



# आत्मनिर्भर भारत SELF – RELIANT INDIA PART -2

Measures announced by The Finance minister of India | May 14, 2020

## Preface

In continuation to the nation's fight against COVID-19 pandemic , the Finance Minister on 14<sup>th</sup> May 2020 announced the second tranche of measures to ameliorate the hardships faced specifically by migrant labours, street vendors, migrant urban poor, small traders self-employed people and small farmers.

In order to create employment opportunities for the poor, including migrant and unorganized workers and to cater to the farmers timely needs and provide adequate credit support, certain long –term and short-term measures were announced.

These measures mainly aim to provide social security and enhanced credit during these tough times to poor people including migrant workers and farmers who are the backbone of this nation.

## 1. Free food grain supplies to Migrants for 2 Months:

- Free of cost food grains to all the States /Union Territories (UT) at the rate of 5 kg per migrant labourer and 1 kg Chana per family per month for two months i.e. May and June, 2020 shall be allocated.
- Migrant labourers not covered under National Food Security Act or without a ration card in the State/UT in which they are stranded at present will be eligible.
- States/UTs shall be advised to put a mechanism for targeted distribution as envisaged in the scheme. 8 Lakh MT of food-grain and 50,000 MT of Chana shall be allocated. The entire outlay of INR 3,500 crore (~ USD 464 million) will be borne by Government of India.

## 2. One Nation One Ration Card:

- As part of PM's Technology Driven System Reforms, technology systems to be used to enable migrants to access Public Distribution System (PDS) from any Fair Price Shops (FPS) in India by March,2021. This scheme will enable migrant workers and their family members to access PDS benefits from any FPS in the country.
- 67 Crore beneficiaries covering 83% of PDS population will be covered by National portability of ration cards by August, 2020. 100% National portability will be achieved by March, 2021. Pilot scheme for portability of ration cards will be extended to 23 states.

### 3. Scheme for Affordable Rental Housing Complexes for Migrant Workers and Urban Poor:

Central Government will launch a scheme for migrant workers and urban poor to provide ease of living at affordable rent by:

- Converting Government funded houses in the cities into Affordable Rental Housing Complexes (ARHC) under PPP mode through concessionaire;
- Incentivizing manufacturing units, industries, institutions, associations to develop ARHC on their private land and operate; and
- Incentivizing State Govt agencies/Central Government Organizations on similar lines to develop ARHC and operate.

ARHC will provide social security and quality life to migrant labour, urban poor, students etc.

### 4. 2% Interest Subvention for 12 Months to Shishu Mudra Loanees:

Interest subvention of 2% to prompt Shishu Mudra loanees having loans below INR 50,000 (~ USD 662). The current portfolio of Shishu Mudra loans is around INR 1.62 lakh crore (~ USD 21.49 billion) and this measure will provide relief of about INR 1,500 crore (~ USD 199 million) to such loanees.

### 5. Credit Facility of INR 5,000 crore (~ USD 663.23 million) to Street Vendors :

Under this special scheme, bank credit facility for initial working capital of upto INR 10,000 (~ USD 132) shall be extended to urban vendors and rural vendors carrying on business in adjoining urban areas. It is expected that 50 lakh street vendors will be benefitted under this scheme and credit of INR 5,000 crore (~ USD 663.23 million) would flow to them.

### 6. INR 70,000 crore (~ USD 9.29 billion) boost to housing sector and middle income group through extension of Credit Linked Subsidy Scheme:

The Credit Linked Subsidy Scheme for Middle Income Group having annual income between INR 6 and 18 lakhs (~ USD 8,000-24,000) which was effective from May 2017 will now be extended up to March 2021. This will benefit 2.5 lakhs middle income families during 2020-21 and will lead to investment of over INR 70,000 crore (~ USD 9.29 billion) in housing sector. This will also create significant number of jobs by giving boost to housing sector and will stimulate demand for steel, cement, transport and other construction materials.

### 7. INR 2 lakh crore (~ USD 26.53 billion) credit boost to 2.5 crore farmers under Kisan Credit Card Scheme:

A special drive to provide concessional credit to PM-KISAN beneficiaries through Kisan Credit Card. This drive will also include Fishermen and Animal Husbandry Farmers . This scheme will inject an additional liquidity of INR 2 lakh crores (~ USD 26.53 billion) across 2.5 crore farmers.

## 8. INR 6,000 crore (~ USD 795.88 million) for Creating Employment Using Compensatory Afforestation Management & Planning Authority (CAMPA) funds:

- Government of India will grant immediate approval for utilization of funds of approximately INR 6,000 crore (~ USD 795.88 million) under CAMPA.
- These funds will be utilized for afforestation and plantation works including in urban areas, artificial regeneration, assisted natural regeneration, forest management, soil & moisture conservation works, forest protection, forest and wildlife related infrastructure development, wildlife protection and management etc.
- This scheme will create job opportunities in urban, semi-urban and rural areas and also for Tribals (Adivashis).

## 9. INR 30,000 crore (~ USD 3.98 billion) Additional Emergency Working Capital to Farmers through NABARD:

- NABARD will extend additional re-finance support of Rs 30,000 crore (~ USD 3.98 billion) for meeting crop loan requirement of Rural Cooperative Banks and Regional Rural Banks.
- This re-finance will be front-loaded and available on tap. This is over and above INR 90,000 crore (~ USD 11.94 billion) that will be provided by NABARD to this sector in the normal course. This will benefit around 3 crore farmers, mostly small and marginal and it will meet their post-harvest Rabi and current Kharif requirements.



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