- Instead of directly infusing money into the economy or giving it directly to MSMEs, the government will offer **credit guarantees for MSMEs**.

ECONOMIC STIMULUS II

- **Allocation of additional food grain** to all the States/UTs (5kg per migrant labourer and 1 kg chana per family per month) for **two months** (May and June, 2020) **free of cost**. This move is an extension of the **Pradhan Mantri Gharib Kalyan Yojana**.
- **One Nation One Ration Card** - 67 crore beneficiaries covering 83% of **Public Distribution System (PDS)** population will be covered by National portability of Ration cards by August, 2020 and 100% National portability will be achieved by March, 2021.
- Government funded houses in the cities will be converted into **Affordable Rental Housing Complexes (ARHC)** under **PPP mode (Public Private Partnerships)** for migrant workers and urban poor.
- A scheme will be launched to **facilitate easy access to credit to Street vendors** and **enable them to restart their businesses**.
- The **Credit Linked Subsidy Scheme for Middle Income Group (MIG, annual income between ₹6 and ₹18 lakhs)** will be **extended up to March 2021**.
- Special drive to provide concessional credit to **Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)** beneficiaries through **Kisan Credit Cards**. It will inject **additional liquidity of ₹2 lakh crore** in the farm sector.

ECONOMIC STIMULUS III

- **Agri Infrastructure Fund** will be created with financing facilities of **₹1,00,000 crore** for funding **Agriculture Infrastructure Projects** at farm-gate and aggregation points.
- A **₹10,000 crore** scheme promoting '**Vocal for Local with Global outreach**' will be launched to help 2 lakh **Micro Food Enterprises (MFEs)** who need technical upgradation to attain **Food Safety and Standards Authority of India (FSSAI)** food standards, build brands and marketing.
- **Pradhan Mantri Matsya Sampada Yojana** will be launched for integrated, sustainable, inclusive development of marine and inland fisheries.
- **National Animal Disease Control Programme for Foot and Mouth Disease (FMD) and Brucellosis** launched with a total outlay of **₹13,343 crore** to ensure **100% vaccination** of cattle, buffalo, sheep, goat and pig population.
- **Operation Greens** run by the **Ministry of Food Processing Industries** will be extended from Tomatoes, Onion and Potatoes (TOP) to all fruit and vegetables, with an outlay of **₹500 crore**.
- Under the amendments to the **Essential Commodities Act (ESA)**, **agriculture food stuffs** including cereals, edible oils, oilseeds, pulses, onions and potatoes shall be **deregulated**.
- A **Central law** will be formulated to **provide Agriculture Marketing Reforms**.

ECONOMIC STIMULUS IV

- The introduction of commercial mining will **remove the government monopoly** in coal mining. India has the third-largest coal availability within its untapped mines and yet India still imports coal.
- The infrastructure development worth of **Rs. 50,000 crores** will be done to achieve the Coal India Limited's (CIL) target of 1 billion tons coal production by 2023-24 plus coal production from private blocks.
- 500 mining blocks would be offered through an open and transparent auction process under Exploration-cum-Mining-cum-Production Regime.
- The FDI limit in defence manufacturing under automatic route will be **raised from 49% to 74%**. The government will notify a list of weapons/platforms banned for imports and thus such items can only be purchased from India.
- The restrictions on the utilisation of Indian airspace will be eased so that the flying of civilian aircraft becomes more efficient. Such utilisation is expected to bring in **benefits of nearly Rs 1,000 crore per year**.
- The power departments/utilities in Union Territories will be privatised.
- The government is expected to invest Rs 8,100 crores through Viability Gap Funding (VGF) in **Social Infrastructure Projects**.
- The government will be providing a level playing field for private companies in satellites, planetary exploration, outer space travel, launches and space-based services.
- **Research Reactor in PPP Mode** will help to produce medical isotopes for affordable treatment of cancer and other diseases.

ECONOMIC STIMULUS V

- The Government will allocate an **additional Rs.40,000 crore** under **Mahatma Gandhi National Rural Employment Guarantee Act, 2005** (MGNREGA). It will help **generate nearly 300 crore person days** in total.
- **Public expenditure** on health will be **increased** by investing in grass root health institutions and ramping up health and wellness centres in rural and urban areas. Setting up of **Infectious Diseases Hospital Blocks** in all districts. Implementation of **National Digital Health Blueprint** under the **National Digital Health Mission** (NDHM).
- Government will launch **PM eVIDYA**, a programme for multi-mode access to digital/online education with immediate effect.
- **Manodarpan**, an initiative for **psycho-social support** for students, teachers and families for mental health and emotional well-being will be launched.
- **Minimum threshold** to initiate insolvency proceedings has been **raised to Rs.1 crore** (from Rs.1 lakh, which largely insulates **Micro, Small and Medium Enterprises**-MSMEs).
- As part of Ease of Doing Business, Private companies which list **Non-Convertible Debentures** (NCDs) on **stock exchanges** not to be regarded as listed companies.
- The Centre has decided to **increase borrowing limits of States from 3% to 5% for 2020-21 only** which will give States extra resources of Rs.4.28 lakh crore.