

YOJANA SUMMARY

UNION BUDGET 2024-25

SEPTEMBER 2024

Budget 2024-25

- On 23 July 2024, Finance Minister Nirmala Sitharaman presented her 7th consecutive Union Budget in Parliament.
- The **core of the 2024-25 budget** focusses on the '**Garib**' (poor), '**Mahilaayen**' (women), '**Yuva**' (youth), and '**Annadata**' (farmer).
- The budget proposals aim to create a virtuous cycle of economic growth and employment, provide ample opportunities for all, facilitate balanced regional development, and benefit the most vulnerable sections of society.
- To achieve the objectives, nine priority areas have been highlighted. These included:
 - productivity and resilience in agriculture; employment and skilling; inclusive human resource development and social justice; manufacturing and services; urban development; energy security; infrastructure; innovation, research and development; and next generation reforms.

Priority 1: Productivity and Resilience in Agriculture

Agriculture provides livelihood support to 42.3% of the population and contributing 18.2% to the country's GDP. The agriculture and allied sectors have received a **generous allocation of Rs 1.52 lakh crore in the budget**. Key initiatives announced are as follows:

- **Transforming Agricultural Research:** The budget proposes to provide funds for agricultural research for both the public and private sectors. It aims to provide 109 new, high-yielding, and climate- resilient varieties of 32 field and horticultural crops to farmers.
- **Promotion of Natural Farming:** The budget proposes to initiate and support one crore farmers across the country in natural farming over the next two years, setting up 10,000 need-based bio- input resource centres and supporting farmers through certification and branding.
- **Self-Sufficiency in Pulses and Oilseeds Production:** Currently, the gap of 4.4 million tonnes between the demand and supply of pulses is met by imports. Similarly, India heavily depends on imports to meet its edible oil requirements. The budget emphasises achieving self-sufficiency in the production of pulses and oilseeds by strengthening their production, storage, and marketing.
- **Vegetable Production and Supply Chains:** India, with a production of **256 MT** is the second-largest producer of fruits and vegetables globally. However, significant post-harvest losses occur due to inefficient supply chains, inadequate infrastructure, transportation issues, and poor market linkages. To address these challenges, the budget announced plans to develop large-scale clusters for vegetable production near major consumption centres and promote Farmer Producer Organisations (FPOs), cooperatives, and startups for vegetable supply chains.
- **Digital Public Infrastructure (DPI) for Agriculture:** The budget proposes the implementation of DPI in agriculture in partnership with states, with a digital crop survey for Kharif to be conducted in 400 districts in the current fiscal year. Additionally, the details of 6 crore farmers and their lands will be included in the farmer and land registries.
 - DPI will assist in providing relevant information services on crop planning and health, improve access to farm inputs, credit, and insurance, aid in crop estimation and market intelligence, and support the growth of the Agri-Tech industry and startups.
- The government will also introduce the National Cooperation Policy to ensure systematic, orderly, and all-round development of the cooperative sector.

Priority 2: Employment and Skilling

- To harness the demographic dividend and build an inclusive economy, the budget announced the Prime Minister's Package of five schemes and initiatives with an allocation of Rs 2 lakh crore, aiming to benefit 4.1 crore youth over five years.
- **Employment Linked Incentive Scheme-A**
 - This scheme targets 2.1 crore youth entering the workforce with salaries up to Rs 1 lakh per month.
 - The government will pay one month's salary, up to Rs 15,000, directly to the employee's bank account in three instalments.
 - All formal sectors are covered, but employers must refund the subsidy if employment ends within 12 months of recruitment.
- **Employment Linked Incentive Scheme-B (Job Creation in Manufacturing)**
 - This scheme aims to boost employment for 30 lakh youth by incentivizing the hiring of first-time employees in manufacturing.
 - Employers receive incentives if they hire at least 25% more EPFO employees than the previous year or employ at least 50 non-EPFO workers.
 - The government will cover 24% of wages for the first two years, 16% in the third year, and 8% in the fourth year.
 - It applies to employees with salaries up to Rs 1 lakh per month, but for those earning over Rs 25,000, the incentive is capped at Rs 25,000/month. This subsidy is in addition to benefits under Scheme-A.
- **Employment Linked Incentive Scheme-C (Support to Employers)**
 - This scheme aims to incentivize the employment of 50 lakh people across all sectors.
 - Employers with fewer than 50 employees are eligible for incentives if they hire at least two additional EPFO employees, while larger employers must hire five or more.
 - The government will reimburse up to Rs 3,000 per month per additional employee for EPFO contributions for two years.
 - This subsidy is in addition to benefits under Scheme-A but excludes employees covered by Scheme-B.
- **New Scheme for Skilling and Upgradation of ITIs**
 - A new Centrally Sponsored Scheme (CSS) with a Rs 60,000 crore outlay under the Prime Minister's package will skill 20 lakh youth over five years.
 - The scheme will upgrade 1,000 ITIs using a hub-and-spoke model in collaboration with industry, aligning courses with industry needs and introducing new courses for emerging demands.
 - Additionally, the capacity at five national institutes for training trainers will be expanded.
- **Internship at Top Companies**
 - The Prime Minister's Internship Scheme will provide internships for one crore youth, aged 21-24, over five years at top Indian companies.
 - Interns will receive a Rs 5,000 monthly allowance, with the government covering Rs 54,000 annually and Rs 6,000 for incidentals.
 - Companies will contribute Rs 6,000 monthly and bear training costs through CSR funds.
- **Additional Announcements**
 - Additionally, the budget announced working women hostels and creches to boost female workforce participation, along with skilling and education loan schemes.
 - One lakh student can access education loans up to Rs 10 lakh with a 3% interest subvention, and 25,000 youth will receive skilling loans annually.

Priority 3: Inclusive Human Resource Development and Social Justice

- **Saturation Approach to Promote Social Justice:** The government will ensure all eligible people are covered in various programs for education, health, and other sectors.
- **Purvodaya:** The eastern part of India, rich in cultural traditions and resources, will see comprehensive development under the 'Purvodaya' plan. This initiative aims to develop human resources, infrastructure, and economic opportunities, transforming the region into an engine for a Viksit Bharat.
- **Women-Led Development:** The budget allocates over Rs 3 lakh crore for schemes benefiting women and girls, emphasising their role in economic development. Enhanced funding targets their health, nutrition, and education.
- **Pradhan Mantri Janjatiya Unnat Gram Abhiyan:** It will be launched to improve the socio-economic conditions of tribal communities. It will cover tribal families in tribal-majority villages and aspirational districts. Over five crore tribal people in 63,000 villages will benefit.
- **Enhanced Coverage of India Post Payment Bank:** To expand banking services and spur economic growth in the North East, more than 100 branches of India Post Payment Bank will be opened in the region.
- **Increased Funding for Education, Healthcare, and Housing:** The budget raises the allocation for education by 12 per cent to Rs 1.2 lakh crore. Healthcare funding has increased by 15 per cent to Rs 3.8 lakh crore. To address housing needs, the central government will support constructing three crore additional houses under the PM Awas Yojana.

Priority 4: Manufacturing and Service

- The budget earmarks Rs 1.5 lakh crore for the MSME sector, including measures to enhance credit availability, reduce compliance burdens, and provide technical support.
- **Credit Guarantee Scheme for MSMEs:** The government will introduce a credit guarantee scheme to facilitate term loans for MSMEs to purchase machinery and equipment without collateral or third-party guarantees. This will enable small businesses to expand, improve credibility, and create more jobs.
- **New Assessment Model for MSME Credit:** Public sector banks will develop a credit assessment model based on the digital footprints of MSMEs rather than traditional asset or turnover criteria, improving credit eligibility assessment.
- **Credit Support to MSMEs During Stress Periods:** For MSMEs in the 'special mention account' (SMA) stage, a new mechanism will facilitate the continuation of bank credit through a government-promoted fund guarantee, helping them avoid NPA (Non Performing Asset) status.
- **Enhanced Scope for Mandatory Onboarding in TReDS:** The budget reduces the turnover threshold for mandatory onboarding on the TReDS (Trade Receivables Discounting System) platform from Rs 500 crore to Rs 250 crore. This will unlock working capital for MSMEs by converting trade receivables into cash.
- **Other Announcements**
 - New branches of SIDBI will expand their reach to MSME clusters, providing direct credit.
 - The government will support the setup of 50 multi-product food irradiation units in the MSME sector and establish e-commerce export hubs in PPP mode to help MSMEs and traditional artisans sell internationally.
- **Other Schemes to Promote Manufacturing**
 - **Industrial Parks:** The government will develop investment-ready 'plug and play' industrial parks with complete infrastructure in 100 cities.
 - Twelve industrial parks will also be sanctioned under the National Industrial Corridor Development Programme.

- **Rental Housing for Industrial Workers:** The government will facilitate rental housing with dormitory-type accommodation for industrial workers in PPP mode.
- **Digital Public Infrastructure (DPI) Applications:** DPI applications will be developed at a population scale to enhance productivity, business opportunities, and innovation in areas such as credit, e-commerce, education, health, law, logistics, etc.
- **Production Linked Incentive (PLI) Scheme:** The budget allocates Rs 2 lakh crore for the PLI scheme, aiming to boost domestic manufacturing.
- **Bolstering Startups:** To spur investments in startups and promote ease of doing business, the budget proposes abolishing the 'Angel Tax' on all classes of investors.

Priority 5: Urban Development

- **Cities as Growth Hubs:** The Union government will collaborate with state governments to develop cities as growth hubs through economic and transit planning.
- **Creative Redevelopment of Cities:** The government will design a framework for enabling policies, market-based mechanisms, and regulations to facilitate the creative brownfield redevelopment of existing cities with transformative impacts.
- **Transit-Orientated Development:** Development plans, implementation, and financing strategies for transit-orientated development will be formulated for 14 large cities with populations over 30 lakh.
- **Urban Housing:** The government will invest Rs 10 lakh crore to build 1 crore houses for urban poor and middle-class families over the next five years. The scheme also envisages a provision of interest subsidies to facilitate loans at affordable rates. An efficient and transparent rental housing market with enhanced availability will also be put in place through enabling policies and regulations.
- **Water Supply and Sanitation:** The government will promote water supply, sewage treatment, and solid waste management services in 100 large cities.

Priority 6: Energy Security

- **Energy Transition:** Rs 1.5 lakh crore has been allocated for renewable energy projects, including solar, wind, and green hydrogen.
- **PM Surya Ghar Muft Bijli Yojana:** This scheme aims to install rooftop solar plants, providing 1 crore households with free electricity up to 300 units per month.
- **Pumped Storage Policy:** A policy will be introduced to promote pumped storage projects for electricity storage, facilitating the integration of renewable energy with its variable and intermittent nature.
- **R&D of Small and Modular Nuclear Reactors:** The government will partner with the private sector, providing R&D funding for **Bharat Small Reactors** and **Bharat Small Modular Reactors**, along with new nuclear technologies.
- **Advanced Ultra Super Critical Thermal Power Plants:** India has developed indigenous technology for Advanced Ultra Super Critical (AUSC) thermal power plants. Fiscal support will be provided for setting up an 800 MW commercial plant using AUSC technology as a joint venture between NTPC and BHEL.

Priority 7: Infrastructure

- **Government Infrastructure Investment:** Rs 11,11,111 crore, roughly 3.4 per cent of GDP, has been allocated for capital expenditure by the central government. State governments will also be encouraged to increase capital investment by Rs 1.5 lakh crore under the Scheme for Special Assistance to States for Capital Investment 2024-25.
- **Private Infrastructure Investment:** The government will promote private sector investment in infrastructure through viability gap funding, enabling policies, and a market-based financing framework.

- **Pradhan Mantri Gram Sadak Yojana (PMGSY):** Phase IV of PMGSY will be launched to provide all-weather connectivity to an additional 25,000 rural habitations.
- **Tourism Infrastructure:** Tourism development will create jobs, stimulate investments, and unlock economic opportunities for other sectors.

Priority 8: Innovation, Research and Development

- To enhance R&D, the government will operationalise the **Anusandhan National Research Fund**.
- Additionally, the budget proposes creating a Rs 1 lakh crore financing pool and establishing a mechanism to spur private sector-driven research and innovation on a commercial scale.
- Moreover, a venture capital fund of Rs 1,000 crore will be set up to expand the space economy fivefold in the next 10 years.

Priority 9: Next Generation Reforms

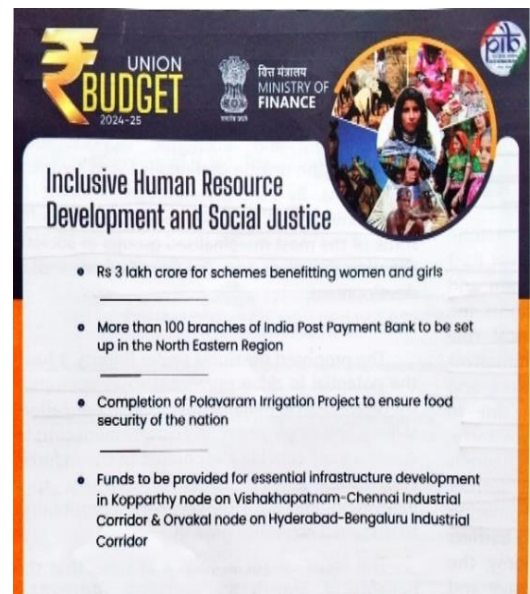
- Next-generation reforms aim to boost productivity and create a more efficient economy. The government will develop an economic policy framework for future reforms, with states playing a key role.
- To incentivize faster implementation, part of a 50-year interest-free loan to states will be allocated for land reforms in rural and urban areas.

INCLUSIVE HUMAN RESOURCE DEVELOPMENT AND SOCIAL JUSTICE

- The Economic Survey 2023-24 emphasises the need for robust social infrastructure to support economic growth.
- The survey also projects that India's employment landscape is transforming with rising formalisation and skill development. E.g., EPFO membership grew by an impressive 8.4 per cent CAGR between FY15 and FY24, reflecting increased formal employment.
- It projects that India's GDP could grow at an annual rate of 7 per cent or more, provided that structural reforms continue.

Inclusive Human Resource Development

- The 2024 budget allocates a substantial Rs 1.48 lakh crore to education, employment and skilling initiatives.
- **Education and Skilling Initiatives**
 - Rs 60,000 crore over five years has been Provided for upgrading 1,000 Industrial Training Institutes (ITIs) into hub-and-spoke arrangements.
 - These upgraded ITIs will align their curricula with industry needs, ensuring that 20 lakh youth are skilled with relevant and employable skills.
 - The budget also introduces a revised Model Skill Loan Scheme, providing loans up to Rs 7.5 lakh with government guarantees.
 - This measure aims to support 25,000 students annually, enabling them to pursue vocational training without the financial burden.
 - Moreover, education loans of up to Rs 10 lakh will be offered with an annual interest subvention of 3 per cent, benefiting 1 lakh students each year.



- **Employment-Linked Incentives**

- The budget outlines three employment-linked incentive schemes with a central outlay of Rs 2 lakh crore over five years.
- It launched three schemes specifically targeting the employment. These are (discussed in detail in first chapter):
 - Scheme A: First Timers; Scheme B: Job Creation in Manufacturing; Scheme C: Support to Employers

- **Social Justice: Saturation Approach**

- The budget adopts a saturation approach, aiming to cover all eligible individuals under various government schemes.
- **E.g.,** The Pradhan Mantri Garib Kalyan Anna Yojana, which provides free food grains to over 80 crore people, is a prime example of this approach.
 - By ensuring that no eligible individual is left out, the saturation approach aims to create a more equitable society where the benefits of development are shared widely.

- **Women-Led Development**

- The budget allocates over Rs 3 lakh crore for schemes benefiting women and girls.
- Initiatives such as working women hostels, crèches, and women-specific skilling programmes aim to enhance women's participation in the workforce.
- The establishment of market access channels for women Self-Help Groups (SHGs) further supports women entrepreneurs, promoting inclusive economic growth.

- **Tribal Welfare**

- The Pradhan Mantri Janatiya Unnat Gram Abhiyan aims to improve the socio-economic conditions of tribal communities.

Challenges and Considerations

- Successful implementation of reforms requires strong governance and coordination between central and state governments, with strengthened transparency and accountability to prevent corruption.
- Private sector participation is key to skilling and employment initiatives, particularly in curriculum design, internships, and job creation.
- Addressing structural issues like labor market rigidities and inadequate infrastructure, alongside reforms to improve business ease and invest in infrastructure, will support sustainable development.

A NEW CHAPTER IN INDIA'S EMPLOYMENT STORY

Ushering Enhanced Employment Opportunities through Employment Linked Incentive

- The Budget 2024-25 announced the **Prime Minister's package of 5 schemes** and initiatives to facilitate employment, skilling and other opportunities for 4.1 crore youth over a 5-year period with a central outlay of Rs 2 lakh crore.
- The Ministry of Labour and Employment has been tasked with the creation of an environment through Employment Linked Incentive (ELI) to foster employment in the country.
- The next generation job portal, ***National Career Services (NCS2.0)***, will significantly aid in bridging the gap between employers and job seekers.
- The **revival of the Shram Suvidha and Samadhan portals** will facilitate ease of doing business for employers and lead to faster resolution of labour disputes.

First Timers: A Lifeline for Youth Entering the Workforce

- The First Timers Scheme addresses challenges (lack of relevant skills, insufficient work experience etc.) faced by youth transitioning from education to employment.
- It provides a one-month wage, up to Rs 15,000, to first-time formal sector employees through direct benefit transfers in three instalments to first-time employees registered with the Employees' Provident Fund Organisation (EPFO).
- With an eligibility limit of a salary of Rs 1 lakh per month, this scheme is expected to benefit 210 lakh youth across the country.
- The scheme encourages formal employment, offering job security and growth opportunities, and supports the broader goal of formalizing India's labor market.

Job Creation in Manufacturing: Revitalising a Critical Sector

- The government has introduced a new scheme to boost job creation in the manufacturing sector, focusing on first-time employees.
- It offers incentives tied to EPFO contributions for the first four years of employment, benefiting both employees and employers.
- The initiative aims to reduce unemployment, promote skill development, and support India's goal of becoming a global manufacturing hub, especially in industries like electronics, textiles, and automotive.
- A parallel skilling scheme will train 20 lakh youth over five years, addressing employer needs and fostering long-term economic growth. The scheme also enhances social security by expanding EPFO coverage.

Support for Employers: Easing the Path to Expansion

- The government has introduced a scheme to support businesses expanding their workforce by reimbursing employers up to Rs 3,000 per month for two years for each new employee hired with a salary of up to Rs 1 lakh.
- This initiative aims to incentivize the employment of 50 lakh people. It benefits employers by reducing hiring costs and encouraging business expansion, while employees gain access to more job opportunities, formal employment, and associated benefits like job security and social security.

Services to Labour

- The Budget highlights the eShram portal as a comprehensive solution for unorganised workers, offering employment, skills training, career guidance, and access to government schemes by integrating with other platforms.
- The next-generation National Career Services (NCS2.0) will be developed on Open Network principles to enable faster job searches and provide complete services.
- This data-driven approach will help workers match their skills with market demands and assist policymakers in aligning education and training systems with the economy's needs.

Shram Suvidha and Samadhan Portal: Streamlining Compliance for Businesses

- The Shram Suvidha and Samadhan portals, vital for simplifying labour law compliance, especially for small and medium-sized businesses, will be revamped to offer enhanced features.
- These improvements aim to further ease compliance with labour regulations, reducing the administrative burden on businesses and allowing them to focus on job creation and economic growth.
- This revamp is part of the government's broader effort to foster a business-friendly environment in India.

SALARIED CLASS AND CONSUMERS: KEY TO VIKSIT BHARAT

"To become a developed nation, we need to strive to be a US\$ 30 trillion economy by 2047 with a per capita income of US\$ 18,000 per annum. The GDP would have to grow 9 times from today's US\$ 3.36 trillion, and the per capita income would need to rise 8 times from today's US\$ 2,392 per annum."

-Vision for Viksit Bharat@2047: An Approach Paper by NITI Aayog, released on 27 July 2024

- For a nation aiming to become the third-largest economy with ambitious GDP goals of \$5 trillion by 2027, \$7 trillion by 2030, and \$10 trillion by 2033, leading to a 'developed country' status by 2047, a strong virtuous cycle is essential.
- This cycle involves continuous positive developments from micro to macro levels.
- Two key groups in this process are **salaried individuals and consumers**, both of whom play a significant role due to their size and impact on economic growth.
 - While all salaried people are consumers, not all consumers are salaried, making both crucial in driving the economy forward.

Salaried Class – Statistics

- Income tax data for Assessment Year 2023-24 shows that 3.8 crore out of 7.97 crore returns declared salary incomes ranging from over Rs 91,000 to Rs 177.5 crore.
- The 2022-23 Labour Force Survey found the share of salaried workers in urban areas at 47.1% for men and 50.8% for women, while in rural areas it was 14.3% for men and 8% for women.
- The FY 2024-25 Union Budget projects Rs 11.87 lakh crore from Personal Income Tax (PIT), higher than the Rs 10.20 lakh crore from Corporate Income Tax (CIT), with a significant portion of PIT coming from salaried taxpayers.

NPS for Minors

NPS-Vatsalya, a plan for contribution by parents and guardians for minors, to be launched.

When the minor becomes adult, the plan can be seamlessly converted into a normal NPS account

Budget 2024-24 and Salaried Class

- **Standard Deduction:** The Budget proposed raising the standard deduction by 50 per cent to Rs 75,000 from Rs 50,000.
 - Along with salaried persons, deductions have been raised on family pensions to Rs 25,000 from Rs 15,000 for pensioners too, opting for the New Income Tax Regime.
- **Change in New Income Tax Regime:** The income tax slabs remain unchanged in number and rates, but three slabs have been expanded.
 - The Rs 3 lakh to Rs 6 lakh slab is now Rs 3 lakh to Rs 7 lakh, with a 5% rate.
 - The Rs 6 lakh to Rs 9 lakh slab is expanded to Rs 7 lakh to Rs 10 lakh, with a 10% rate.
 - The Rs 9 lakh to Rs 12 lakh slab is now narrowed to Rs 10 lakh to Rs 12 lakh, with a 15% rate.
- **Employment Linked Incentive (ELI) Scheme** – Scheme A; Scheme B; Scheme C
- **Paid Internships Scheme:** It aims to provide paid internship opportunities in 500 top companies to 1 crore youth in 5 years.

Consumers in India

- India's consumer base is vast, with over 100 crore potential consumers. According to the World Data Lab, individuals spending more than \$12 a day (2017 PPP) are part of the "Consumer Class."
- A study estimates that India has 47.3 crore consumers, with this number growing by 3.1 crore in 2023.
 - By 2030, India will have the largest young consumer market globally, with 35.7 crore under-30 consumers, making up **one-fifth of the world's youth market**.

- Various studies highlight rising aspirations among Indian consumers, driven by a growing middle class and increasing per capita income, which rose from \$1,673.95 in 2014 to \$2,341.10 in 2022.
- Despite positive consumer confidence as indicated by the RBI, consumption growth, measured by Private Final Consumption Expenditure (PFCE), has slowed.
 - The PFCE growth rate at constant prices was 6.8% in 2022-23 and 4.0% in 2023-24, signaling a need for measures to boost consumption through budgetary policies and the GST Council.

Budget 2024-25 and Consumers

- Keeping all these in mind, a **twin strategy can be used**: providing more money in the hands of people and making the goods and services cheaper.
- Here, are the measures expected to boost consumption:
 - On account of changes in standard deduction and slabs under the new tax regime, taking into account average spending of Rs 10,000 per person for 4 crore estimated beneficiaries, the consumer market is likely to get a boost of Rs 40,000 crore during the current fiscal.
 - A new scheme to offer internships to 1 crore youths in the country's top 500 companies. The scheme is likely to expand the formal job market, which in turn has the potential to expand the consumer market.
 - The push on urban and rural growth will help boost rural consumption and also increase discretionary spending.
 - Custom duty on gold and silver has been reduced, which is expected to boost the sale of jewellery

PRODUCTIVITY AND RESILIENCE IN AGRICULTURE

- The agriculture sector supports 42.3% of India's population and contributes 18.2% to the national GDP.
- In the recent budget, the Finance Minister prioritized "Productivity and Resilience in Agriculture," with Rs 1.52 lakh crore allocated for agriculture and allied sectors.
- Over the past five years, the sector has grown at an average annual rate of 4.18%.
- Foodgrain production hit a record 329.7 million tonnes in 2022-23 but slightly dropped to 328.8 million tonnes in 2023-24 due to poor monsoons.
- Despite progress, agriculture faces challenges like climate change, resource degradation, low productivity, and infrastructure deficits.

Research and Roadmap

- Scientific research plays a key role in agricultural development through **Intervention, Invention, and Innovation.**
- The government plans to review the agricultural research system to boost productivity and develop climate-resilient crop varieties, involving the private sector in research efforts.
- The goal is to release 109 high-yielding, climate-resilient varieties of 32 field and horticultural crops.
- Research investment is highly rewarding, with a payoff of Rs 13.85 for every rupee spent.
- In 2022-23, Rs 19.65 thousand crore was invested in agricultural research, leading to the release of 347 new varieties of 44 field crops and 99 horticultural varieties by ICAR.



Digital Empowerment of Farmers – Digital Public Infrastructure for Agriculture

- India is advancing in 'Digital Agriculture' to boost efficiency, productivity, and sustainability.
- The Budget announced plans to implement **Digital Public Infrastructure (DPI) in agriculture**, starting with a digital crop survey in 400 districts for the Kharif season.
- Over three years, details of six crore farmers and their lands will be added to registries.
- The DPI, developed as an open-source, interoperable public good, includes **Agri Stack** (with databases for farmers, village maps, and crops), **Krishi Decision Support System** (integrating data like weather and soil conditions), and **Krishi Mapper** (a geospatial app for soil health and crop estimation).
- The initiative benefits from a strong ecosystem of over 1,000 agri-tech startups, including women-led ventures.



Nature and Nurture

- The government plans to **enrol one crore farmers in natural farming** over the next two years, providing certification and branding services to enhance marketing and profit margins.
- Additionally, **10,000 bio-input resource centers** will be set up to supply specific inputs.
- Natural farming integrates traditional practices and resource recycling, and the '**National Mission on Natural Farming**' has been launched to promote it.
 - It was formulated by upscaling a previous scheme, the 'Bhartiya Prakritik Krishi Paddhati'.

Horticulture

- To improve vegetable production, India will develop large-scale clusters near consumption centers and support supply chains through Farmer Producer Organisations, cooperatives, and startups.
- '**Operation Green**,' initially focused on tomatoes, onions, and potatoes, has been expanded to 22 perishable crops, including fruits, vegetables, and shrimp, aiming at price stabilization and value chain development.

Pulse and Oilseeds

- The government also aims to enhance production of pulses and oilseeds by strengthening their production, storage, and marketing.
- Strategies include expanding area and productivity through the National Food Security Missions for Pulses and Oilseeds, providing high-yielding seeds, and increasing Minimum Support Prices (MSP).
- These efforts have led to a 43% increase in pulse production and a 44% increase in oilseed production over the past decade.

Fisheries and Forex

- In the current budget, Rs 4,521 crore has been allocated to the Department of Animal Husbandry and Dairying (DAHD) for ongoing schemes and new research facilities.
- The fisheries sector, vital to the economy and livelihoods of about 30 million people, received a boost with initiatives to enhance aquaculture productivity, double exports to Rs 1 lakh crore, and generate 55 lakh jobs.
 - Last year (2022-23), India recorded fish production of 17.54 million tonnes, making it the third largest producer globally.
- The PMMSY program will be expanded, **five integrated aquaparks** will be established, and Blue Revolution 2.0 will be launched for sustainable fisheries development.

- PMMSY is being stepped up to enhance aquaculture productivity from the existing 3 to 5 tonnes per hectare, doubling exports to Rs 1 lakh crore and generating 55 lakh employment opportunities.
- The budget includes support for shrimp farming and export through NABARD, funding for Nucleus Breeding Centres (NBC) to improve shrimp broodstock quality, and a reduction in Basic Customs Duty (BCD) on key aquaculture inputs.
- India's seafood exports reached over Rs 60,000 crore last fiscal year, with frozen shrimp comprising a significant portion.
 - Shrimp exports have increased significantly to Rs 40,013 crore in 2023-24 from Rs 8,175 crore in 2011.
- These measures are part of a broader vision to make India self-reliant and developed by 2047.

INNOVATION, RESEARCH AND DEVELOPMENT

- The Budget significantly boosts the Ministry of Science and Technology with a 31% increase, raising its allocation to Rs 16,628.12 crore from Rs 12,701.63 crore in the previous year.
- The **Anusandhan National Research Foundation (ANRF)**, launched last year with Rs 50,000 crore allocated for 2023-28, aims to advance research and innovation across Indian institutions.
 - This complements the Atal Innovation Mission, which fosters a culture of innovation and entrepreneurship.
- New initiatives include the Critical Mineral Mission, India AI Mission, and PM Surya Ghar Muft Bijli Yojana, focusing on enhancing economic competitiveness, resilience, and sustainability in India.

New Missions New Initiatives

- The Economic Survey 2023-24 highlights that India's per capita carbon emissions are only one-third of the global average, despite being one of the fastest-growing economies.
- The Budget 2024-25 advances India's environmental goals with new solar power initiatives, such as the **PM Surya Ghar Muft Bijli Yojana**, which promotes subsidized rooftop solar panels and provides free electricity up to 300 units per month to 1 crore households.
- The budget underlined the need for a roadmap for moving away from the 'hard to abate' industries from 'energy efficiency' targets to 'emission targets'.
- It also introduces the **Critical Mineral Mission** to develop domestic production and recycling technologies for critical minerals.
- The India AI Mission, launched in June 2024, is aimed at making India a leader in AI R&D and deployment, with an allocation of Rs 551.75 crore.
 - This mission focuses on leveraging AI to drive economic growth, enhance public services, and tackle societal challenges.

Role of Private Sector

- The Budget 2024-25 allocates Rs 1 lakh crore for private sector-driven research and innovation through a dedicated corpus fund and capital expenditure (CAPEX).
- With a proposed CAPEX of Rs 11.11 lakh crore, representing about 3.4% of GDP, the budget aims to support India's goal of becoming a \$5 trillion economy. Increased CAPEX is expected to benefit the private sector as well.
- To strengthen the national science, technology, and innovation (STI) ecosystem, the budget emphasizes public-private collaboration.
- It also includes the establishment of a **Rs 1,000 crore venture capital fund** to support start-ups and projects in the space sector, aligning with the Indian Space Policy 2023.

Future Resilience and Sustainability

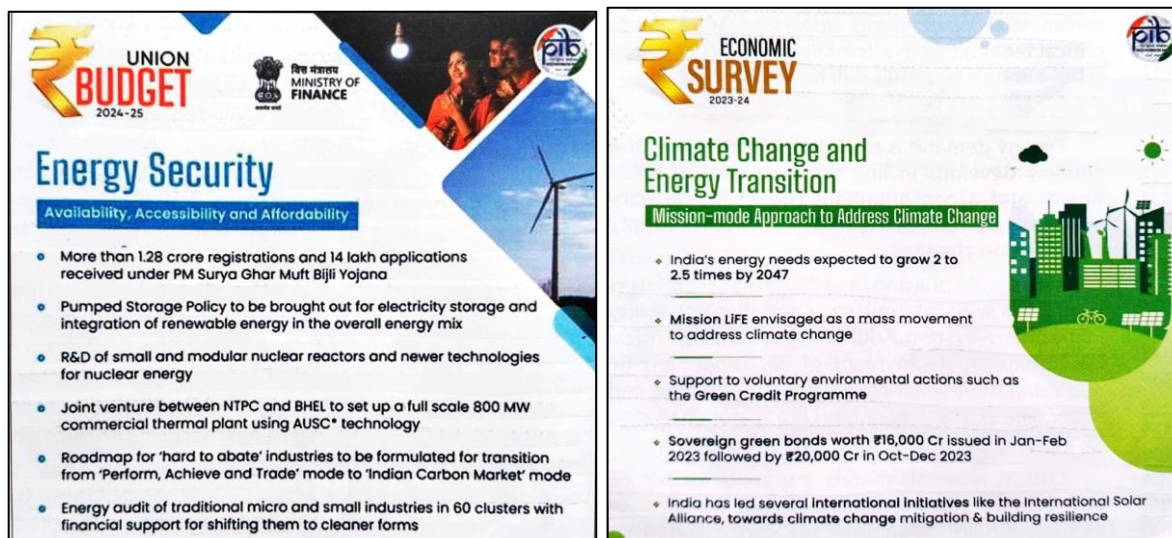
- The Budget 2024-25 emphasizes modernization and digitalization of land records through initiatives like '**Bhu-Aadhaar**,' aimed at improving land administration and management.
 - It includes funding for digitalization, GIS mapping, and integrating land records with other digital services.
 - The unique identity for citizens particularly farmers in rural areas, would provide a greater integration of various streams of benefits and services being delivered, which would sharpen focus on beneficiaries and would also help in minimising exclusions.
- Energy security and green energy are also prioritized. The allocation for the Ministry of Environment, Forests, and Climate Change has increased to support renewable energy projects, grid solar energy, and electric vehicle incentives.
- The **Bio-energy program's** funding has risen from Rs 75 crore to Rs 300 crore.
 - During the G20 Presidency India launched the Global Biofuel Alliance (GBA).
- There is a focus on nuclear energy with the establishment of small modular reactors and increased funding for green hydrogen.
- The Ministry of Electronics and Information Technology's budget has been raised by 52% to support the **India Semiconductor Mission**.
- The Ministry of Health and Family Welfare and the Ministry of Ayush also received increased funding for research and international cooperation.

Conclusion

Overall, the Budget balances investments in future technologies with addressing current challenges, reflecting a commitment to advancing India's development goals.

ENERGY SECURITY

- Energy security, as defined by the International Energy Agency (IEA), is the consistent availability of energy sources at affordable prices. It encompasses ensuring a reliable, sustainable, and uninterrupted energy supply to meet a country's economic, social, and political needs.
- India's energy policy aims to achieve four key objectives: **affordable access, improved energy security and independence, greater sustainability, and economic growth**.
- Currently, India relies heavily on imports for oil, gas, and coal. With energy needs projected to grow 2 to 2.5 times by 2047, ***NITI Aayog estimates that India will need to invest US\$250 billion annually until 2047 to transition to net-zero energy pathways.***



Budget 2024-25

- The Government will collaborate with the private sector on research and development for **Bharat Small Modular Reactors** and new nuclear energy technologies, and establish **Bharat Small Reactors**.
- A policy document titled 'Energy Transition Pathways' will be released to balance employment, growth and environmental sustainability.
- A policy to promote **pumped storage projects for electricity storage** will be introduced which will facilitate smooth integration of growing share of renewable power with its variable and intermittent nature in the overall energy mix.
- A joint venture between NTPC Limited and Bharat Heavy Electricals Limited will be established to create an 800 MW commercial plant using advanced ultra super critical technology.
- A roadmap for moving the 'hard to abate' industries from 'energy efficiency' targets to 'emission targets' will be formulated.
- Appropriate regulations for transition of these industries from the current 'perform, achieve and trade' mode to 'Indian carbon market' mode will be put in place.
- PM Suraj Ghar Muft Bijli Yojana has been launched.
- An investment-grade energy audit of traditional micro and small industries in 60 clusters including brass and ceramic will be facilitated. Financial support will be provided for shifting them to cleaner forms of energy and implementation of energy efficiency measures.

Budgetary Allocations FY 24-25

- In 2024-25, the Ministry of New and Renewable Energy (MNRE) has been allocated Rs 19,100 crore, marking an 86.7% increase from the previous year's allocation.
- Key MNRE initiatives include solar off-grid projects like solar street lights, study lamps, and power packs, and the **KUSUM scheme** aimed at increasing farmers' income by promoting irrigation and reducing diesel reliance in agriculture.
- The Solar Power (GRID) scheme will be integrated with the PM Surya Ghar Muft Bijli Yojana.
- The **Green Energy Corridor scheme** is set to add 6,000 circuit kilometers of transmission infrastructure, and the **National Green Hydrogen Mission** aims to position India as a global hub for green hydrogen production, usage, and export, supporting clean energy self-sufficiency and global energy transitions.
- The Ministry of Power is tasked with developing battery energy storage systems.

Present Status

- India's energy usage features a high reliance on biomass, significant petroleum imports, and heavy dependence on coal for electricity generation, with coal accounting for about 70% of power production.
- As of June 2024, **54.5% of India's power comes from thermal sources** (coal, gas, and diesel), while 45.5% is from non-fossil fuel sources, including 1.8% from nuclear power.
- The share of **non-fossil power capacity has increased from around 32% in April 2014 to 45.5% in June 2024, surpassing the Paris Agreement target of 40% by 2030**.
- India also committed to creating an additional carbon sink of 2.5 to 3 billion tonnes of CO₂ equivalent by 2030.

Policy Initiatives

- **PM-Surya Ghar Muft Bijli Yojana**: Expected to add 30 GW of solar capacity and reduce CO₂ emissions by 720 million tonnes across the solar value chain.
- **National Offshore Wind Energy Policy and Offshore Wind Energy Lease Rules 2023**: Aimed at boosting offshore wind energy production.

- **Indian Green Hydrogen Mission:** Targets the production of 5 million metric tonnes of green hydrogen by 2030.
- The Budget 2024-25 also promotes:
 - **Development of Small and Modular Nuclear Reactors:** To advance nuclear energy capabilities.
 - **Renewable Energy Storage:** Introduction of a robust Pumped Storage Policy (PSP) to store excess electricity and integrate renewable sources more effectively.
 - **Clean Coal Initiatives:** Includes a coal gasification mission aiming to gasify 100 million tonnes of coal by 2030.
 - **Advanced Thermal Power Plants:** Adoption of supercritical and ultra-supercritical technologies to improve efficiency and lower emissions, with plans for an 800 MW plant using advanced ultra-supercritical technology in a joint venture between NTPC Limited and BHEL.

Challenges

- Phasing in renewable energy (RE) on a large scale presents several challenges:
 - **Intermittency and Dispatchability:** Integrating RE can lead to issues with intermittency and reliable energy dispatch.
 - **Land and Water Demand:** Expanding RE and clean fuels increases the demand for land and water, with land availability being a significant challenge in India.
 - **Critical Minerals:** RE and battery storage technologies require critical minerals such as graphite, cobalt, rare earths, and lithium, which are concentrated in specific regions (e.g., China and Australia) and have complex supply chains. India's shift from petroleum to these minerals faces supply chain and geopolitical challenges.
 - **Solar PV Waste Recycling:** Solar photovoltaic (PV) panels have a lifespan of 25-30 years. Recycling SPV waste, which contains toxic metals, poses environmental and health risks.

Conclusion

India needs to target diversified energy sources. Such diversification will help minimise risk associated with energy system while pursuing with low emission path. It is suggested to integrate RE with nuclear power, bio-fuels and green hydrogen to address the risks associated with large-scale RE adoption.

FOSTERING INFRASTRUCTURE DEVELOPMENT IN INDIA THROUGH FISCAL INTERVENTIONS

- It was found from various studies that a 1% increase in investment spending can boost the GDP by 1.0 to 1.5% in India, which has direct impact on employment creation and sustainable development.
- Furthermore, it is found that investments in transportation, energy, and urban infrastructure foster systematic and fast-track development due to their greater multiplier effects.

Allocations in Budget 2024-25

- The total capital expenditure in the budget is set at ₹11,11,111 crores, marking a 16.9% increase from the previous year and accounting for 3.4% of GDP, the highest in decades.
- Over the past five years, CAPEX has consistently grown through strong fiscal support. The effective capital expenditure of ₹15,01,889 crores aims to drive long-term socio-economic development.

India is uniquely placed in terms of demographic dividends, with about 40 per cent of youth (18-35 years) and over 62 per cent of the population falling under the age group of 15-59 years, which is expected to rise up to 65 per cent by 2035.

Key Infrastructure Initiatives - Physical Connectivity Infrastructure

- **Roadways**

- Under the Bharatmala Pariyojana, the Indian government aims to build nationwide road networks to boost connectivity and reduce logistics costs.
- Plans include constructing two-lane roads with paved shoulders, minimizing environmental impact.
- A special budget allocation of ₹26,000 crores is designated for the Patna-Purnea Expressway, Buxar-Bhagalpur Expressway, Bodhgaya-Darbhangga spurs, and a two-lane bridge over the Ganga.

- **Railways**

- India boasts the largest railway network in the world. The principal focus on areas for enhancements like high-traffic corridors, energy corridors, mineral and cement corridors, and Rail Sagar corridors is to reduce carbon footprints by sourcing primarily through renewable energy.
- In this budget 2024-25, Rs 2.65 lakh crores of net capital expenditure is allocated for railway development.

- **Waterways**

- An increased number of PPP projects have enhanced connectivity under the **PM Gati Shakti National Master Plan** and under the **Sagarmala National Programme**.

- **Airways**

- The government has allocated over ₹26,000 crores for capital expenditure from FY20 to FY25 to develop, upgrade, and modernize airports across India.
- Additionally, special provisions for leasing aircraft and utilizing drones offer significant benefits in sectors like education, agriculture, disaster management, and security.

- Overall, 'PM Gati Shakti' being a part of the infrastructure strategy, aims to create a more Interconnected infrastructure system.

Space Infrastructure – Key Initiatives

- The Government of India aims to strengthen its presence in the global space sector while enhancing national security and scientific programs, building on successful missions like the Mars Orbiter Mission, Chandrayaan-2, Chandrayaan-3, and Aditya-L1.
- For 2024-25, a venture capital fund of ₹1,000 crores is proposed to expand the space economy fivefold over the next decade.

Digital Infrastructure – Key Initiatives

- Considering the multiplier effects of schemes like **Digital India**, **Fintech Nation** and **Startup India**, the Indian government has made special provision for these sectors in the budget.
 - E.g., Digital India initiative has improved digital connectivity, including access to technology for common man, MSMEs and Corporation.
 - The adoption of smart technologies has been found to be more efficient and sustainable in the areas of Urban Planning, energy management and transportation.
- The Indian government has allocated ₹1.16 lakh crores to the IT and telecommunications sectors to drive digitalization and technological advancements.
- Key infrastructure initiatives include PM Gati Shakti, Bhuvan, Bharatmaps, Single Window Systems, the PARIVESH portal, the National Data Analytics Platform, the Unified Logistics Interface Platform, Pro-Active Governance and Timely Implementation (PRAGATI) the India Investment Grid (IIG), etc.
- The **BharatNet project** aims to develop a robust communication network to enhance rural connectivity and reduce urban-rural migration.

- Complementing this, the government is integrating Artificial Intelligence through initiatives like **"AI in India and AI for India"** to promote inclusion, innovation, and social impact, driving technological advancement in rural areas.

Energy Infrastructure – Key Initiatives

Power Sector

- **Revamped Distribution Sector Scheme (RDSS)** aims to reduce aggregate technical and commercial losses by FY25.
- This sector saw a special provision to enhance grid supply with energy- efficient street lights and fans under programs like **'One Sun, One World, One Grid Initiative, the Street Lighting National Programme, the SAMARTH Mission**, etc.
- **Renewable Sector:** India's renewable energy sector has received significant funding to meet the United Nations' Sustainable Development Goals by 2030. The sector is expected to attract ₹30.5 lakh crores in investment between 2024 and 2030, aiming for a gradual shift from conventional energy sources to non-fossil fuels.

Other Infrastructure Initiatives

- The rural economy received ₹2.66 lakh crores, a 12% increase, with key initiatives like PM Awas Yojana proposing **3 crore houses for rural and urban areas**.
- Rs 10 lakh crores of investment is proposed to meet the housing needs of 1 crore urban poor and middle-class families under 'Pradhan Mantri Awas Yojana' (Urban 2.0).
- Pradhan Mantri Gram Sadak Yojana (Phase-IV) will provide connectivity to 25,000 rural areas.
- Provision of financial support with a cost of Rs 11,500 crores is made for **the accelerated irrigation benefit program**, which includes **'Kosi-Mechi Intra-State Link'** and 20 other irrigation projects.
- The **'Purvodaya' plan** focuses on the development of eastern states.
- Social infrastructure projects, including Ayushman Bharat and National Health Mission, were prioritized.
 - As social initiatives, Rs 38 lakh crores have been transferred since 2013, through the **'Jan Dhan Yojana-Aadhaar-Mobile (JAM)' Trinity** initiative.
- To promote manufacturing, proposal is made to **create investment- ready 'plug and play' industrial parks** with all sorts of infrastructure in or near 100 cities, through partnering with private sector and state governments.
- In addition, 12 new industrial parks are proposed under the National Industrial Corridors Development (NICD) programme.
- A market-based financial framework will be created to crowd in private finance, and promote private sector participation.



Way Forward And 'Future of India@2047'

- **Correlation with GDP:** The budget reflects a positive correlation between infrastructure spending and GDP growth, suggesting that increased investment in infrastructure is expected to boost economic performance without undermining fiscal consolidation targets.

- **Nine Pillars of Priorities:** The budget focuses on nine key priorities, with infrastructure being a central pillar, indicating its importance in the overall development strategy.
- **Private Sector Involvement:** To encourage private sector participation, the government is introducing measures such as viability gap funding, tax reforms, and improved market financing options. These steps aim to attract both domestic and foreign investments, fostering comprehensive infrastructure development.
- **Environmental Impact:** The rapid expansion of infrastructure will likely have environmental implications. Emphasizing green and sustainable infrastructure projects is crucial to mitigate these impacts and ensure environmental well-being.
- **Socio-Economic Benefits:** It is important to ensure that the benefits of infrastructure development reach all segments of society, including the most disadvantaged. This requires strategic public policy interventions and effective governance to achieve inclusive and sustainable development.
- **Policy and Governance:** Effective public policy and governance are essential to achieving long-term national goals, ensuring that infrastructure projects contribute positively to socio-economic development and reach the last-mile citizens.

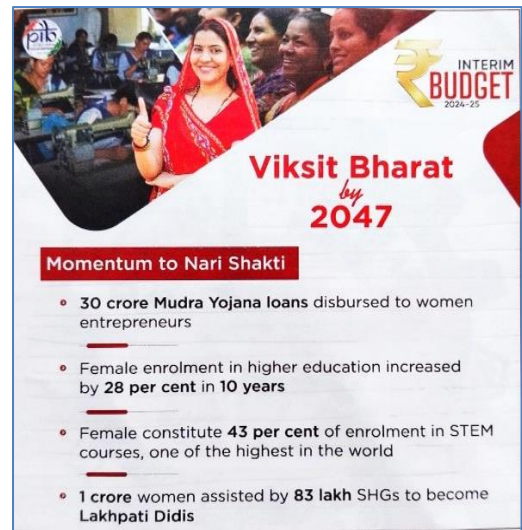
FOCUS ON THE MANUFACTURING AND SERVICES SECTORS

- The Indian manufacturing sector, which accounted for 16-17% of GDP pre-pandemic, is set to grow rapidly and could become a major global hub by 2030.
 - By 2030, India will have the capacity to export goods worth US\$ 1 trillion.
- With 17% of GDP and over 27.3 million workers, it is crucial to India's economy. The government aims to increase the manufacturing share to 25% of GDP by 2025 through various programs.
- Key initiatives include:
 - **SAMARTH Udyog Bharat 4.0 (SAMARTH Advanced Manufacturing and Rapid Transformation Hubs):** A program to enhance competitiveness in the capital goods market.
 - **National Manufacturing Policy:** Targets a 25% GDP share from manufacturing by 2025.
 - **PLI Scheme for Manufacturing:** Launched in 2022 to elevate manufacturing standards to global levels.
- India is advancing towards Industry 4.0 with more automated and efficient manufacturing processes.
- The manufacturing sector in India is gradually shifting to more automated and process-driven manufacturing, which is expected to increase the efficiency and boost production of the manufacturing industry.
- The country is becoming an attractive destination for foreign companies due to streamlined regulations, joint R&D opportunities, and the ability to produce high-quality products meeting international standards.

Budget 2024-25 and MSMEs

- The Union Budget 2024-25 places significant emphasis on the promotion and growth of micro, small, and medium enterprises (MSMEs).
- **New Credit Guarantee Scheme for MSMEs**
 - A new credit guarantee scheme will be introduced to facilitate term loans for MSMEs for machinery and equipment purchases without requiring collateral or third-party guarantees.
 - A self-financing guarantee fund will cover up to Rs 100 crore per applicant, with borrowers paying an upfront and annual guarantee fee.
- **In-House Credit Assessment Capabilities**
 - Public sector banks will develop in-house credit assessment capabilities for MSMEs, moving away from external assessments.

- A new model will score MSMEs based on their digital footprints, improving on traditional criteria and including those without formal accounting systems.
- **Continuation of Bank Credit During Stress**
 - A new mechanism will ensure continued bank credit to MSMEs during stress periods to prevent them from falling into non-performing asset (NPA) status when in the 'special mention account' (SMA) stage.
- **Increased Mudra Loan (Micro Units Development & Refinance Agency Ltd.) Limits**
 - The Mudra loan limit for entrepreneurs who have successfully repaid loans under the 'Tarun' category will be increased from Rs 10 lakh to Rs 20 lakh.
- **Trade Receivables Discounting System (TReDS) Enhancement**
 - The turnover threshold for mandatory onboarding on the TReDS platform will be reduced from Rs 500 crore to Rs 250 crore, helping MSMEs unlock working capital by converting trade receivables into cash.
- **Expansion of SIDBI Branches**
 - The Small Industries Development Bank of India (SIDBI) will open 24 new branches this year, expanding its reach to 168 out of 242 major MSME clusters within three years.
- **Support for Food Irradiation and Quality Testing**
 - Financial support will be provided to set up 50 multi-product food irradiation units and 100 NABL-accredited food quality and safety testing labs in the MSME sector.
- **E-Commerce Export Hubs**
 - E-Commerce Export Hubs will be established in a PPP mode to help MSMEs and traditional artisans sell products in international markets, offering trade and export-related services under a streamlined regulatory and logistic framework.



Budget 2024-25 and Green Manufacturing

- **Subsidies for Eco-Friendly Technologies:** Industries adopting environmentally friendly technologies and practices will be eligible for subsidies.
- **Tax Incentives for Carbon Reduction:** Companies demonstrating a commitment to reducing their carbon footprint through innovative solutions will receive additional tax incentives.
- **Potential for Global Economic Impact:** India has the potential to contribute over US\$ 500 billion annually to the global economy by 2030, supported by robust infrastructure and green manufacturing practices.

Services Sector

- **Growth and Contribution of the Services Sector**
 - **Sector's Contribution to GDP and Employment:** In 2022-23, the services sector contributed over 50% to India's GDP, with a growth rate of 9.1%. Of the 8.12 million jobs created in FY23, nearly half were in IT, banking, and finance.
 - The sector contributed 55% to India's Gross Value Added (GVA) in FY24 and ranked first in FDI inflows.
- **Services Export Performance:** Services exports grew by 1.3% to USD 31.6 billion in December 2023, driven by software, business, and travel services.
 - Imports declined by 1.2%, leading to record net earnings of USD 16.0 billion.

- **Government Initiatives and Investments**

- **Expansion of Commercial Services Exports:** The government aims to boost commercial services exports and increase India's global market share beyond 3.3%, leveraging the sector's competitive advantage.
- **Skill Development Programs:** The Skill India programme aims to skill and upskill 400 million people by 2022, focusing on private sector initiatives and funding for skill development.
- **Digital Infrastructure and Literacy:** The Union Budget 2024-25 emphasizes significant investments in upgrading digital infrastructure, including high-speed internet connectivity and improving digital literacy among the workforce.

Conclusion: Strategic Measures for Economic Growth

- The budget sets a framework for achieving 'Viksit Bharat' by integrating manufacturing and services, fostering innovation, and enhancing economic growth and employment.
- The strategic measures are designed to improve the quality of life, ensuring a resilient and inclusive future for India.

INDUSTRY PERSPECTIVE ON MANUFACTURING & JOBS CREATION

- The economic survey 2023-24 highlights the need for nearly 78.51 lakh new jobs annually in the non-farm sector to accommodate the growing workforce.
- In this context, the Union Budget 2024-25 marked a significant focus on addressing employment challenges in India.

Budget 2024-25 & Employment

- **Employment Linked Incentive Schemes:** The budget introduces schemes offering financial incentives to employers for hiring new workers, especially in manufacturing. This includes wage subsidies to stimulate job creation in the formal sector and reduce unemployment.
- **Youth Internship Program:** Aiming to match industry needs with skills, the budget proposes providing internship opportunities to 1 crore youth in top companies, funded by both government and industry CSR contributions.
- **Skill Development for Youth:** With a median age of 28 and 65% of the population under 35, India faces a skills gap. The budget seeks to enhance the employability of youth, addressing the fact that only about 51.25% are considered employable immediately after college.
 - In other words, about one in two are not yet readily employable immediately after college.
- **Support for Women in the Workforce:** The government plans to increase women's workforce participation by establishing working women's hostels and creches in collaboration with industry.
- **Expansion of e-Shram Portal:** The e-Shram portal, which already has over 29.79 crore registered workers, will be integrated with other platforms to improve the efficiency and responsiveness of the labour ecosystem. The goal is to include approximately 38 crore workers.
- **Revamping Labour Portals:** The Shram Suvidha and Samadhan portals will be revamped to enhance transparency, efficiency, and user experience. The unified Shram Suvidha Portal will facilitate inspection reporting and submission of returns, improving interactions between employers and enforcement agencies.
- **Economic Policy Framework:** The budget announces plans to lay out a framework for next-generation economic reforms aimed at improving the productivity of land, labour, capital, entrepreneurship, and technology, and making markets and sectors more efficient.

Future of Work - Opportunities and Challenges

- **Trends and Challenges**

- The future of work is being shaped by automation, artificial intelligence, and the gig economy, presenting both opportunities and challenges.
- According to the World Economic Forum's 2023 Future of Jobs report, 23% of jobs globally are expected to change in the next five years.
- This includes a 10.2% increase in certain job categories and a 12.3% decline in others.
- Employers predict a net decrease of 14 million jobs (2% of current employment), with 69 million new jobs created and 83 million jobs eliminated.

- **Budget Response**

- The Union Budget 2024-25 addresses these challenges by focusing on upskilling and reskilling the workforce to ensure readiness for future job markets.
- The budget includes initiatives like Employment Linked Incentive Schemes, youth internships, and enhanced skill development programs to prepare the workforce for the evolving job landscape.