

₹20-LAKH-CRORE PACKAGE CALCULATION

~ Sumat Singhal

Without goggling, could anyone tell how many zeros are there in 20 lakhs crores.

**PM Modi announces
Rs 20 lakh crore
Special Economic Package**

13 zeros in 10,000,000,000,000 - 10 Lakh Crore / 10 Trillion

Below is calculation of total 20 lakhs crores:

Stimulus from earlier measures		
SI no	Measures	Rs crores
1.	Revenue lost due to tax concessions since Mar 22 nd 2020.	7,800
2.	Pradhan Mantri Garib Kalyan Package (PMGKP)	1,70,000
3.	PM's announcement for Health sector	15,000
	Total	1,92,800

Stimulus provided by announcements in Part-1		
SN	ITEM	(Rs. Cr.)
1	Emergency W/C Facility for Businesses, incl MSMEs	3,00,000
2	Subordinate Debt for Stressed MSMEs	20,000
3	Fund of Funds for MSME	50,000
4.	EPF Support for Business & Workers	2800
5.	Reduction in EPF rates	6750
6.	Special liquidity Scheme for NBFC/HFC/MFIs	30,000
7.	Partial credit guarantee Scheme 2.0 for Liabilities of NBFCs/MFIs	45,000
8.	Liquidity Injection for DISCOMs	90,000
9.	Reduction in TDS/TCS rates	50,000
	Sub Total	5,94,550

Stimulus provided by announcements in Part-2

SN	ITEM	(Rs. Cr.)
1.	Free Food grain Supply to Migrant Workers for 2 months	3500
2.	Interest Subvention for MUDRA Shishu Loans	1500
3	Special Credit Facility to Street Vendors	5000
4	Housing CLSS-MIG	70,000
5	Additional Emergency Working Capital through NABARD	30,000
6	Additional credit through KCC	2,00,000
Sub-Total		3,10,000

Stimulus provided by announcements in Part-3

SN	ITEM	(Rs. Cr.)
1.	Food Micro enterprises	10,000
2.	Pradhan Mantri Matsya Sampada Yojana	20,000
3.	TOP to TOTAL: Operation Greens	500
4.	Agri Infrastructure Fund	1,00,000
5.	Animal Husbandry Infrastructure Development Fund	15,000
6	Promotion of Herbal Cultivation	4,000
7	Beekeeping Initiative	500
Sub-Total		1,50,000

Stimulus provided by announcements in Part-4 and Part-5

SN	ITEM	(Rs. Cr.)
¹	Viability Gap Funding	8,100
²	Additional MGNREGS allocation	40,000
Sub-Total		48,100

Overall Stimulus provided by Atmanirbhar Bharat Package

SN	ITEM		(Rs. Cr.)
1	Part 1		5,94,550
2	Part 2		3,10,000
3	Part 3		1,50,000
4	Parts 4 and 5		48,100
		Sub-Total	11,02,650
5	Earlier Measures incl PMGKP	(earlier slide)	1,92,800
6	RBI Measures (Actual)		8,01,603
		Sub Total	9,94,403
		GRAND TOTAL	20,97,053

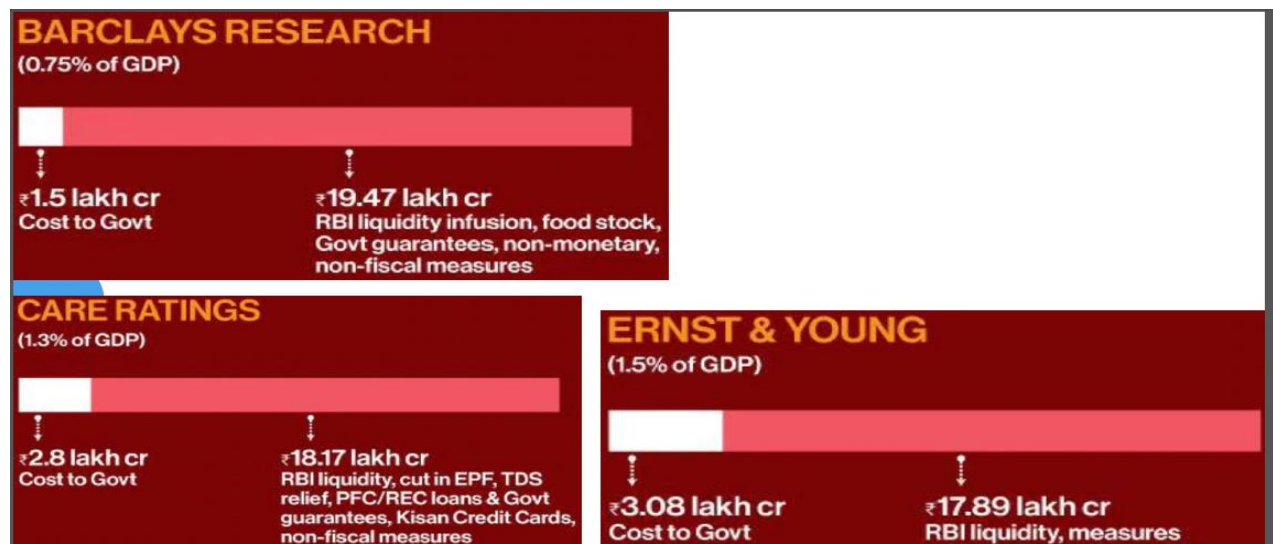
KEY TAKEAWAYS:

Even though the announcements made are worth over Rs 20 lakh crore, The actual cash outlay by the government this year and the impact on the fiscal deficit will be far less. This is because many of the government's proposals are credit-focused or are aimed at easing liquidity concerns for many affected sectors.

Here is estimated fiscal impact on the treasury of the Government.

Economic Package Component	Announced Amount (Rs crore)	Estimated Fiscal Impact (Rs crore)
Earlier Stimulus Measures	1,92,800	85,695 to 95,800
RBI's Measures (Actual)	8,01,603	None
Tranche 1 (MSME + NBFC + Power)	5,94,550	16,500 to 55,000
Tranche 2 (Migrants, KCC, Nabard, MUDRA etc)	3,10,000	5,000 to 14,750
Tranche 3 (Agriculture)	1,50,000	0 to 30,000
Tranche 4 + 5	48,100	48,100
Total	20,97,053	1,65,400 to 2,43,650

Some research firms have also estimated fiscal impact as below:



So out of total 20 lakhs crores, it is approx 1.5 lakhs to 2 lakhs crores that Government has to bear. Kudos to team who have made this package.
