

Issues, Threats, and Prospects with the Atmanirbhar Bharat Abhiyan in India

Mr. Vikki Sharma¹

Mr. Mohd Hassan²

1. Assistant Professor, Shri Ram College of Commerce, University of Delhi, Email Id – vikkisharma019@gmail.com

2. Assistant Professor, Shri Ram College of Commerce, University of Delhi, Email Id – Hassanmohd2014@gmail.com

Abstract

Dreams of Atmanirbhar Bharat encourage people to strive hard. We wonder if these visions might be realized as we progress. We also discovered a need for education and exercise to complete India's transformation. To raise India's global share of the pie, the Self-Reliant India Mission focuses on reducing import dependency by concentrating on substitution while improving well-being consistency and quality merchandise. In India, the Atmanirbhar Bharat Abhiyan (Self-Reliant India) scheme is a new ray of hope. The Atmanirbhar Bharat Abhiyan lays the groundwork for long-term transformation and development in the critical sectors of the Indian economy, resulting in an increase in per capita GDP in a crisis. Some problems and concerns must be addressed, and resources must be considered to expand effectively.

Keyword: Atmanirbhar Bharat, development, and India's transformation.

Introduction

The Indian Prime Minister, under Atmanirbhar Bharat Abhiyan, issued a clarion call for the country to become self-sufficient in the face of an unforeseen emergency (the Covid-19 pandemic), which blocked most outlets of national and foreign trade.

India aimed for self-sufficiency and import replacement before 1991 as well. Though this culminated in a more diverse industrial base for heavy industries like steel, gas, and petroleum refineries, India dropped behind the curve in efficiency, technology, and productivity.

¹ Assistant Professor, Shri Ram College of Commerce, University of Delhi, Email Id – vikkisharma019@gmail.com

² Assistant Professor, Shri Ram College of Commerce, University of Delhi, Email Id – Hassanmohd2014@gmail.com

Economists blame these flaws on the country's industrial and trade policies, especially industrial licensing, physical barriers to product importation, high tariffs, and mandated economic policies. At the same time, Indian Prime Minister Narendra Modi explained that the new concept of self-reliance is not about a return to import substitution or autarkic isolationism but rather a quantum leap in the country's economic capacity by improving infrastructure, using modern technology, enriching human capital, and establishing reliable supply chains. Atmanirbhar Bharat is Prime Minister Narendra Modi's vision of making India "a bigger and more significant part of the global economy" by implementing effective, competitive, and robust policies and becoming self-sustaining and self-generating. Atmanirbhar Bharat does not imply "isolation from the outside world," "protectionism," or "self-containment." The first r of this was in the context of the 'Atmanirbhar Bharat Abhiyan,' or 'Self-Reliant India Mission,' which was announced alongside India's COVID-19 pandemic-related economic package on December 15, 2018. On Tuesday, May 12, the whole world awaited the Indian government's next move; our Prime Minister Narendra Modi announced the Atmanirbhar Bharat Abhiyan scheme as a breath of relief for millions of citizens whose businesses and lives had been uprooted. The Atmanirbhar Bharat Abhiyan descended on the desolate land like a rain shower, providing comfort for the economy and oppressed groups. The Atmanirbhar Bharat Abhiyan is a multi-trillion-dollar economic package aimed at replenishing the open wallets and stomachs of those suffering greatly from the coronavirus outbreak. Economy, infrastructure, technology-driven processes, vibrant demography, and demand are the five pillars of 'Atmanirbhar Bharat.' For many businesses, refugees, traders, indigenous communities, and Atmanirbhar Bharat Abhiyan in India is like a dream come true. In India, the Atmanirbhar Bharat Abhiyan has had a cosmic impact on the lives of oppressed sectors and women and has become a massive success in turning crisis into potential. The program has been a blessing in disguise, specification, and individual. The pandemic has severely affected the primary goal of implementing effective, sustainable, long-lasting, and durable policies. The scheme arose from India's efforts, which recognized the violence perpetrated against the major standard vised a plan to restore the people's lives.

Self-Hidden Sufficiency Problems

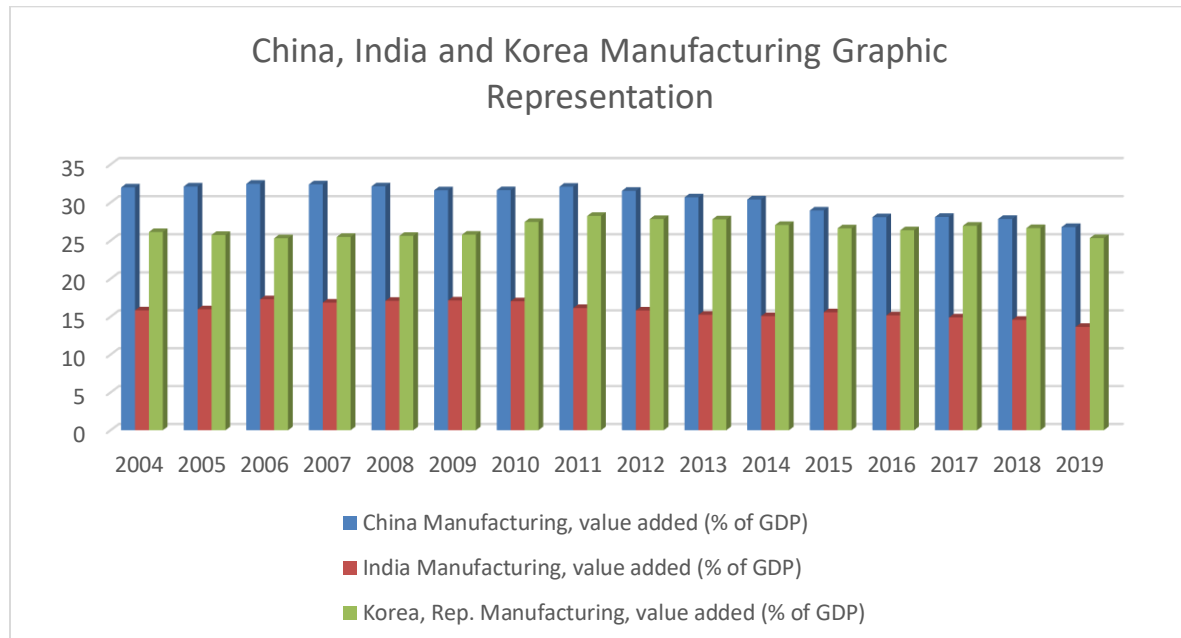
- **Market Neglect**

Agriculture employed 72 percent of the workforce and 29.02 percent of GDP in 1991. Agriculture's contribution to GDP has plummeted to just 18%. Farmers' per capita income has decreased, and rural indebtedness has increased. As the Indian market becomes more exposed to international competition, more multinational corporations (MNCs) are vying for local businesses and companies struggling due to financial restrictions, a shortage of modern technologies, and inefficient output. Globalization has also led to environmental degradation by polluting the atmosphere with industrial plant emissions and clearing forest cover. People's welfare is also harmed as a result of it. The country's wage disparities have widened as a result of LPG policies. An economy

achieves a higher growth rate at the cost of people's wages, which could be reduced due to being laid off.

- **Weak Manufacturing**

Due to a lack of profit and expansion, India's manufacturing sector has been forced to lay off its workforce. With a meager share of 16-17 percent of the GDP, this sector has underperformed in recent decades compared to other nations. Manufacturing accounts for 29 percent of the GDP in China and Korea and 27 percent in Thailand. India's population is expected to grow in the coming years. To capittor is critical to capitalize on this demographic opportunity or-intensive and will help raise the quality of life for future generations. Only 12% of the population is currently employed in this industry. This industry isn't seeing the full promise of India's demographic dividend due to weak government policies and changes.



Sources -

<https://data.worldbank.org/indicator/NV.IND.MANF.ZS?end=2019&locations=IN&start=1999&view=chart>

- **Dependence on China**

India-China Bilateral trade has become a hot subject in recent years due to a number of causes, including the difficulties created by a reliance on imports in some industries and the possibility for growth in other regions, particularly India, as the global supply chain shifts away from China. China is a major commercial partner for India, accounting for 18% of its merchandise imports and 9% of its total exports. Many important components and raw materials (including APIs, critical chemicals, and agro-intermediates) are imported into China at artificially high rates (Auto, Durables, Capital goods). To give you an idea, 70% of electrical components and 20% of car parts

imported from the US come from China. Similar to how they import 45% of consumer durables, 70% of APIs, and 40% of leather products, China imports 65% of these items.

- **Federal Concern**

Information asymmetry between the federal and state governments may be a stumbling block to doing business.

- **The problem of the center-state**

Understanding the core and the state is a complex challenge that impedes the ease of doing business, resulting in no or slow development in the industry, health, and agricultural sectors. Information asymmetry may be a stumbling block to doing business.

- **India's performance during the third industrial revolution**

During the so-called lost decade, India utterly skipped out on the third industrial revolution, the age of microprocessors, electrical goods, personal computers, cell phones, decentralized production, and multinational supply chains. India is the world's second-largest smartphone market. Still, despite optimistic potential goals, it does not produce smartphones. It only has a limited portion of the solar photovoltaic cells and modules currently in other parts of self-reliance was dismissed when seen as akin to reinventing the wheel as a technology could be purchased for less money elsewhere.

- **PSUs and FDI are two concepts that are associated.**

Public-sector projects did not provide the desired results and did not compete in the world market. New power supplies were not well scaled up, and competent power supplies were often weakened and discarded. Furthermore, the private sector had little interest in technologically improving or upgrading these slow PSUs or other success metrics. The majority of R&D work that would be undertaken by PSUs for major private sector players has been handed over to private international players, with insufficient reinvestment because PSUs in India play a significant role in R&D, which has not been done. With manufacturing facilities accessible, inviting FDI into India was expected to introduce modern technologies and inventions, necessitating self-reliance efforts. However, simply establishing production facilities in India does not guarantee technology absorption (the ability to take them to higher levels independently). There is no indication that this has happened or even been tried in any industry. On the other hand, foreign majors jealously protect strategically important or strategic developments in off-shore manufacturing bases. Therefore, the key to self-sufficiency is resolute indigenous endeavors, like R&D, rather than foreign financing or domestic off-shore manufacturing.

- **Issues that aren't related to the above**

Because of the collapse of the private sector and the disposition of government policymakers, the public sector in the Indian industry has grown. However, its growth has been inadequate for (a) achieving a sustainable pace of manufacturing sector growth, (b) ensuring a high rate of manufacturing employment expansion and thereby facilitating a transition in the occupational structure, and (c) reducing the degree of disparity in the

production of large-scale industry between the few advanced enclaves and the vast territory that it represents.

Available Opportunities

- **Huge potential in youth**

If we look at foreign trends, we can see that the planet is dealing with an aging crisis and that most developing countries lack the young population to create what they need in their own countries. On the other hand, India has an enormous capacity to fill the void and satisfy the global demand for qualified workers. India benefits from a "Demographic Dividend," in which the working-age population grows as the dependent population shrinks. Because of the drop in birth and death rates, most countries are deficient in generational dividends. India sees the problem that other countries are facing as an advantage. Thanks to its massive population of skilled youth, India will offer various services to such countries. These programs are divided into two categories: 1. Remotely delivered professional facilities to the rest of the world – IT services, IT alitallowed ice, telemedicine, e-learning, and so on. 2. Consumer facilities in India (customer import) – special service tourism (health treatment, education), leisure tourism, and so on (All India Management Association et al., 2003). Even if we consider the international diaspora, over 2 billion and 35 Indians have been provided equal opportunities. They have achieved international success, especially in the United States and the United Kingdom, where they're the top social class.

- **Domestic demand is high**

India has a wide array of natural resources and minerals and a significant demographic benefit, with the bulk of the populace engaged in agricultural operations, a complex manufacturing setup, a large number of entrepreneurs, and a diverse class of customers. In this sense, India possesses nearly all of the input and output factors (demand and supply) essential for being self-sufficient and increasing demand.

Table II.1.1: Underlying Drivers of Growth

Components	Growth (percent)				Contribution to Growth (percent)					
	2008-09	2009-11	2011-14	2014-18	2018-20	2008-09	2009-11	2011-14	2014-18	2018-20
1	2	3	4	5	6	7	8	9	10	11
I. Total Consumption Expenditure	5.5	6.5	6.1	7.5	7	118.2	53.5	71.5	64.6	91.8
Private	4.5	5.9	6.7	7.4	6.2	81.9	40.4	66.2	53.8	68.5

Government	11.4	9.7	2.6	8.2	10.9	36.3	13.1	5.3	10.8	23.3
II. Gross Capital Formation	-2.6	14.5	2	6.5	3.7	-31.3	64.1	16.6	30.1	17.9
Fixed investment	3.2	9.4	6.2	6.2	3.5	32.6	35.9	37.9	25	13.9
Change in stocks	-51.4	56.2	-27.4	31.5	12.2	-75.4	17.9	-16.7	3.5	3.4
Valuables	26.9	45	-11.1	8.5	0.8	11.4	10.3	-4.6	1.6	0.5
III. Net exports						-72.4	-4.1	8.9	-8.5	14
Exports	14.8	7.3	10	1.4	4.4	99	16.2	42.3	3.7	10.9
Imports	22.4	6.9	6.1	4.2	0.9	171.4	20.3	33.4	12.3	-3
IV. GDP	3.1	8.2	5.7	7.7	5.2	100	100	100	100	100

Source: NSO and RBI staff calculations.

<https://www.rbi.org.in/Scripts/AnnualReportPublications.aspx?Id=1286>

- **Politically powerful and well-connected**

India is the largest democratic republic in the world. It is four times the size of the U.S. India is also well-connected, and as a democracy, it has strengthened its relationships with other countries. It has also tried to get on the Security Council of the United Nations, with the help of the US, France, Russia, and the UK. India's economic growth has helped its political standing, even though it is still a developing country making big stepsignificantforward. In 2015, India had the fastest-growing major economy in the world.

- **Tourism industry**

According to the World Travel and Tourism Council, the tourism industry in India will grow at a rate of 10% per year over the next ten years. This will put India ahead of the rest of the world in terms of innovation. India is a popular tourist destination because it is in many different places and has a lot of different and influential cultures. Tourism is an integral part of India's economic growth because it adds more than 6% to GDP and has a high rate of people getting jobs.

Way Forward

Given the underlying issues and prospects, being competitive in pursuing self-reliance is critical.

- **Promoting Local**

A core component of the Atmanirbhar Bharat Abhiyan is becoming a vocal advocate for "local" People must internalize the idea of valuing and supporting local goods and artifacts in this way. Only then can the hope of translating "Local" India into "Global" India become a reality.

- **Favorable Policy:**
 - Competitiveness, in general, boosts productivity and performance. On the other hand, Crony capitalism undermines local competition by diverting money away from more profitable and technologically advanced businesses.
 - As a result, strategies could promote internal competition while avoiding crony capitalism.
- **Support Management of Critical Value Chains:**
 - India will not achieve self-sufficiency until it has control of both domestic and global supply chains.
 - As a result, more significant influence over certain sections of the global value chain is required to safeguard strategic interests, especially in healthcare, agriculture, and defense.
- **Strengthen Public Procurement:**
 - Certain moves, such as mandatory e-tendering and the establishment of the Government Electronic Marketplace, have now made the playing field more level for suppliers.
 - These procedures can be improved even further by reducing the time it takes to complete the public procurement "information to cash" loop.
- **Focusing on Comparative Advantage:**
 - India can be a pioneer in one field where it can distinguish itself and draw international and domestic investors.
 - 3D (additive) processing, robots, and automation may be the next big thing for India.
 - Since these innovations combine manufacturing and information technology, India's technological leadership allows the country to become a global leader in this sector.

Conclusion

In India, the Atmanirbhar Bharat Abhiyan played a critical role in improving the country's economic situation. It has met our standards to repair the ravaged state of different industries and people's lives. The financial assistance was allocated according to the needs of the industry in India under the Atma Nirbhar Bharat Abhiyan. The Atmanirbhar Bharat Abhiyan has been a huge success in India, with solid implementation in all related sectors. As an Aatmnirbhar Sena, we are also working tirelessly to offer round-the-clock assistance to all aspiring entrepreneurs and business establishments, assisting them in launching their enterprises and securing a new

source of income. By being their power in this hour of need, we have left no stone unturned in making this Atma Nirbhar Bharat Abhiyan a worthwhile project in India. If the implementation gap is effectively resolved, the post-COVID-19 period can usher in unparalleled opportunities under the Atmanirbhar Bharat Abhiyan.

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