



THE IMPACT OF ATMANIRBHAR BHARAT ON RURAL ECONOMY

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Abstract

India's employment outlook is undergoing a significant transformation pushed by the government's Make in India, Atmanirbhar Bharat and Production Linked Incentives (PLI) schemes; the employment rate has grown significantly. Launched to transform India into a global manufacturing hub, the Make in India initiative focuses on 25 key sectors by simplifying regulatory processes and developing world-class infrastructure. By creating an environment conducive to investment, innovation, and entrepreneurship, this initiative aims to boost domestic manufacturing, create employment, attract foreign direct investment (FDI) and enhance India's global competitiveness.

Key words: Transform India, Innovation, Domestic manufacturing, Self-Reliance, White Collar Sectors.

Introduction

As India moves towards becoming Atmanirbhar and a global economic leader, the focus on employment generation, vocational training, and inclusivity remains paramount. The transformative impact of these initiatives is already evident. By leveraging these strengths, India can ensure sustainable economic growth and a prosperous future for all. Supporting the government's vision through strategic investments in talent development, fostering innovation, and embracing diversity will build a self-reliant India, standing as a beacon of economic strength and inclusive growth. Atmanirbhar Bharat has the potential to create a more resilient and diversified economy. It could enhance India's competitive advantage in manufacturing, create jobs, boost exports, and reduce trade imbalances. However, the key to success will lie in balancing self-reliance with global integration, promoting innovation, and ensuring that reforms are effectively implemented at the grassroots level.

Key aspects of Atmanirbhar Bharat and its impact on the Indian economy:

1. Self-Reliance in Manufacturing.
2. Focusing on empowering Micro, Small, and Medium Enterprises (MSMEs), this is seen as the backbone of India's economy.
3. The plan focuses on making agriculture more productive and improving the livelihoods of farmers. It includes initiatives like the PM-KISAN scheme (which provides financial support to farmers) and reforms to the agricultural markets and infrastructure.

Objectives:

1. To assess the impact of the Atmanirbhar Bharat initiative on India's manufacturing sector.
2. To evaluate the role of Atmanirbhar Bharat in promoting self-reliance in agriculture industry.
3. To analyze how Atmanirbhar Bharat has affected employment, and entrepreneurship.



Research Problem

Atmanirbhar Bharat or self-reliant India is a strategic initiative by the Indian government aimed at promoting domestic production, reducing imports, and boosting local economies. Its impact on rural areas can be analyzed in terms of agricultural productivity, rural entrepreneurship, infrastructure development, and employment generation.

With the help of this study, researcher analyzed how has Atmanirbhar Bharat impacted the rural economy in terms of livelihoods, economic growth, and overall development?

Research Methodology

This research has been conducted on the basis of secondary Data. The sources of secondary Data was as follows:

1. Government Reports: Economic surveys, reports from the Ministry of Rural Development, and National Sample Survey data.
2. Research Articles and Case Studies: Literature from previous studies on rural economic development and the Atmanirbhar Bharat mission.

Data Analysis Techniques:

Qualitative Data Analysis: Content analysis of government documents, policies, and reports to extract insights regarding Atmanirbhar Bharat's rural impact.

Justification of Objective

Impact of the Atmanirbhar Bharat initiative on India's manufacturing sector: Several industries and companies have benefited from this push towards self-reliance.

Some of them are as follows:

1. Manufacturing and MSMEs (Micro, Small, and Medium Enterprises)

Automobiles: With initiatives like the Production Linked Incentive (PLI) scheme, automobile companies like Tata Motors, Mahindra & Mahindra, and others have ramped up local manufacturing. This has helped reduce dependence on foreign imports, particularly for parts and components.

Electronics & Consumer Goods: Companies such as Lava, Micromax, and Karbonn have seen growth as part of the push to promote indigenous manufacturing of mobile phones and electronics. Indian firms like Dixon Technologies and Lava International also benefitted from the PLI scheme for mobile phone manufacturing.

2. Pharmaceuticals and Healthcare

Pharma Industry: India's pharmaceutical sector, which is already a global leader in generic drugs, has benefitted from initiatives that focus on increasing local production of essential medicines and medical devices. Companies like Cipla, Dr. Reddy's Laboratories, and Sun Pharma have strengthened their production capacities in India.

Medical Devices: The government also promoted the local production of medical devices, which has benefitted companies like Skanray Technologies, Maxventil, and Trivitron Healthcare.

3. Telecommunications

Telecom Equipment: The government has focused on reducing dependency on foreign telecom equipment suppliers like Huawei and ZTE. Companies like Reliance Jio and Bharat Electronics Limited (BEL) have stepped up to develop and manufacture 5G equipment domestically.



BharatNet project: This project aims to provide broadband connectivity across rural India, benefiting companies that manufacture telecom infrastructure and equipment.

4. Renewable Energy

Solar Panels: With an emphasis on renewable energy, the solar power industry in India has flourished, particularly local manufacturers like Vikram Solar, Adani Green, and Renew Power.

Wind Energy: Companies like Suzlon have seen growth, with the government encouraging the domestic production of wind turbine parts.

5. Defense & Aerospace

Defense Manufacturing: The Atmanirbhar Bharat push has led to an increase in indigenous production of defense equipment, such as fighter jets, drones, and tanks. Hindustan Aeronautics Limited (HAL), Bharat Dynamics Limited (BDL), and Larsen & Toubro (L&T) are key beneficiaries. The government has also placed restrictions on defense imports, encouraging local production.

6. Agriculture & Food Processing

Agri-tech: Several agrotech companies like Ninja cart, AgriStar, and DeHaat have gained from the increased focus on digitizing agriculture and providing innovative solutions to farmers.

Food Processing: India's food processing industry has grown with the government's focus on self-reliance, benefiting companies like Britannia, Parle, and ITC.

7. Textiles and Apparel

Apparel & Textiles: The textile sector has also benefited, with companies like Raymond, Aditya Birla Group (Pantaloons), and Trident Group scaling up their production capacity. There has been a significant push to reduce reliance on Chinese imports for textile raw materials and finished products.

8. Chemicals and Fertilizers

Chemical Industry: Indian companies like Reliance Industries, Tata Chemicals, and Indian Oil Corporation have expanded production capacities in response to the self-reliant push, reducing India's dependence on foreign chemical imports.

Fertilizer Industry: Companies like National Fertilizers Ltd (NFL) and Rashtriya Chemicals and Fertilizers Ltd (RCF) have been key players in the government's effort to increase domestic production of fertilizers.

9. Construction & Infrastructure

Real Estate and Infrastructure: The focus on building local infrastructure has resulted in the growth of companies like Larsen & Toubro (L&T), Godrej Properties, and DLF, especially in the construction of smart cities, roads, and urban housing projects.

10. IT and Software

While the IT industry in India has always been a major player globally, the Atmanirbhar Bharat movement has further driven local innovation in software solutions. Companies like Tata Consultancy Services (TCS), Infosys, and Wipro have been involved in driving government initiatives in digitization and e-governance, which also supports the larger push toward self-reliance.



Role of Atmanirbhar Bharat in promoting self-reliance in agriculture industry: The Atmanirbhar Bharat initiative has had a significant impact on promoting self-reliance in India's agriculture sector, which is crucial for the nation's economy. The agricultural sector plays a major role in providing food security, employment, and rural development, and the Atmanirbhar Bharat initiative has worked to make this sector more resilient, self-sustaining, and globally competitive.

Here's how Atmanirbhar Bharat is contributing to self-reliance in the agriculture industry:

1. Boosting Agricultural Infrastructure

Agri-Infrastructure Fund: The government allocated funds to support agricultural infrastructure such as cold storage facilities, warehouses, and modern irrigation systems. This helps reduce wastage of produce, improves supply chain efficiency, and strengthens rural infrastructure.

Logistics and Supply Chain: Measures were introduced to promote the development of cold chains and logistics that can handle perishable goods, thereby benefiting farmers who grow vegetables, fruits, and dairy products. These improvements help ensure that products reach markets more efficiently and reduce post-harvest losses.

2. Increasing Farm Productivity Through Technology

Digital Agriculture: The Atmanirbhar Bharat initiative emphasizes technology and digitization in farming. Platforms like PM Kisan, e-NAM (National Agriculture Market), and Kisan Rath app provide farmers with market access, information on weather, prices, and farming techniques.

Agri-Tech Startups: The initiative has encouraged the growth of agrotech startups like Ninja cart, DeHaat, ArgoStar, and Crop In that leverage technology to increase farm productivity, provide better crop management practices, and offer access to resources like seeds, fertilizers, and pesticides.

3. Promoting Organic Farming and Sustainable Practices

The government has made efforts to promote organic farming as part of the Atmanirbhar Bharat push, recognizing its potential in increasing farmers' income and reducing dependence on synthetic chemicals and fertilizers. Schemes like Paramparagat Krishi Vikas Yojana (PKVY) encourage organic farming, and this helps reduce dependence on imported agrochemicals and fertilizers, making farming more sustainable in the long run.

4. Strengthening the Agricultural Value Chain

FPOs (Farmer Producer Organizations): The government has focused on strengthening FPOs, which allow smallholder farmers to collectively market their produce, access better prices, and negotiate better deals. FPOs improve farmers' bargaining power and make them less dependent on intermediaries or external markets.

Processing and Value Addition: Atmanirbhar Bharat promotes value-added agriculture by encouraging local food processing. This not only improves the shelf-life of products but also allows farmers to earn better returns through processed goods, like fruit jams, juices, and canned vegetables, rather than just raw produce.



5. Subsidies and Support for Local Fertilizer Production

Fertilizer Production: The government has increased its support for local fertilizer production, which reduces the dependence on imported fertilizers. The Atmanirbhar Bharat initiative includes measures to support domestic manufacturing of chemical fertilizers and alternatives like organic and bio-based fertilizers.

Urea Subsidy and Price Control: To enhance farmers' access to fertilizers, the government has continued its subsidy programs, which reduce input costs and make agriculture more cost-effective and sustainable in the long run.

6. Supporting Export of Agricultural Products

The Atmanirbhar Bharat initiative encourages agriculture exports by improving the quality of farm produce and opening up new markets for Indian farmers. The government has worked on easing export procedures, improving quality standards, and establishing better logistics and supply chain systems to promote agricultural exports. The Agriculture Export Policy aims to increase exports of agricultural products, which can be a significant revenue earner and reduce India's dependence on foreign imports for essential food items.

7. Reforms in Agricultural Marketing

Farm Laws: As part of the Atmanirbhar Bharat initiative, the government introduced the Farm Bills (2020) aimed at reforming agricultural marketing and empowering farmers by allowing them to sell directly to buyers, bypassing middlemen. These reforms were designed to give farmers more freedom to access national and global markets, which would contribute to reducing price fluctuations and increase farmers' income.

e-NAM (National Agriculture Market): This platform enables farmers to sell their produce at the best prices across the country, eliminating the barriers created by local middlemen, and thereby promoting transparent and competitive pricing.

8. Financial Support and Credit Access

Kisan Credit Cards (KCC): The government has expanded the reach of Kisan Credit Cards (KCC), which provides easy access to credit for farmers to meet their working capital requirements for activities such as buying seeds, fertilizers, and equipment.

PM-KISAN Scheme: The Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) provides financial support to small farmers, ensuring they have the resources for improving productivity, buying inputs, and making investments in their farms.

Farm Loan Waivers and Subsidies: Financial support programs, including loan waivers and interest subsidies, are directed to reduce financial burden on farmers and encourage more investment in modern agricultural practices.

9. Increasing Farmers' Income

The core objective of Atmanirbhar Bharat for agriculture is to increase farmers' income. Initiatives like the Pradhan Mantri Kisan Samman Nidhi (PM-KISAN), better price realization through e-NAM, and boosting exports aim to ensure that farmers earn higher returns for their produce, making agriculture more financially viable.



Atmanirbhar Bharat Impact on employment, and entrepreneurship: Atmanirbhar Bharat has had a significant impact on both employment and entrepreneurship in India, as the initiative was designed not only to promote self-reliance but also to foster economic growth through job creation and the encouragement of entrepreneurship.

Here's a breakdown of how the initiative has affected these two areas:

1. Impact on Employment

Atmanirbhar Bharat's focus on boosting local manufacturing, improving infrastructure, and reducing dependence on imports has led to the creation of new employment opportunities across various sectors.

- a) **Local Production and Self-Reliance:** The push for local manufacturing, especially in sectors like electronics, automobiles, defense, and textiles, has created numerous jobs. Companies benefiting from schemes like the Production-Linked Incentive (PLI) program have ramped up production and, as a result, hired more workers to meet the growing demand.
Defense Manufacturing: The focus on self-reliance in defense manufacturing has led to the establishment of new defense manufacturing hubs, creating employment opportunities in areas like electronics, engineering, and assembly. Companies like Larsen & Toubro and Bharat Electronics are prime examples of firms expanding their workforce due to this shift.
- b) **Boost to Rural employment**
Agriculture and Rural Development: The agricultural reforms under Atmanirbhar Bharat, such as the focus on increasing farmer income and improving infrastructure, have positively impacted rural employment. By promoting FPOs (Farmer Producer Organizations), agriculture-related startups, and agri-tech innovations, more rural laborers have been employed in value-added services, crop management, and logistics.
Infrastructure Projects: Increased investment in rural infrastructure, such as roads, rural housing, and sanitation projects, has led to job creation for workers in construction, transportation, and logistics.
- c) **Gig Economy and Freelancing**
The rise of digital platforms, e-commerce, and online services has given rise to new job opportunities in the gig economy. Freelancers and contractors in fields like IT, digital marketing, and e-commerce logistics have benefited from platforms like Swiggy, Zomato, and Flipkart. This trend has been amplified by initiatives like Digital India and Skill India, which promote skill development and training for remote or flexible work opportunities.
- d) **Sector-Specific Employment Growth**
Renewable Energy: The push toward renewable energy sources, like solar and wind energy, has created new jobs in the clean energy sector. Companies such as ReNew Power, Adani Green, and Vikram Solar have been hiring workers for installation, research, and development, contributing to both technical and blue-collar job growth.



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- e) Healthcare and Pharmaceuticals: With the government's focus on local pharmaceutical production and the establishment of medical device manufacturing hubs, employment in the healthcare and pharmaceutical sectors has surged. India's pharmaceutical industry, with companies like Cipla and Dr. Reddy's Laboratories, has seen a boost in demand for workers across R&D, manufacturing, and distribution.

2. Impact on Entrepreneurship

Atmanirbhar Bharat has been a catalyst for entrepreneurial growth by promoting innovation, reducing bureaucratic hurdles, and providing financial incentives to startups and MSMEs (Micro, Small, and Medium Enterprises).

Here's how it has impacted entrepreneurship:

- a) Encouraging MSMEs and Startups:

PLI Scheme for MSMEs: The introduction of the Production Linked Incentive (PLI) scheme has been particularly helpful in promoting MSMEs and startups. This scheme offers financial incentives for MSMEs in sectors such as electronics, textiles, and food processing, enabling entrepreneurs to scale their operations and compete on a global scale.

Atmanirbhar Bharat Rozgar Yojana (ABRY): This scheme provides financial support to businesses that create new jobs. It has especially helped MSMEs in their efforts to hire more people, enabling entrepreneurial ventures to expand and sustain their businesses during challenging times like the COVID-19 pandemic.

- b) Boosting Innovation and Tech-Driven Entrepreneurship:

Digital India and Innovation: Atmanirbhar Bharat's focus on promoting digital infrastructure and the startup ecosystem has spurred tech-driven entrepreneurship in areas such as e-commerce, fintech, agritech, and edtech. Entrepreneurs now have easier access to digital platforms, funding opportunities, and a wider market reach.

Startup India: Initiatives like Startup India and Make in India have been reinforced under Atmanirbhar Bharat, offering tax exemptions, regulatory relaxations, and access to venture capital funding for budding entrepreneurs. The National Startup Awards and Start-up India Seed Fund are examples of government efforts to foster innovation and entrepreneurship.

- c) Local Manufacturing and Self-Reliant Supply Chains:

Encouraging Local Manufacturing: Atmanirbhar Bharat's emphasis on local manufacturing has given rise to several new entrepreneurs in sectors like textiles, electronics, automobiles, and consumer goods. Startups focused on assembling or manufacturing locally have found opportunities to grow and create products for both domestic and global markets. For example, Lava, an Indian Smartphone maker, has become a significant player in the domestic market, supporting local entrepreneurship.

Self-Reliant Supply Chains: The government's push to encourage domestic suppliers has led to the creation of new businesses within the supply chain,



especially in sectors like agriculture, defense, electronics, and construction materials. Entrepreneurs in these sectors have been able to tap into government support and incentives to build sustainable businesses.

d) Skill Development and Support for Women Entrepreneurs:

Skill Development Initiatives: Atmanirbhar Bharat emphasizes skill development and vocational training, which is key to fostering entrepreneurship. Through initiatives like Skill India and PMKVY (Pradhan Mantri Kaushal Vikas Yojana), individuals, especially youth, are trained in various trades, improving their ability to start businesses or work as independent contractors.

Women Entrepreneurs: Special initiatives like Stand Up India and Mudra Yojana have encouraged women entrepreneurs by offering financial assistance, mentorship, and networking opportunities. The push for women's self-reliance has encouraged more women to step into entrepreneurship in various sectors like handicrafts, retail, and food process

Conclusions

1. Insights into the effectiveness of Atmanirbhar Bharat initiatives in improving rural economic conditions.
2. Policy recommendations on enhancing the positive impact of self-reliance strategies in rural areas.
3. Atmanirbhar Bharat has led to significant growth in several sectors, especially where import substitution has been a priority. These industries have seen a blend of policy support, incentive schemes, and increased domestic production, creating a favorable environment for local companies to grow and thrive.
4. Atmanirbhar Bharat has had a transformative impact on both employment and entrepreneurship. By promoting self-reliance in key sectors like manufacturing, agriculture, and technology, it has created a conducive environment for the growth of new businesses and the generation of millions of jobs, especially in rural areas. The emphasis on local production, skill development, and entrepreneurship, along with financial incentives and reforms, has empowered individuals to start businesses, generate income, and contribute to India's economic growth.
5. Atmanirbhar Bharat initiative has not only focused on strengthening India's self-reliance but also on creating a more inclusive and diverse entrepreneurial ecosystem that fosters job creation and empowers people to innovate.

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