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Institute of Civil Services

DAILY CURRENT AFFAIRS



2nd February, 2024

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S.NO.	TOPIC
1.	RESEARCH AND DEVELOPMENT IN INDIA
2.	THE WETLANDS ECOSYSTEM
3.	KEY HIGHLIGHTS OF THE INTERIM BUDGET 2024-25

RESEARCH AND DEVELOPMENT IN INDIA

SOURCE: [THE HINDU](#)

TAG: GS Paper III- **Government Policies and Initiatives, Budget, Growth and Development.**

Practice Question:

Mains

Q. "Investing in Research and Development is crucial for India's economic growth and competitiveness." Examine the benefits of R&D for India's economy, considering innovation, competitiveness, tax incentives, and intellectual property creation. (150 words)

WHY IN NEWS?

- ❖ The interim budget speech by Finance Minister Nirmala Sitharaman mentioned a **corpus of ₹1 lakh crore**, which would be available on '**minimal or nil interest rates**' to **encourage the private sector to invest in research and development in 'sunrise sectors**.

BUDGETARY ALLOCATION:

- ❖ The **National Research Foundation Bill** has been approved, featuring a funding allocation of **₹50,000 crore**, overseen by the **Department of Science and Technology**.
- ❖ In the fiscal year 2024-25, there is a budgetary provision of **₹2,000 crore** earmarked for the **National Research Foundation**.
- ❖ Additionally, a **budget allocation of ₹2,819 crore** has been made for the **National Quantum Mission**.
- ❖ A novel initiative is set to be introduced, focusing on enhancing **deep-tech capabilities for defense applications** and fostering self-sufficiency.

NATIONAL RESEARCH FOUNDATION:

- ❖ **National Research Foundation (NRF) Bill 2023:**
 - The **National Research Foundation (NRF) Bill 2023**, approved by the Indian Parliament, aims to establish a National Research Foundation modelled on the lines of the US National Science Foundation.
- ❖ **The National Research Foundation:**
 - The National Research Foundation is envisioned as an **autonomous body** that will coordinate **research funding in India**, especially for research funding-starved universities and colleges.
- ❖ **Objectives:**
 - The bill aims to provide high-level strategic direction for **research, innovation, and entrepreneurship** in various fields, including **sciences, engineering, technology, health, agriculture**, and the interface of technology with social sciences.





- ❖ It seeks to increase the share of **research funding allocated to state universities**, enhance **international collaborations**, support the translation of research to technologies, document research expenditure and output, and **encourage the private sector to invest in research**.
- ❖ The proposed budget for National Research Foundation is INR 50,000 crores for a period of five years, with approximately **28% of it coming from the government** and the **remaining 72% expected to be sourced from non-government sources, industry, and philanthropists**.

WHAT ARE SUNRISE INDUSTRIES?

- ❖ Sunrise industry refers to a new or relatively new industry that is expanding quickly and is expected to grow in importance over time.
- ❖ Such industries are characterized by **high growth rates, numerous start-ups, and ample venture capital funding**.
- ❖ In India, sunrise industries include **automobile, biotechnology, nanotechnology, artificial intelligence, electronics, green energy, food processing, telecommunications, clean energy, information technology, retail, tourism, and technology**.
- ❖ The **IT industry** is a prominent sunrise industry in India that has rapidly grown over the past decade and is still expanding with a lot of room for growth in the years to come.
- ❖ Other examples of sunrise industries in India are the **creation of hydrogen fuel, petrochemicals, the food processing sector, space travel, and online encyclopedias**. These industries have the potential to support sustainable development and generate employment for the youth.

EMPHASIS ON RESEARCH AND INNOVATION:

- ❖ The budget speech highlighted the government's commitment to fostering a culture of innovation and technological advancement in the country, particularly in '**sunrise sectors**.'
- ❖ It also mentioned a new scheme for **strengthening deeptech technologies for defense purposes** and expediting '**atmanirbharta**' (self-reliance).
- ❖ The budget's focus on **sustainable growth, environment-friendly alternatives, and inclusive livelihood options**, as well as the promotion of women in the workforce and women-led initiatives, reflects the government's priorities for the country's development.
- ❖ The continued focus on increased capital investments, the promotion of sustainable growth, and the **empowerment of vulnerable sections** of society demonstrates the government's commitment to inclusive and resilient development.

WHAT IS THE STATE OF RESEARCH AND DEVELOPMENT (R&D) IN INDIA?

- ❖ India spends only 0.66% of its GDP on R&D, which is lower than the expenditure of countries like the US, China, and Israel. Also, it has fewer STEM Ph.D. students in the US than China.
- ❖ **According to WIPO**, India is the seventh-largest patent filing office in the world, but India produces fewer patents per capita.
- ❖ **Expenditure on R&D:**
 - ❖ Government expenditure, almost entirely the Central Government, is the driving force of R&D in India.
 - ❖ This is in contrast to advanced countries where the private sector is the driving force of R&D spending.
 - ❖ Higher spending in R&D by the private sector will happen as the manufacturing sector expands in the country.
- ❖ **Link between R&D vis-a-vis nation's development:**
 - ❖ R&D of new products and solutions to diseases are key drivers of economic performance and social well-being.



- It is important to inculcate scientific temper among masses to fight superstitions and distorted truth.
- Innovation and technological improvement are essential to combat and adapt to climate change and promote sustainable development.
- It is imperative for combating national security threats like cyber warfare.
- Investing in research and providing adequate incentives leads to job creation, especially for the pool of engineers and researchers.

SOME SUCCESS FOR R&D PROJECTS IN INDIA:

❖ **Foreign Investment in R&D:**

- India has seen a significant increase in foreign direct investment (FDI) in R&D, with 225 FDI projects in R&D activities in the first ten months of 2022, up by 152% from the whole of 2021

❖ **Creation of Intellectual Property (IP) Assets:**

- R&D in India has led to the creation of intellectual property assets, with the number of patents filed and granted in the country showing an increasing trend

❖ **Innovation and New Markets:**

- R&D efforts have led to the creation of innovative products, adding new revenue streams and increasing brand value

WHAT ARE THE BENEFITS OF R&D FOR INDIA'S ECONOMY?

❖ **Innovation and New Markets:**

- R&D efforts lead to the creation of innovative products, which can not only add new revenue streams but also lead to the creation of new markets

❖ **Increased Competitiveness:**

- R&D plays a vital role in driving economic growth, developing sustainable solutions, and improving efficiency, thereby increasing the competitiveness of businesses and industries operating in the country

❖ **Tax Relief and Investment Incentives:**

- Investing in R&D can result in tax relief in certain geographies, including India. The government has provided impetus to investments in R&D through various tax relief measures and public-private partnerships

❖ **Labor Productivity and Integration of ICT:**

- Increased R&D spend has spurred labor productivity and the integration of Information and Communication Technology (ICT) in the broader economy, contributing to overall economic development

❖ **Creation of Intellectual Property (IP) Assets:**

- R&D helps in developing new products and services, leading to the creation of intellectual property assets, which are a great source of revenue generation for companies

❖ **Global R&D Powerhouse:**

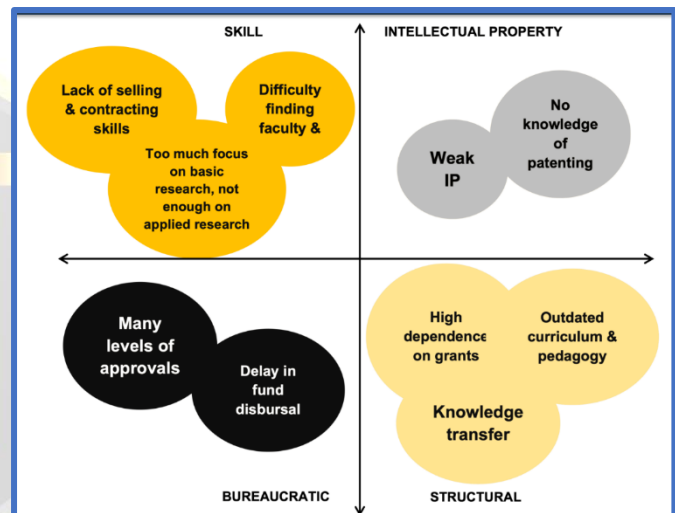
- By strengthening its R&D ecosystem, India has the opportunity to become a global R&D powerhouse, attracting high-skill jobs and foreign investment

WHAT ARE THE CHALLENGES TO IMPROVING R&D ECOSYSTEM IN INDIA:

❖ **India's Weak Patent System:**



- India's patent system has been historically weak, leading to concerns about the protection of intellectual property.
- ❖ **Risk of Imitation:**
 - Private firms are hesitant to invest in R&D due to the risk of imitation by local competitors, further disincentivizing investment.
- ❖ **Lack of Talent:**
 - Private firms invest more in R&D in the US and China due to the caliber of talent their higher education institutions attract.
- ❖ **Lack of High-Quality Research:**
 - Less than 1% of higher education institutions in India actively participate in high-quality research, limiting the country's knowledge creation.
- ❖ **Suffocating Research Ecosystem:**
 - Efforts to impose fiscal discipline on educational institutions have suffocated the research ecosystem at institutions like IISc, IITs, and IISERs.
- ❖ **Challenges in Procuring Laboratory Equipment:**
 - Bureaucratic red tape and delays in the system make procuring laboratory equipment difficult for researchers.
- ❖ **Capacity Issue:**
 - The Indian Patent Office has substantially fewer patent examiners and controllers compared to China and the US, leading to difficulties in handling the demand
- ❖ **Lack of Funding:**
 - The lack of adequate funding for R&D is a major reason for its inadequacies in India
- ❖ **Lack of Infrastructure:**
 - India lacks adequate infrastructure for R&D, with few well-equipped laboratories and research facilities.
- ❖ **Limited Collaboration between Academia and Industry:**
 - Limited collaboration between academia and industry hinders innovation and the commercialization of research.
- ❖ **Brain Drain:**
 - Many of India's brightest minds emigrate to other countries for better opportunities, resulting in a brain drain that weakens the country's R&D capabilities.
- ❖ **Inadequate Education and Training:**
 - India's education system does not adequately prepare students for R&D careers, and there is a lack of training opportunities for researchers.
- ❖ **Bureaucratic Hurdles:**
 - Bureaucratic hurdles slow down the research process and discourage many researchers from pursuing projects in India.



WAY FORWARD:

- ❖ **Creating an Enabling Regulatory Environment:**
 - The government can create a conducive regulatory environment that encourages private sector participation



- ❖ **Public-Private Partnerships (PPPs):**
 - The government can work with private sector players through PPPs to leverage private sector expertise and resources
- ❖ **Encouraging Foreign Direct Investment (FDI):**
 - The Indian government can encourage FDI by liberalizing investment rules, simplifying procedures, and providing incentives for foreign investors
- ❖ **Skill Development and Education:**
 - The government can invest in skill development and education initiatives to address the skills gap and support private sector growth
- ❖ **Infrastructure Development:**
 - Investing in infrastructure development can attract private sector investment and improve productivity.





THE WETLANDS ECOSYSTEM

SOURCE: [RAMSAR.ORG](https://www.ramsar.org)

TAG: GS Paper III- *Biodiversity and Environment*

UPSC PYQs

Mains

Q. What is a wetland? Explain the Ramsar concept of 'wise use' in the context of wetland conservation. Cite two examples of Ramsar sites from India. – 2018 (150 words)

WHY IN NEWS?

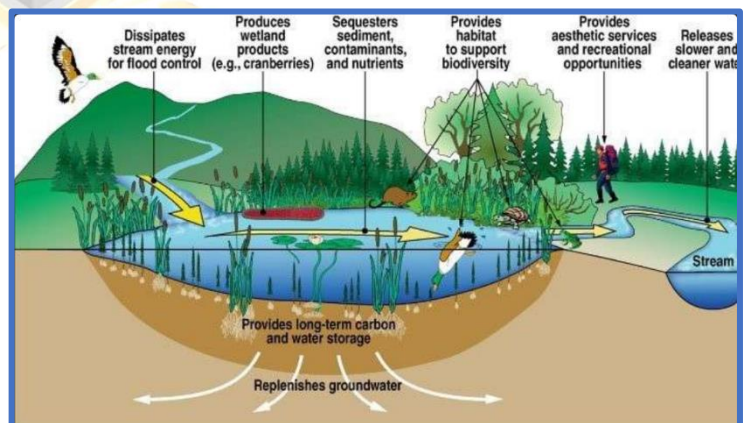
- ❖ *World Wetlands Day is celebrated each year on 2 February. The commemoration raises awareness and increases people's understanding of the critical importance of wetlands.*

WORLD WETLAND DAY:

- ❖ World Wetlands Day reminds us that our health is dependent on the health of wetlands, because wetlands are these great wonders of nature, perfectly balanced systems that perform absolutely vital functions for us and for nature.
- ❖ World Wetlands Day is celebrated **every year on 2 February**. This day marks the date of the adoption of the **Convention on Wetlands on 2 February 1971**, in the Iranian city of **Ramsar** on the shores of the **Caspian Sea**.
- ❖ The Standing Committee of the Convention has approved the themes for World Wetlands Day as follows:
 - **2022: Wetlands action for people and nature.**
 - **2023: Wetland restoration.**
 - **2024: Wetlands and human wellbeing.**

ABOUT WETLANDS:

- ❖ A wetland is an area where the ground is submerged in water, encompassing environments such as marshes, ponds, lake or ocean edges, river deltas, and flood-prone low-lying areas.
- ❖ Wetlands stand out as the most ecologically diverse ecosystems, providing habitats for a wide array of plant and animal species.
- ❖ The **National Wetland Conservation Programme (NWCP)** was initiated by the Government of India in 1985 in collaboration with state governments.
- ❖ Currently, **115 wetlands have been identified for urgent conservation and management interventions.**
- ❖ Wetlands include various types like swamps, marshes, bogs, and fens, with subtypes such as mangrove forests, carrs, floodplains, sinks, and Peatlands.
 - **Swamp:** A swamp, characterized by forested conditions, serves as a transitional zone influenced by both land and water.





- **Marshes:** Marshes, dominated by herbaceous plants rather than woody species, often form transitional zones between aquatic and terrestrial ecosystems along lake and stream edges, primarily consisting of grasses and rushes.
- **Bogs:** Bogs, or boglands, are wetlands accumulating peat, a deposit of deceased plant material.
- **Fens:** They are peat-rich areas receiving nutrients from water flow, typically flooded in winter, and characterized by mosses, sedges, rushes, and shrubs, with the presence of streams or pools.
- **Carrs:** If woody plants are present, they are usually low-growing shrubs, and in such cases, the wetlands are termed carrs, dominated by shrubs rather than trees.

SIGNIFICANCE OF WETLANDS:

❖ Water Storage (Flood Control):

- Wetlands act as **natural sponges**, absorbing and storing excess water during periods of heavy rainfall or flooding.
- This function helps **regulate water flow**, preventing downstream flooding and minimizing the impact of extreme weather events.

❖ Groundwater Replenishment:

- Wetlands play a crucial role in recharging groundwater by **allowing water to infiltrate into the soil**, thereby maintaining aquifer levels.
- This function is essential for sustaining drinking water supplies and supporting agricultural activities.

❖ Shoreline Stabilization and Storm Protection:

- Wetlands act as a **buffer against coastal erosion and storm surges**, providing a natural defense mechanism for coastal areas.
- The vegetation in wetlands helps stabilize shorelines, reducing the impact of waves and storm-related damage.

❖ Water Purification:

- Wetlands act as natural filters, **trapping pollutants** and sediments from water.
- They play a vital role in improving water quality by removing excess nutrients and contaminants, contributing to the purification of water resources.

❖ Reservoirs of Biodiversity:

- Wetlands are among the most biologically diverse ecosystems, providing habitats for a wide range of plant and animal species.
- They serve as **breeding grounds, nurseries, and feeding areas for many species**, contributing significantly to global biodiversity.

❖ Pollination:

- Wetlands support **pollinator habitats**, aiding in the reproduction of flowering plants.
- This function is crucial for the maintenance of plant diversity and the production of fruits and seeds.

❖ Wetland Products:

- Wetlands offer various products such as **fish, shellfish, and aquatic plants** that contribute to local economies and livelihoods.
- These resources support traditional fishing practices and can be harvested sustainably.

❖ Cultural Values:

- Wetlands hold cultural and spiritual significance for many communities around the world.





- They may be sites of **cultural practices, folklore, and rituals**, connecting people to their natural heritage.
- ❖ **Recreation and Tourism:**
 - Wetlands provide opportunities for recreational activities such as **bird watching, hiking, boating, and photography**.
 - They attract tourists, contributing to local economies through **ecotourism**.
- ❖ **Climate Change Mitigation and Adaptation:**
 - Wetlands **sequester carbon**, helping mitigate climate change by storing large amounts of organic carbon in their soils.
 - They also act as buffers against the impacts of climate change, providing resilience to extreme weather events and rising sea levels.

RAMSAR CONVENTION ON WETLANDS:

- ❖ Ramsar Convention on Wetlands is an **international treaty for conserving and sustainably using wetlands**.
- ❖ It is also known as the Convention on Wetlands, named after **Ramsar, Iran**.
- ❖ It was signed on February 2, 1971, and celebrates World Wetlands Day every year on this date
- ❖ There are total **171 parties to the convention**.
- ❖ This convention emphasizes the **"wise use" of wetlands**, balancing ecological preservation and sustainable development.
- ❖ It is crucial due to the ecosystem services they provide, but 64% of wetlands have vanished in the past century.

- ❖ **CONFERENCE OF THE CONTRACTING PARTIES (COP):**

- Policymaking body of the convention.
- Meets every three years, In 2022, COP14 was co-held in Wuhan, China, and Geneva, Switzerland.
- Commitments include wise wetland use, designation of Ramsar Sites, and international cooperation.

- ❖ **RAMSAR SITES:**

- Contracting Parties must designate at least one wetland site for inclusion in the Ramsar List.
- Inclusion signifies commitment to preserving the site's ecological character.
- Over 2,400 Ramsar Sites in 172 countries, the UK having 175, India- 75(as of 2023).
- Bolivia has the largest Ramsar-protected area.

- ❖ **TRANSBOUNDARY RAMSAR SITES:**

- Shared, ecologically coherent wetlands extending across national borders, managed collaboratively.

- ❖ **MONTREUX RECORD:**

- Lists wetland sites where changes in ecological character are occurring due to human **interference**.

- ❖ **INTERNATIONAL ORGANIZATION PARTNERS (IOPS):**

- Collaborate with the Ramsar Convention, including Birdlife International, IUCN, IWMI, Wetlands International, WWF, and WWT.

- ❖ **OTHER PARTNERSHIPS:**

- Collaborations with organizations such as **CBD, UNCCD, CMS, WHC, and CITES**.





❖ **PROJECT FUNDING:**

- Supported by multilateral development banks, donors, UN agencies (UNEP, UNDP), NGOs, and others.

MEASURES TO PROTECT WETLANDS:

❖ **Demarcation of Wetlands Using Latest Technology:**

- Employing advanced technologies such as **satellite imagery and Geographic Information System (GIS)** for precise mapping and demarcation of wetland boundaries. Accurate demarcation facilitates effective management and protection of wetland areas.

❖ **Enforcement of Laws and Stringent Punishments:**

- Implementing and enforcing laws related to wetland conservation, with strict penalties for violations. **Deterrence against illegal activities** and adherence to regulations promoting sustainable wetland use.

❖ **Preventing Unsustainable Aquaculture and Shellfish Cultivation:**

- Regulating and monitoring aquaculture practices to ensure they are sustainable and do not harm wetland ecosystems.

❖ **Treating Industrial Effluents and Agricultural Runoff:**

- Implementing water treatment measures for industrial effluents and agricultural runoff before discharge into wetlands. It **minimises pollution** and maintains water quality in wetland ecosystems.

❖ **Utilizing Wetlands Sustainably with Natural Regeneration:**

- Allowing wetlands sufficient time for **natural regeneration and recovery** helps in Promoting ecological balance and preserving the natural functions of wetlands.

❖ **Artificial Regeneration for Quick Recovery:**

- Introducing **artificial regeneration techniques like planting native vegetation** to expedite the recovery process.

❖ **Afforestation, Weed Control, and Preventing Invasive Species:**

- Planting native trees, controlling weeds, and preventing the spread of invasive species. It helps in maintaining the biodiversity of wetlands and preventing the dominance of non-native species.

❖ **Preventing Introduction of Exotic Invasive Species:**

- Implementing measures to prevent the introduction of invasive species like **water hyacinth**.

❖ **Soil Conservation Measures and Afforestation:**

- Implementing soil conservation techniques and **promoting afforestation** in and around wetlands reducing soil erosion and preserving the ecological integrity of wetland habitats.

❖ **Eutrophication Abatement:**

- Implementing measures to **reduce nutrient-rich discharges** that contribute to eutrophication will aid the Maintenance of water quality and preventing excessive nutrient accumulation in wetlands.

CONCLUSION:

- *'With only six years left to meet the **Sustainable Development Goals in 2030**, there is an urgent need to act now. World Wetlands Day reminds us that our health is dependent on the **health of wetlands, because wetlands are these great wonders of nature, perfectly balanced systems that perform absolutely vital functions for us and for nature**' - Executive Director, United Nations Environment Programme.*



UNION BUDGET 2024-25 (interim budget)

2nd February, 2024

TOPIC

**Interim Budget
2024-25**

DESCRIPTION

INTERIM BUDGET OVERVIEW

- ❖ **Transition Period:**
 - ☛ Presented by a **government in transition** or its last year **before general elections**.
- ❖ **Purpose:**
 - ☛ Seeks Parliament's approval to **draw money from the Consolidated Fund of India** for budget expenses **until March 31**.
- ❖ **Timing:**
 - ☛ Presented in the election year; a **full Union Budget** is deferred until after the general elections.



CONTENTS

- ❖ **Similar to Union Budget:**
 - ☛ Includes **estimates of expenditure, revenue, fiscal deficit, and financial projections** for the upcoming financial year.
- ❖ **Duration:**
 - ☛ Typically **covers three to four months** to ensure the country runs smoothly during the transition.
- ❖ **Focus:**
 - ☛ **Incumbent government outlines its economic vision** for the next five years if it returns to power.
- ❖ **Populist Measures:**
 - ☛ May **adopt populist measures to gain voter support**, even if major tax proposals are not made.

LIMITATIONS:

- ❖ **No Major Policy Announcements:**
 - ☛ **No major policy announcements** that could financially burden the next government.
- ❖ **Code of Conduct:**
 - ☛ Adheres to the **Election Commission's Code of Conduct**; *avoids major schemes* that could influence voters.
- ❖ **Exclusion of Economic Survey:**
 - ☛ The **Economic Survey** is not presented along with the Interim Budget.

Key Features of Budget 2024-2025



HIGHLIGHTS OF THE INTERIM UNION BUDGET 2024-25

PART A

SOCIAL JUSTICE:

❖ Focus on Upliftment:

- ☛ Prime Minister to focus on four major castes: '*Garib*' (Poor), '*Mahilayen*' (Women), '*Yuva*' (Youth), and '*Annadata*' (Farmer).

❖ Anti-Poverty Measures:

- ☛ Government assisted **25 crore people out of multi-dimensional poverty** in the last 10 years.

❖ Direct Benefit Transfer (DBT):

- ☛ DBT of Rs. 34 lakh crore using PM-Jan Dhan accounts led to savings of Rs. 2.7 lakh crore for the Government.

❖ Street Vendors Support:

- ☛ PM-SVANidhi provided credit assistance to 78 lakh street vendors, with **2.3 lakh receiving credit for the third time.**

❖ Tribal Development:

- ☛ PM-JANMAN Yojana introduced to aid the development of particularly vulnerable tribal groups (PVTG).

❖ Support for Artisans:

- ☛ PM-Vishwakarma Yojana provides end-to-end support to artisans and craftspeople engaged in **18 trades.**

WELFARE OF 'ANNADATA'

- ❖ PM-KISAN SAMMAN Yojana provided financial assistance to **11.8 crore farmers**, and PM Fasal Bima Yojana offers crop insurance to 4 crore farmers.

❖ Agricultural Reforms:

- ☛ Electronic National Agriculture Market (e-NAM) integrated **1361 mandis**, serving **1.8 crore farmers** with a trading volume of Rs. 3 lakh crore.

EMPOWERING THE YUVA (YOUTH)

❖ National Education Policy 2020:

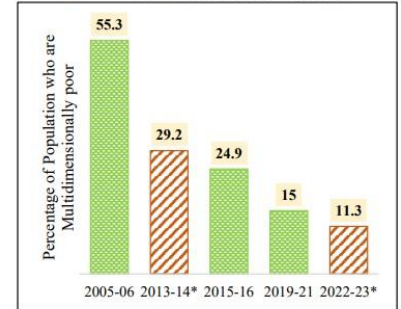
- ☛ Brings in transformational reforms in education.
- ☛ PM Schools for Rising India (PM SHRI) focus on quality teaching and holistic development.

❖ Skill India Mission:

- ☛ Trained **1.4 crore youth.**
- ☛ Upskilled and reskilled **54 lakh youth.**
- ☛ Established 3000 new Industrial Training Institutes (ITIs).



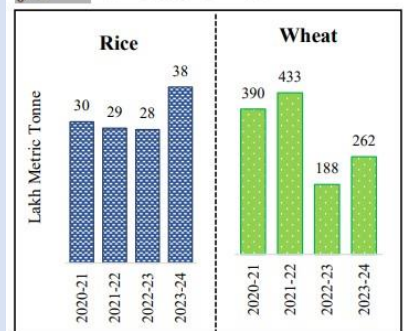
Decline in Headcount Ratio



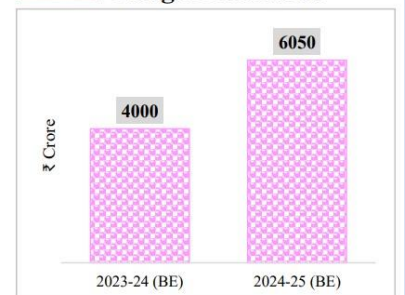
* Projections



Increasing Procurement of Wheat and Rice



Increase in PM-SHRI Budget Allocation

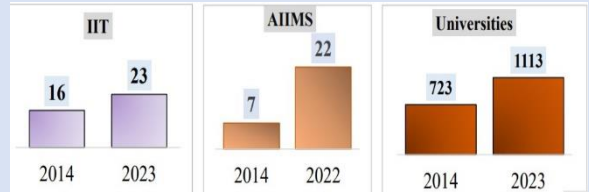




- ☛ Set up new institutions of higher learning: **7 IITs, 16 IIITs, 7 IIMs, 15 AIIMS, and 390 universities.**

❖ **Entrepreneurial Support:**

- ☛ PM Mudra Yojana sanctioned **43 crore loans, amounting to ₹22.5 lakh crore.**
- ☛ Fund of Funds, Start Up India, and Start Up Credit Guarantee schemes supporting youth entrepreneurship.
- ☛ Contribution to job creation – **turning youth into ‘rozgardata’ (employment providers).**

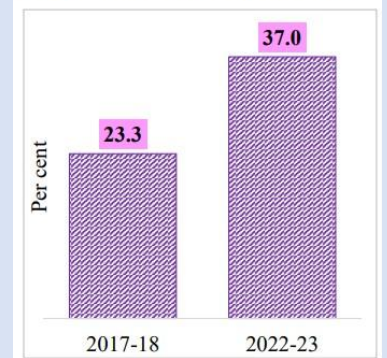


MOMENTUM FOR NARI SHAKTI

❖ **Women Empowerment:**

- ☛ **30 crore Mudra Yojana loans** given to women entrepreneurs, **female enrollment in higher education up by 28%**, and over 70% of PM Awas Yojana houses allotted to rural women.

Rise in Female Labour Force Participation Rate



❖ **Housing Scheme Expansion:**

- ☛ Despite COVID challenges, the **PM Awas Yojana (Grameen) will achieve its three crore houses target soon**, and two crore more houses will be taken up in the next five years.

❖ **Green Energy Initiative:**

- ☛ Rooftop solarization to **provide 1 crore households with 300 units** of free electricity every month.

PART B

INFRASTRUCTURE AND ECONOMIC DEVELOPMENT:

❖ **Research and Innovation:**

- ☛ A **corpus of Rs. 1 lakh crore** established with a **fifty-year interest-free loan** for long-term financing or refinancing, promoting innovation for defense purposes.

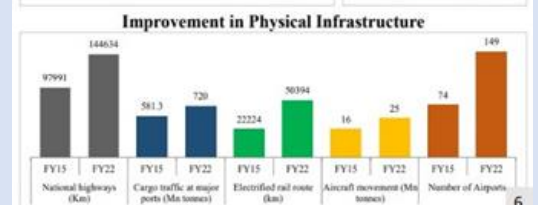
❖ **Infrastructure Outlay:**

- ☛ Capital expenditure outlay for infrastructure development **increased by 11.1% to Rs. 11,11,111 crore, accounting for 3.4% of the GDP.**



❖ **Railway Corridors:**

- ☛ Implementation of **three major economic railway corridor** programs under **PM Gati Shakti** to improve logistics efficiency and reduce costs.

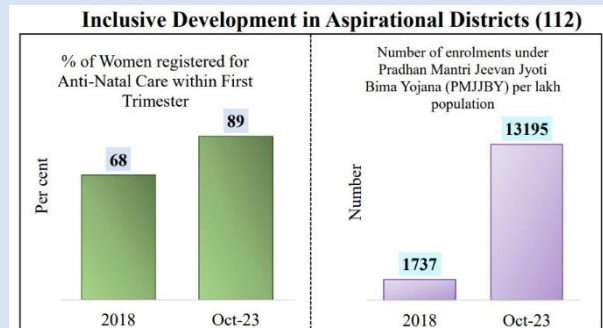
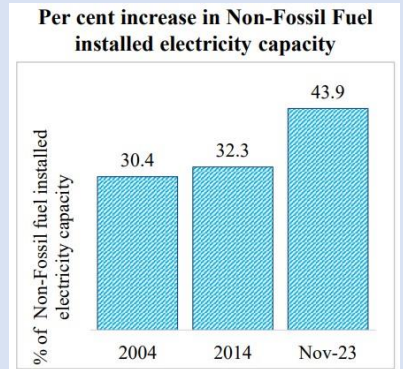


- ✓ *Energy, mineral, and cement corridors.*
- ✓ *Port connectivity corridors.*
- ✓ *High traffic density corridors.*

❖ **Aviation Sector Growth:**

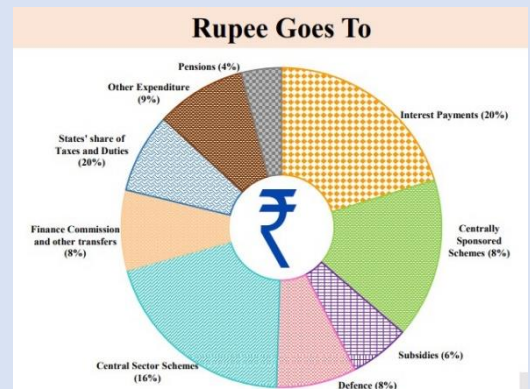
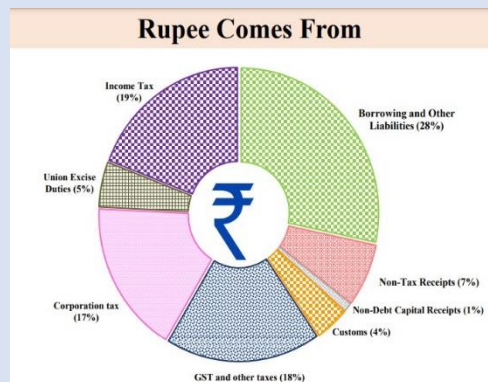


- ☛ Number of airports doubled to 149, 517 new routes carrying 1.3 crore passengers, and Indian carriers placed orders for over 1000 new aircraft.
- ❖ **Green Energy Initiatives:**
 - ☛ Coal gasification and liquefaction capacity of 100 MT to be set up by 2030, and phased mandatory blending of compressed biogas (CBG) in compressed natural gas (CNG) mandated.
- ❖ **Tourism Sector Development:**
 - ☛ States encouraged for comprehensive development of iconic tourist centers with a framework for rating based on quality of facilities and services.
- ❖ **FDI Inflow:**
 - ☛ FDI inflow during 2014-23 of USD 596 billion, twice that of the inflow during 2005-14.
- ❖ **Reforms in States:**
 - ☛ A provision of Rs. 75,000 crore as a fifty-year interest-free loan proposed to support milestone-linked reforms by State Governments.



BUDGET ESTIMATES 2024-25:

- ❖ **Total receipts: Rs. 30.80 lakh crore.**
- ❖ **Total expenditure: Rs. 47.66 lakh crore.**
- ❖ **Tax receipts: Rs. 26.02 lakh crore.**
- ❖ **Fiscal deficit: Estimated at 5.1% of GDP.**



PART B - TAXATION AND FISCAL MEASURES:

- ❖ **Direct Taxes:**
 - ☛ Retention of same tax rates for direct taxes.
 - ☛ Direct tax collection tripled in the last 10 years.
 - ☛ Withdrawal of outstanding direct tax demands up to Rs. 25,000 for FY 2009-10 and up to Rs. 10,000 for FY 2010-11 to 2014-15, benefiting one crore taxpayers.
 - ☛ Tax benefits extended to Start-Ups and investments by sovereign wealth funds or pension funds till March 31, 2025.
- ❖ **Indirect Taxes:**
 - ☛ Retention of same tax rates for indirect taxes and import duties.



- ☛ GST benefits highlighted, reducing the compliance burden on trade and industry.
- ☛ Average monthly gross GST collection doubled to Rs. 1.66 lakh crore this year.

❖ **Tax Rationalization Efforts:**

- ☛ **No tax liability for income up to Rs. 7 lakh.**
- ☛ Threshold for presumptive taxation increased for retail businesses and professionals.
- ☛ **Corporate income tax decreased to 22%** for existing domestic companies and **15% for new manufacturing companies.**

Continuity in taxation: Certain tax benefits to Start-ups and investments made by sovereign wealth funds/pension funds, tax exemption of some IFSC units earlier expiring on 31.03.2024 extended up to 31.03.2025



Withdrawal of outstanding direct tax demand: -

- Up to ₹25,000 pertaining up to FY10
- Up to ₹10,000 for FY11-FY15

Expected to benefit approx. 1 crore taxpayers



Retention of same tax rates: -

- For direct and indirect taxes, including import duties
- For Corporate Taxes-22% for existing domestic companies, 15% for certain new manufacturing companies
- No tax liability for taxpayers with income up to ₹7 lakh under the new tax regime



❖ **Reforms in Taxpayer Services:**

- ☛ Average processing time of **tax returns reduced to 10 days.**
- ☛ Faceless Assessment and Appeal introduced for greater efficiency.
- ☛ Reforms in customs leading to reduced import release time.

❖ **White Paper on the Economy:**

- ☛ The government will lay a White Paper on the table of the house to **assess the economic status, comparing pre-2014 and current situations.**

ALLOCATION FOR SPECIFIC MINISTRIES & SCHEMES

Ministry	Allocation (in ₹ Lakh Crore)
Ministry of Defence	6.2
Ministry of Agriculture and Farmer's Welfare	2.78
Ministry of Consumer Affairs, Food & Public Distribution	2.55
Ministry of Road Transport and Highways	2.13
Ministry of Home Affairs	2.03
Ministry of Railways	1.77
Ministry of Chemicals and Fertilizers	1.68
Ministry of Communications	1.37
Ministry of Rural Development	1.27

Major Scheme	2023-24 (BE) (in ₹ crore)	2024-25 (BE) (in ₹ crore)
Ayushman Bharat-PMJAY	7500	7200
Modified Programme for Development of Semiconductors and display manufacturing ecosystem	3000	6903
Solar Power (Grid)	4970	8500
National Green Hydrogen Mission	297	600
Production Linked Incentive Scheme	4645	6200
Mahatma Gandhi National Rural Employment Guarantee Scheme	60000	86000