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**DEPARTMENT OF MBA** 

**ON** 

AZADI KA AMRIT MAHOTSAV
ATMANIRBHAR BHARATH THROUGH MSMEs
AND SMALL BUSINESSES.

# AZADI KA AMRIT MAHOTSAV ATMANIRBHAR BHARAT

# **INTRODUCTION**



The Government of India launched 'Azadi Ka Amrit Mahotsav' to celebrate 75 years of progressive India and the glorious history of its people, culture, and achievements. Prime Minister Mr Narendra Modi inaugurated the event with the Governor of Gujarat Mr Acharya Devvrat, the Union MoS (I/C) Mr Prahalad Singh Patel, Chief Minister of Gujarat Mr Vijay Rupan, I and trustees of the Gandhi Ashram in attendance.

The Prime Minister announced that this Mahotsav will be celebrated as a 'Jan-Utsav 'in the spirit of 'Jan-Bhagidari'. He added that 'Azadi Ka Amrit 'means elixir of the energy of Independence and stands for the inspiring stories of our freedom Fighters, of new-age ideas and pledges and the spirit of Atmanirbharta.

He emphasized the following 'Five pillars' as the foundation of this Mahotsav:

<u>Freedom Struggle:</u> Highlights the country's struggle for independence and challenges faced in the last 75 years.

<u>Ideas at 75</u>: Represents ideas that can help India achieve the path of progress after the 75<sup>th</sup> Independence Day.

Achievements at 75: Showcases the country's achievements in the last 75 years.

Actions at 75: Steps taken by the government on the 75th Independence Day.

<u>Resolves at 75</u>: Resolutions to be taken by Indian citizens to carry forward developments in the future.

On May 12, the Prime Minister, Mr Narendra Modi, announced a special economic package of Rs 20 lakh crore (equivalent to 10% of India's GDP) intending to make the country independent against the tough competition in the global supply chain and to help in empowering the poor, labourers, migrants who have been adversely affected by COVID. Following this announcement, the Finance Minister, Ms Nirmala Sitharaman, announced the detailed measures under the economic package through five press conferences. This note summarises the key measures proposed under the economic package.

#### Policy Highlights:

- 1. Expediting payment of dues to MSMEs
- 2. Insolvency resolution
- 3. Disallowing global tenders
- 4. Reduction in TDS and TCS rates
- 5. Ease of doing business for corporates.

The government's goal is to make India a USD 5 Tn economy by 2025. Infrastructure - which will become India's new identity. To achieve the target of a USD 5 Tn economy, more than INR 100 lakh crore will be invested in infrastructure development in India over the next five years.

Azadi ka Amrit Mahotsav aims to commemorate 75 years of the glorious history and sacrifices of the freedom fighters, who have always stood for freedom.

It is a celebration of India's progressive identity and aims to increase awareness and interest in the progress and development of our country.

India will merge the best of tradition with the most modern, global outlook in the following themes:

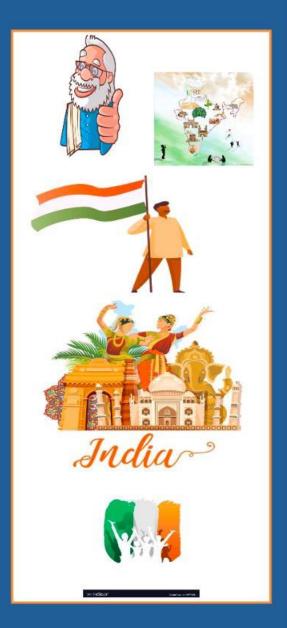


# AZADI KA AMRITH MAHOTSAV ATMANIRBHAR BHARATH ON SMALL BUSINESS

Azadi ka Amrith Mahotsav is an Initiative of the government of INDIA to celebrate and Commemorate 75 years of Independence of glorious History of its people, culture and Achivements.

The official journey of Azadi ka Amrit
Mahostsava commenced on 12th March
2021 which started a 75-week countdown
to our 75th anniversary of independence &
will end post a year on 15th August 2023.
we enter a new phase of growth.
Today, Indians are more aware of skilling,

, reskilling and up-skilling and how it can contribute to transitioning the country to a a USD 5 trillion economy



# **ATMANIRBHAR BHARATH CONTRIBUTION TO MSME**

The official journey of Azadi Ka Amrit Mahotsav commenced on 12th March 2021. Azadi Ka Amrit Mahotsav is an initiative of the Government of India to celebrate and commemorate 75 years of independence and the glorious history of its people, culture, and achievements. This Mahotsav is dedicated to the people of India who have been instrumental in bringing India thus far in its evolutionary journey and hold within them the power and potential to enable Prime Minister Narendra Modi's vision of activating India 2.0 fuelled by the spirit of Aatmanirbhar Bharat. During the pandemic, India has demonstrated that it can cope with dire situations. Aatmanirbhar bharta gives financial assistance to several businesses and encourages entrepreneurs to produce maximum goods and services within the country. During Pandemic India has not only started the world's largest self-made vaccination drive, but it is also, in fact, exporting it to different nations as well.

The Micro Small and Medium Enterprises (MSMEs) sector is a major contributor to the socioeconomic development of the country. In India, the sector has gained significant importance
due to its contribution to the country's Gross Domestic Product (GDP) and its exports. The
sector has also contributed immensely to entrepreneurship development, especially in semiurban and rural areas of India. According to the provisions of the Micro, Small & Medium
Enterprises Development (MSMED) Act, 2006 MSMEs are classified into two classes Manufacturing Enterprises and Service Enterprises. The Government of India has been
proactive to ensure that all the benefit of the MSME schemes reaches the MSMEs in time. To
provide immediate relief to the MSME sector, various announcements have been made under
the Atmanirbahar Bharat Package. The most important ones also included:

- INR 3 lakh crore collateral-free automatic loans for MSMEs to buy raw material, meet operational liabilities, and restart businesses.
- Revision of MSME definition to extend maximum benefits to the sector
- Disallowing global tenders in procurements up to INR 200 cr to create attractive opportunities for domestic players
- Clearing of MSME dues by the Government and Public Sector Units (PSUs) within 45 days.

The Government of India has envisioned doubling the Indian economy to US\$ 5 trillion in five years. To achieve this goal, the government has come up with career opportunities for the young population. MSMEs have the potential to serve as a key employment generator. Therefore, the government has taken up the promotion of MSMEs to create new jobs in the sector and the government aims to enhance MSME's share in exports and their contribution to GDP. To achieve these targets, the government should invest in providing more back-end services to improve the performance of the MSME sector as it supplies goods and services to big industrial enterprises. Lack of technology-based production activities and low investment in R&D activities are bottlenecks hindering the sector to become competent.

The government could subsidize globally available technology so that the product quality of MSME players can be improved using the existing resources. This also requires the help of academic institutions in the form of providing research and development (R&D) services for product innovation.

The IBEF reported that the no. of registered MSMEs grew to 2.5 million units in 2020 due to the launch of the Udyog Aadhar Memorandum policy. Presently there are approximately 6.3 crore MSMEs in the country. The industry body also states that the MSME contributes 29% of the nation's GDP via national and international trade.

The MSME and the small business sector are playing a pivotal role in boosting the socioeconomic development of the country. This sector has gained a huge contribution over the
years and has been a significant contribution to the gross domestic product (GDP) value. This
sector is flourishing mainly in the semi-urban and rural areas of the country. There are several
ways where the MSME sectors can help or ensure cash flow in harder times such as customer
credit checks or credit control, managing the inventory well, lease or buying, focusing on the
cash-to-cash conversion cycle, etc. The MSME indeed is the growth engine of the nation. This
is one of the dynamic sectors and has been identified as the bedrock for economic regrowth by
the Indian government.

The government should be generous with the easy and cost-effective raw materials available for the local manufacturers. This will boost the MSME economy and help to challenge the dominancy of multinational brands.

If appropriate measures are taken and relevant initiatives are introduced then the MSME can witness bolstered growth. In the recent budget, the finance minister has allocated Rs 21,422 crore which is 26.71% more than the money allocated in the previous budget.

Activities on corporate governance in MSME include.

- State-level representation from State Government to highlight the various schemes and programs to promote MSME.
- Open Discussion Forum with CII MSME Experts from Corporates including Sole Proprietorship, Limited Liability Partnership.

#### **EXAMPLES OF ATHMANIRBHAR BHARATH**

- 1. KOCHI: **The Indigenous Aircraft Carrier (IAC)**is India's pride and a shining example of Atmanirbhar Bharat and its commissioning next year will be a befitting tribute to 75 years of India's independence, said Defense minister Rajnath Singh, who reviewed the IAC project in Kochi on Friday.
- 2. India's own 'Made in India' 5G network was also announced in July 2020 by Reliance Jio. Mukesh Ambani announced in mid-July "Jio has created a complete 5G solution from scratch that will enable us to launch a world-class 5G service in India, using 100 per cent homegrown technologies and solutions".

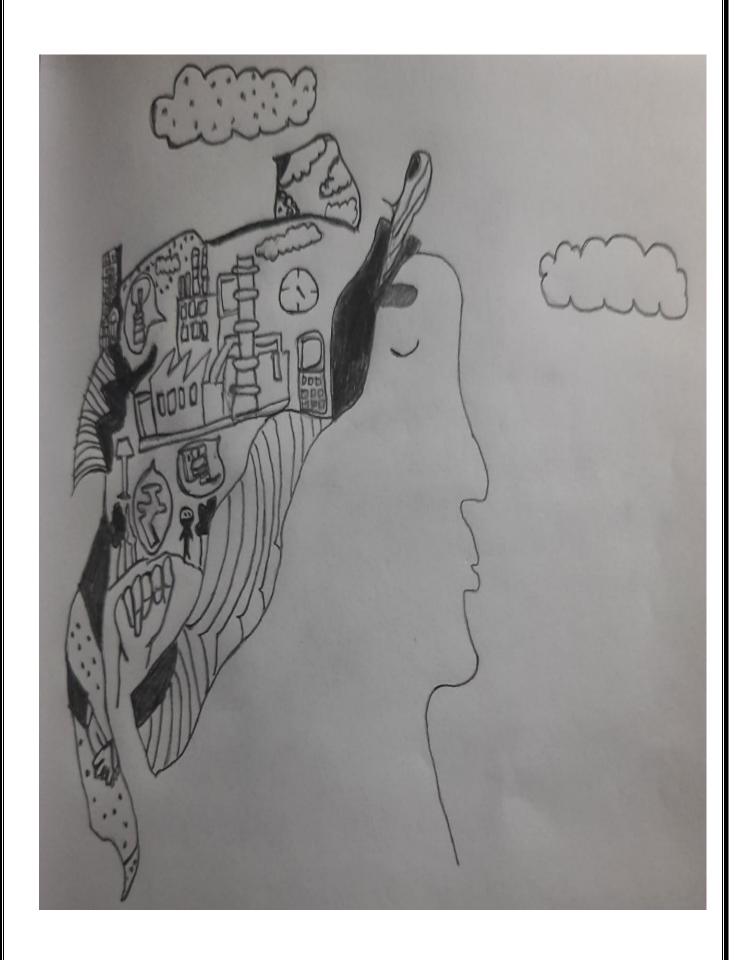
#### BENEFITS TO MSME UNDER THE ATMANIRBHAR BHARAT SCHEME

Proposed law divides them into three parts evolution, aim, and results.

Evolution stands for the genesis of the law, aim stands for what the lawmaker intended to achieve by a particular enactment and the result is the change in law, what is the impact on the corporate? It is important to know the intent of the law. Even if the company is in the manufacturing line or front line there is a reservation for both these areas that can be obtained through MSME Act this registration is not made mandatory by the government but it is beneficial so that you can get the benefits provided by the government, for example, taxing benefits, setting up of business, credit facility, loan.

MSME operational on Oct 2, 2006. The limited scale of operations leads to low productivity and consequent low exportable surplus which is related to the maximum limit for the capital investment for definition in MSME. Low technology levels and lack of existing mode of technology, lack of skilled manpower absence of a mechanism for the revival of viable sick MSME, governance issues, etc.

Major Milestones in the Evolution of MSME Enactment of Micro, Medium, and Small Enterprises Development 2006 which was the result of the recognition of its importance in the growth and development of a national economy and for the generation of employment, a Soviet Ministry of Micro Small and Medium was established in 2007, 9th May by the Merger of Erstwhile Ministry of Small-Scale Industry and Ministry of Agro Industries. Various schemes have been launched to ease the difficulties and issues due to the growth of MSMEs that are continuously being hindered including raw materials assistance National Small Industries, Infrastructure Development Scheme by NSIC which fall under the definition of start-up. Will encourage MSME to get listed on the main board of Stock.



## PROGRAMME INITIATED BY THE GOVERNMENT

Digital India is a flagship programmer of the Government of India with a vision to transform India into a digitally empowered society and knowledge economy.

E-governance initiatives in India took a broader dimension in the mid-1990s for wider sectoral applications with an emphasis on citizen-centric services. The major ICT initiatives of the Government included, inter alia, some major projects, such as railway computerization, land record computerization, etc., which focused mainly on the development of information systems. Later, many states started ambitious individual e-governance projects aimed at providing electronic services to citizens.

Though these e-governance projects were citizen-centric, they could make less than the desired impact due to their limited features. The isolated and less interactive systems revealed major gaps that were thwarting the successful adoption of e-governance along the entire spectrum of governance. They pointed toward the need for more comprehensive planning and implementation to establish a more connected government.

#### • E-Kranti: National e-Governance Plan 2.0

The national-level e-governance program called National e-Governance Plan (NeGP) was initiated in 2006. There were 31 Mission Mode Projects under the National e-Governance Plan covering a wide range of domains viz. agriculture, land records, health, education, passports, police, courts, municipalities, commercial taxes, treasuries, etc. 24 Mission Mode Projects have been implemented, and started delivering an either full or partial range of envisaged services.

Considering the shortcomings in the National e-Governance Plan which include lack of integration amongst Government applications and databases, low degree of government process re-engineering, the scope for leveraging emerging technologies like mobile and cloud, etc., the Government of India approved e-Kranti programmer with the vision of "Transforming e-Governance for Transforming Governance".

All new and ongoing e-governance projects as well as the existing projects, which are being revamped, should now follow the key principles of e-Kranti namely 'Transformation and not Translation', 'Integrated Services and not Individual Services', 'Government Process Reengineering (GPR) to be mandatory in every MMP', 'ICT Infrastructure on Demand', 'Cloud by Default', 'Mobile First', 'Fast Tracking Approvals', 'Mandating Standards and Protocols', 'Language Localization', 'National GIS (Geo-Spatial Information System)', 'Security and Electronic Data Preservation.

The portfolio of Mission Mode Projects has increased from 31 to 44 MMPs. Many new social sector projects namely Women and Child Development, Social Benefits, Financial Inclusion, Urban Governance e Bhasha, etc., have been added as new MMPs under e-Kranti.

The focus is to bring transformation to realize

Indian +information technology =India tomorrow

### • Digital Infrastructure as a Core Utility to Every Citizen

- O Availability of high-speed internet as a core utility for delivery of services to citizens
- Cradle to grave digital identity that is unique, lifelong, online, and authenticable to every citizen
- o Mobile phone & bank account enabling citizen participation in digital & financial space
- Easy access to a Common Service Centre
- o Shareable private space on a public cloud
- o Safe and secure cyber-space

#### Governance & Services on Demand

- Seamlessly integrated services across departments or jurisdictions
- Availability of services in real-time from online & mobile platforms
- o All citizen entitlements to be portable and available on the cloud
- o Digitally transformed services for improving the ease of doing business
- Making financial transactions electronic & cashless
- Leveraging Geospatial Information Systems (GIS) for decision support systems & development.

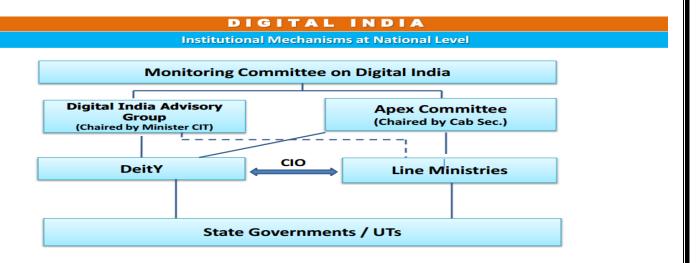
#### • Digital Empowerment of Citizens

- Universal digital literacy
- o Universally accessible digital resources
- Availability of digital resources/services in Indian languages
- o Collaborative digital platforms for participative governance
- o Citizens are not required to physically submit Govt. documents/certificates.

#### • Management Structure

- Cabinet Committee on Economic Affairs (CCEA) for program-level policy decisions.
- Monitoring Committee on Digital India under the Chairpersonship of the Prime Minister.
- Digital India Advisory Group headed by the Minister of Communications and IT Apex Committee.
- Expenditure Finance Committee (EFC)/Committee on Non-Plan
   Expenditure (CNE) and Council of Mission Leaders on Digital India.
- State Committee on Digital India by the Chief Minister. State/UT Apex Committees on Digital India.

#### • Institutional Mechanism at National Level



# **HOW INDIA IS BOOSTING ITS DRONE TECHNOLOGY**



Over the years, the world has advanced incredibly when it comes to technological development. Unmanned Aircraft Systems (UAS), popularly known as 'Drones', have been widely accepted in several industries. India too has adopted the use of drones and under the vision of **Aatmanirbhar Bharat**, the Government of India is promoting the technology. Let us look at a few initiatives of the Government that promote the use of drone technology.

- 1. **SVAMITVA Scheme** (Survey of villages and mapping with improvised technology in village areas) is an initiative of the Ministry of Panchayati Raj that would ensure the right of rural people to document their respective properties. The mapping of land is being done using drones and it is being targeted that by March 2025, all the villages across the country shall be covered under the Scheme. The use of technology in a mapping would also ensure a digital database of rural lands if required for future development projects.
- 2. <u>Liberalization in Drone Rules</u> in the year 2021 has ensured that Indian entrepreneurs and start-ups can participate on a global scale in terms of the development of drone technology and its efficient usage. This is an improvement on the initial set of rules published by the Ministry of Civil Aviation earlier in 2021 which were relatively restrictive. These relaxations could provide the impetus for India to expand technologically and <u>develop into</u> a global drone hubby 2030.

- 3. Approval of the Production-Linked Incentive (PLI) Scheme for Drones and Drone Components by the Government is a follow-up to the liberalization of drone rules. This will help with the progression of drone technology, which is still in the relatively early stage, by providing incentives to manufacturers. The Scheme has been put into place to incentivize more and more companies to invest in this technology that could benefit multiple sectors, such as agriculture, mining, infrastructure, surveillance, geo-spatial mapping, healthcare, and so on.
- 4. <u>Hara Bhara Campaign</u> by the Telangana Government is an initiative to promote reforestation using drone technology. The aerial seeding will be done by a seed copter drone (drones capable of dispersing seeds over agricultural land). The Government has partnered with Marut Drones (a private company) to conduct this massive campaign to deter ecological calamity.
- 5. Gwalior Drone Mela was cooperatively organized by the Ministry of Civil Aviation, Government of Madhya Pradesh, Federation of Indian Chambers of Commerce and Industry (FICCI) at Madhav Institute of Technology and Science (MITS), Gwalior under the celebration of Azadi ka Amrit Mahotsav. It was a conclave of investors, manufacturers, farmers, and students who are interested in the usage of drones in various sectors. Exhibition stalls were set up by various organizations to showcase the applications of drones. It was also announced that five drone schools are to be set up in Madhya Pradesh during the event
- 6. <u>Kisan Drone Yatra</u> was launched by Prime Minister Narendra Modi marking a new phase in agricultural development. <u>100 Kisan drones were launched from 100 places across the country</u> for spraying pesticides and addressing other issues in rural areas. The Prime Minister also congratulated Garuda Aerospace for the success of this initiative. It has also been said by Garuda Aerospace that they would make <u>1 lakh Made in India drones in the next two years.</u>

## **SUNDAY**

On the 15<sup>th</sup> of August,2014 the government of India came out with an iconic venture that is India's card network RuPay. It has taken such a big milestone in the Indian payment industry. From accounting for only 0.6% of all cards, just 4 years in June 2017, it has surpassed Visa with 375 million transactions making it India's largest payment card having a market share of 60% in India's car market.

#### **HISTORY**

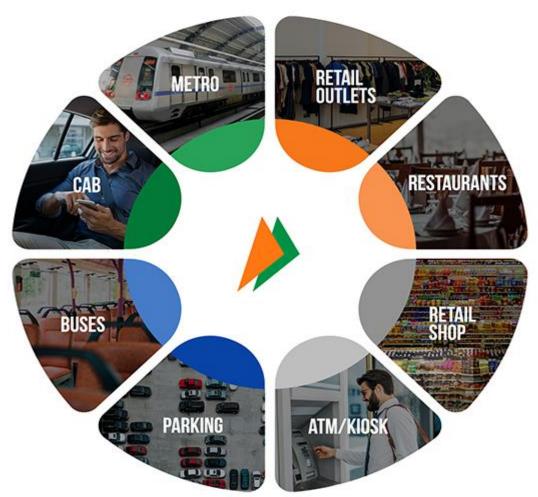
Back in 2011, 50% of India's population did not even have a bank account. This was because the banks demanded a minimum balance of 3000 to 5000 rupees from their customers. For the lower-waged people, this was a big amount hence the people of unorganized sectors refrained from opening a bank account. Hence from the Pradhan Mantri Jan Dhan Yojana, every citizen in India had the right to open a bank account without any minimum balance. But later there was a tier needed to have Visa and Master card services to issue debit and credit cards. Later the government had set aside 1300cr for RuPay debit card and BHIM UPI transactions. NPCI came out with this service system to fulfil the RBI's vision of establishing a payment system that facilitates payments in all Indian financial institutions.

# The strategies that led to the success of RuPay include

- ➤ To make card transactions accessible to the lowest economic start of India, instead of levying a percentage charge like Visa and Mastercard, a fixed MDR of just 90 paise was charged i.e., 60paise to the issuer bank and 30p to acquiring bank
- ➤ This was the key factor that led to the enormous success of RuPay
- ➤ In just 6 to 7 years the market share of RuPay shot up to 34.5 % out of the 90cr debit cards issued in India
- ➤ It was eventually declared that there will be zero MDR charged on payment that is done via RuPay debit card
- This put Visa into trouble because it is seeking the help of the US government itself.

#### THE BENEFITS OF ALL THIS INCLUDE

- Lay the foundation for financial inclusion such that it gives the government a pipeline to distribute schemes and services to the people of India.
- India is providing facilities to those segments of the population which will otherwise never be catered to by a company like Visa or Mastercard.
- RuPay has already started it by issuing 4 types of cards that including PMJDY Debit card, Mudra Card, Pun grain Card, and Kisan Credit card.
- This can help India take financial inclusion to next level and can empower the
  common people of India if it is executed with persistence and consistency. Just like
  Visa and Mastercard, RuPay and UPI are now venturing into foreign soil with the
  vision to revolutionize the payment industry, not just in India but the world itself.



# WASTE MANAGEMENT AND PLASTIC RECYCLING

The Ministry of MSME hosted an International Mega-Summit on Plastic Recycling and Waste Management on 4-5 March 2022 in New Delhi as part of the International Cooperation Scheme. The two-day Mega-Summit brought together eminent national and international speakers from industry and academia to discuss challenges and opportunities in the plastics recycling sector, including how to achieve circularity and sustainability for plastics in India while contributing to the country's GDP, creating new jobs, and upgrading recycling technologies, equipment, and creative financing for this emerging segment. Over 300 delegates from various areas of the plastics industry and MSMEs attended the event. The occasion

The Ministry of MSME is holding 'Sambhav'- National Level Awareness Program (NLAP) in various colleges across the country through its more than 100 field offices as part of the Iconic Week Celebrations under Azadi ka Amrit Mahotsav (AKAM). A Special Drive named 'Svavlamban' is also organizing more than 250 'Nukkad Natak' in 46 Aspirational Districts across nine states. The Ministry has created several specific efforts to foster entrepreneurship among the youth population and raise awareness about its different programs and initiatives. The Ministry of MSME holds frequent awareness programs for many industries, including plastics, across the country. The government also assists industry associations and stakeholders in the development of the plastics industry, resulting in the creation of jobs.

New business opportunities in the plastic waste management domain were highlighted at the summit, which helped the audience comprehend the role of start-ups in the industry. The summit highlighted new inventions and technologies that will aid in overcoming the issues of plastic garbage collection, sorting, and recycling. The summit will also encourage small-scale entrepreneurs to start recycling plastic as a new business endeavour. The latest technologies and ideas revealed during the summit's many presentations will urge the industry to put these ideas into practice to explore new business opportunities.

Shri Bhanu Pratap Singh Verma, Minister of State for Micro, Small, and Medium Enterprises, provided this information in a written reply to the Lok Sabha.

# **CONCLUSION**

Azadi ka Amrit Mahotsav, with its many planned activities, will empower the youth with new opportunities, connect people and state and promote deeper inclusiveness across the nation, connect different parts of the country with 'Vande Bharat' trains, promote regional art and crafts, culture, tradition, wellness and yoga and much more. India's rich cultural heritage and the potential to become Vishwa Guru and Atmanirbhar Bharat will drive the success of Independence 2.0.

Robust and well-defined rules would aid MSMEs in obtaining loans and running their businesses, with benefits such as lowering GST, easing rigorous qualifying, rewarding digital use, and more. Even the United Nations Conference on Trade and Development (UNCTAD) feels that providing MSMEs with short-term tax relief is good.

MSMEs' lower size allows them to be more adaptable to the new normal following the pandemic. MSMEs, which are considered the backbone of the Indian economy, are in the nation's interest in generating more jobs and assuring a faster resurgence, and accelerating India's economic recovery.

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