



Economic Stimulus for Self Reliant India Part-III



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CHARTERED ACCOUNTANTS

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As announced by Hon. Finance Minister, Govt will come up with details of economic stimulus worth Rs.20 lakhs crore in different tranches, Part-3 of which was announced on May 15, 2020.

Part-3 has the following different measures:

Agriculture	Fisheries	Animal Husbandry	Herbal Cultivation	Beekeeping	Governance & Administrative Reforms
1) Agri Infra Fund for Farm Gate Infrastructure	1) Pradhan Mantri Matsya Sampada Yojana (PMMSY)	1) National Animal Disease Control Programme	1) Promotion of Herbal Cultivation	1) Beekeeping Initiatives	1) Amendments to Essential Commodities Act
2) Formalisation of Micro Food Enterprises	-	2) Animal Husbandry Infrastructure Development Fund	-	-	2) Agriculture Marketing Reforms
3) From 'TOP' to TOTAL	-	-	-	-	3) Agriculture Produce Price and Quality Assurance

Agriculture

1) Agri Infra Fund for Farm Gate Infrastructure – Worth Rs. 1 lakh crore

- Financing facility will be provided for funding **Agriculture Infrastructure Projects** at farm gate & aggregation points (Primary Agricultural Cooperative Societies, Farmers Producer Organisations, Agriculture entrepreneurs, Start ups, etc.)
- Impetus for **development of farm gate & aggregation point**, affordable and financially viable Post Harvest Management infrastructure
- Fund will be created immediately.

2) Formalisation Scheme for Micro Food Enterprises (MFE) –Worth Rs. 10,000 crore

- Scheme will be launched to **help 2 lakh unorganised MFE's units** who needs technical upgradation to attain FSSAI food standards.

- Scheme will support Existing micro food enterprises, Farmer Producer Organisations, SHG and Cooperatives.
- **Cluster based approach** : (e g Mango in UP, Kesar in J&K, Bamboo shoots in North East etc.)
- Help to tap the untapped export markets.

3) From 'TOP' to TOTAL – Worth Rs. 500 Crore

- **Operation Green** will be extended from Tomatoes, Onion and Potatoes (TOP) to ALL fruits and vegetables (TOTAL) to prevent distress sale of perishable produces at the farm level.
- Scheme is designed to provide 50% subsidy on transportation from surplus to deficient markets & 50% subsidy on storage, including cold storages.
- **Pilot for 6 months** - Will be expanded and extended.
- **Expected outcomes** - Better price realisation to farmers reduced wastages, affordability of products for consumers

Fisheries

1) Pradhan Mantri Matsya Sampada Yojana (PMMSY) – Worth Rs.20,000 Crore

- PMMSY will be lunched for integrated sustainable, inclusive development of marine and inland fisheries.
- Rs 11,000 Cr for Marine, Inland fisheries and Aquaculture.
- Rs 9000 Cr for Infrastructure Fishing Harbours Cold chain, Markets etc.
- Provisions of Ban Period Support to fishermen (during the period fishing is not permitted), Personal Boat Insurance.
- Will lead to **Additional Fish Production of 70 lakh tonnes** over 5 years.
- **Employment to over 55 lakh persons**, double exports to Rs 1,00,000 Cr.
- Focus on Islands, Himalayan States, North east and Aspirational Districts

Animal Husbandry

1) National Animal Disease Control Programme – Worth Rs.13,343 Crore

- National Animal Disease Control Programme for Foot and Mouth Disease (FMD) and Brucellosis launched to ensure **100% vaccination** of cattle, buffalo, sheep, goat and pig population (total 53 crore animals) **for Foot and Mouth Disease (FMD) and for brucellosis.**

2) Animal Husbandry Infrastructure Development Fund - Worth Rs.15,000 crore

- Aim to support private investment in Dairy Processing, value addition and cattle feed infrastructure
- Incentives to be given for establishing plants for export of niche products.

Herbal Cultivation

1) Promotion of Herbal Cultivation - Worth Rs.4,000 Crore

- National Medicinal Plants Board (NMPB) has supported **2.25 lakh hectare** area under cultivation of medicinal plants.
- **10,00,000 hectare** will be covered under Herbal cultivation in next two years with outlay of Rs 4000 crore.
- Will **lead to Rs 5,000 crores income generation** for farmers.
- Network of regional Mandis for Medicinal Plants.
- NMPB will bring 800 hectare area by developing a corridor of medicinal plants along the banks of Ganga.

Beekeeping

1) Beekeeping Initiative – Worth Rs. 500 Crore

Government will implement a scheme for:

- Infrastructure development related to Integrated Beekeeping Development Centres Collection, Marketing and Storage Centres Post Harvest value Addition facilities etc.
- Implementation of standards Developing traceability system.
- Capacity building with thrust on women.
- Development of quality nucleus stock and bee breeders.
- This will **lead to increase in income for 2 lakh beekeepers** and quality honey to consumers.

Governance and Administrative Reforms

1) Amendments to Essential Commodities Act

- EC Act, 1955 will be amended.
- Enabling better price realisation for farmers by attracting investments and making agriculture sector competitive.
- De-regulating the agriculture food stuffs including cereals, edible oils, oilseeds, pulses, onions and potatoes.
- Stock limit to be imposed under very exceptional circumstances like national calamities, famine with surge in prices.
- No such stock limit shall apply to processors or value chain participant, subject to their installed capacity or to any exporter subject to the export demand.

2) Agriculture Marketing Reforms

Existing Law	Proposed Central Law
Farmers bound to sell agriculture produce only to Licensees in APMCs.	Barrier free Inter State Trade.
Less price realization for farmers.	Adequate choices to farmer to sell produce at attractive price.
Results in Hindrances in free flow of Agricultural Produce and Fragmentation of Markets and Supply Chain.	Framework for e trading of agriculture produce.

3) Agriculture Produce Price and Quality Assurance

- Farmers lack an enforceable standard mechanism for predictable prices of crops at the time of sowing.
- Facilitative legal framework will be created to enable farmers for engaging with processors, aggregators, large retailers, exporters etc. in a fair and transparent manner.
- Risk mitigation for farmers, assured returns and quality standardisation shall form integral part of the framework.

Thank You