

ISSN: 2582-2942



LEXFORTI

Legal Journal

Vol-II Issue- I

October, 2020

DISCLAIMER

No part of this publication may be reproduced or copied in any form by any means without prior written permission of Editor-in-chief of LexForti Legal Journal. The Editorial Team of LexForti Legal Journal holds the copyright to all articles contributed to this publication. The views expressed in this publication are purely personal opinions of the authors and do not reflect the views of the Editorial Team of LexForti. Though all efforts are made to ensure the accuracy and correctness of the information published, LexForti shall not be responsible for any errors caused due to oversight otherwise.



EDITORIAL BOARD

Editor in Chief

Rohit Pradhan
Advocate Prime Dispute
rohit@lexforti.com

Editor in Chief

Sridhruti Chitrapu
Member | CiArb
sridhruti@lexforti.com

Editor

Nageshwar Rao
Professor (Banking Law)
47+ years of scholarly experience

Editor

Dr Rajanikanth M
Assistant Professor | Management
Symbiosis International University

Editor

Nilima Panda
B.SC LLB., LLM (NLSIU)
(Specialization Business Law)



EDITORIAL BOARD

Editor

Nandita Reddy
Advocate Prime Dispute

Editor

Srishti Sneha
Student Editor

Editor

Shubhangi Nangunoori
Student Editor



ABOUT US

LexForti Legal News and Journal offer access to a wide array of legal knowledge through the Daily Legal News segment of our Website. It provides the readers with latest case laws in layman terms. Our Legal Journal contains a vast assortment of resources that helps in understanding contemporary legal issues. LexForti Legal News and Journal also offers Certificate courses. Whoever register for the course is provided the access to the state of the art E-portal. On completion of all the module and Test, candidate will be given Certificate of Accomplishment of Course. Be sure to make the most of it. LexForti Legal News and Journal is also proud to announce that we have made India's first Legal News android application which contains Daily Legal News, Legal Journal and Certificate Courses, everything in 4 MB.



Self Reliant Bharat: Challenges and Way Forward

Meenakshi Sharma

The outbreak of the COVID-19 pandemic has brought an unprecedented impact on the Indian economy. Before the lockdown, there was a persistent scenario of chaos and long term nationwide blockades. Furthermore, the disruptions in the economic chains led to a slowdown in the economy. Moreover, the perpetuation of the blockades, the extremity of the pandemic, and the post lockdown situation will definitely create repercussions on the economy of our country.

India's efforts to curb COVID-19 have been appreciated globally, though dissatisfactions have been expressed by the citizens of the nation. The full record of the negative impact of the blockade on the Indian economy will be unknown for some time. Nevertheless, it is impossible to continue indefinitely and suddenly relax. During this period, some economic stimulus measures are expected to be introduced to help people get rid of the blockade.

The postulation of **'Atmanirbhar Bharat Abhiyan'** has been introduced by the government as an attempt to take the edge off, the economic impact of COVID-19. This concept demarcates, both a large-scale stimulus plan and an initiative of making India, in the post-COVID-19 world, more self-reliant. It focuses on reducing the imports of India by providing substitution of the imported products as well as enhancing and upgrading the standard of Indian products. It is believed that the stimulus measures will reinforce and corroborate Indian Small and Medium.

Enterprises, Indian household industries, agriculture sector, aviation sector, and other industries. It is envisaged that the new Atmanirbhar Bharat model will be constructed on the following:

1. Economy
2. Infrastructure
3. System
4. Demographics
5. Demand

The Five Phases of Atmanirbhar Bharat are as follows:

1. Phase I: Business including MSMEs
2. Phase II: Poor, including migrants and farmers
3. Phase III: Agriculture
4. Phase IV: New Horizons of Growth
5. Phase V: Government Reforms and Enablers

India is facing the situation of COVID-19 in a spirit of strength and self-reliance. This can be seen from the fact that since the beginning of zero production of personal protective equipment (PPE) before March 2020, at present scenario India has the production capacity of 10,000 tons of PPE, daily and it is still growing steadily. In addition, India also showed how it responds to challenges and discovers opportunities in it, which is reflected in India's re-use of the automotive industry to cooperate in the manufacture of lifesaving ventilators. The package worth stipulated Rs.20 lac crore was introduced by the government on 12th May 2020, which was estimated at approximately 10% of the GDP of the current financial year of India.

The disruption of the global supply and demand chain because of the outbreak of pandemic has resulted in the preoccupation of all countries in dealing with their own challenges. The pandemic made the government and citizens realize the need and importance of regional products made in municipal markets and local supply chains. Since there has been a hindrance and disruption in the supply of imported goods, all needs and requirements of citizens were met locally. Currently, it is the need of the hour to promote local products and help these local products go global.

Self-reliance ideology depicts the concept of “Vocal for Local” and not the idea of exclusion and segregation. It implies reaching global markets with local goods and products of our country. This is neither economic nationalism nor rejection of globalization, but a call for a new form of globalization- from benefit-oriented to people-centered, which takes into account the needs of labor, vulnerable groups.

POSITIVE IMPACT OF PACKAGE

The five parts of economic measures involve multiple economic sectors that urgently need support. As long as they receive sufficient support, the economy can recover and produce spillover effects. The main focus area of the announcements is the liquidity of cash in the economy at the period of the pandemic. The government is trying to fulfill the scarcity of liquidity in the sectors mentioned above. It must be pointed out that the epidemic has entered an economy that has shown signs of slowing. In this case, the government must spend wisely. At present, it has not substantially increased the government's financial burden. While doing so, it tries to ensure that borrowers and lenders are the same. The mission's goal is to avoid unemployment resulting in hunger and lack of liquidity leading to bankruptcy. Agriculture and related departments have obtained a variety of packages also.

The vulnerable sectors like migrants, the construction sector, street vendors are provided with special packages to deal with the economic lockdown that has stagnated the activities. The policy initiatives in

the educational sector, the health sector show that the overall policy preference is towards an integrated approach that includes immediate and long-term needs. As such, it is truly a mission that aims for self-reliance. The Corporate sector has been provided with regulative relief, the vulnerable are provided with food grains under Garib Kalyan Yojana, eVidya policy for accessibility to digital education, Manodarpan a program for providing support to the mental health of students, families, teachers. Decriminalization of the provisions of the Companies Act,2013 for promoting the corporate business, funds for strengthening the agriculture and animal husbandry sector, and many more policies and reforms were undertaken by the government.

CHALLENGES WITH THE MISSION

Though most of the population questioning whether this plan of the government could be able to curb or restraint the economic impact of the pandemic on the economy or would be sufficient enough to give immediate relief to the most difficult sectors of the economy. As shown in many calculations, total expenditures accounted for only 1% of Atmanirbhar Bharat's GDP during the ruling period, far from reaching the promised 10% and currently, there is no substantial increase in the government's expenditure. In the Ecwrap newsletter, the National Bank of India set the actual size of the fiscal plan at Rs 20 trillion, accounting for 1% of GDP. Some people think that the scheme relies heavily on credit injection, but does not realize that investment may not be restored in the near future. Since consumers will try to control discretionary expenditures, such as automobiles and tourism, overall demand will be reduced. This will cause the industry to cut costs, which in turn will make the government's fiscal gap. The government has included monetary actions in its fiscal stimulus announcement. This will cause the government to reduce actual expenditures.

Therefore, the monetary stimulus measures included in the package will not benefit those who are really in need, small marginal farmers, unorganized sectors, and daily-paid workers, as the banking institution will also provide relief to the financially backed individuals. The stimulus package in the agricultural sector did not clearly address the immediate problems of farmers, such as opening the market and purchasing harvests at appropriate prices.

CONCLUSION

To curb the economic impact of the pandemic, and for the revival and reinforcement of the Indian Economy, the Abhiyan plays a crucial role. It was praised for reintroducing the Swaraj concept, which was a redeeming instrument for the Indian economy after the pandemic. The idea and vision of India of

being economically stable, technology efficient and self-reliance will be able to achieve if the objective of this concept will accomplish. However, to achieve self-sufficiency in India, the government must decentralize policies, make decisions on rural populations and labor, prioritize poor and disadvantaged groups, formulate eco-friendly reforms, and make India a globally self-sufficient country.

The coronavirus disease pandemic has provided India with valuable lessons about the importance of self-reliance and self-sufficiency, which is a dual goal we must aspire to achieve. Self-reliance will prepare the country for fierce competition in the global supply chain, and it is important for the country to win in this competition. It can not only improve the efficiency of various departments but also ensure quality. All in all, the packaging has several notable features, and not all of these features are COVID-19 relief. However, the government refuses to borrow and increase spending to stimulate demand.

If the strategy of increasing supply works, that's good. However, if it fails to operate as expected, the government will face greater problems. In order for the country to be self-sufficient, several bold reforms are needed so that the effects of crises such as COVID-19 can be eliminated in the future.

These reforms include agricultural supply chain reforms, a reasonable tax system, simple and clear laws, capable human resources, and a strong financial system. These reforms will promote business development, attract investment, and further strengthen Indian manufacturing.

Local governments should play a key role in supporting the Indian government's promotional activities in the vast rural areas of India to spread awareness of the coronavirus disease. Local governments can carry out door-to-door campaigns, sew masks, provide hand sanitizer to local residents; and provide support to local administrative and security agencies, including providing residents with basic services and strengthening lockdowns.