

Monthly Economic Report for the month of January, 2025

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Monthly Economic Report for the month of January, 2025

Macroeconomic Indicators

1. GDP is estimated to grow at 6.4% in FY 2024-25.
2. The Agriculture sector is expected to rebound to a growth of 3.8 % in FY 2024-25.
3. The industrial sector is estimated to grow by 6.2 per cent in FY 2024-25.
4. Growth in the services sector is expected to remain robust at 7.2 % in FY 2024-25.
5. The cumulative growth rate of ICI during April to December, 2024-25 is 4.2 % (provisional) as compared to the corresponding period of last year.
6. Total exports (merchandise and services) have registered a steady growth in the first nine months of FY 2024-25 reaching USD 602.6 billion (registering a growth of 6 %).
7. Total imports during the FY 2024-25 reached USD 682.2 billion, registering a growth of 6.9 %.
8. Fiscal Deficit (Revised Estimate) for FY 2024-25 is 4.8% of GDP.

Summary of Economic Survey 2024-25 is placed at **Annexure I**

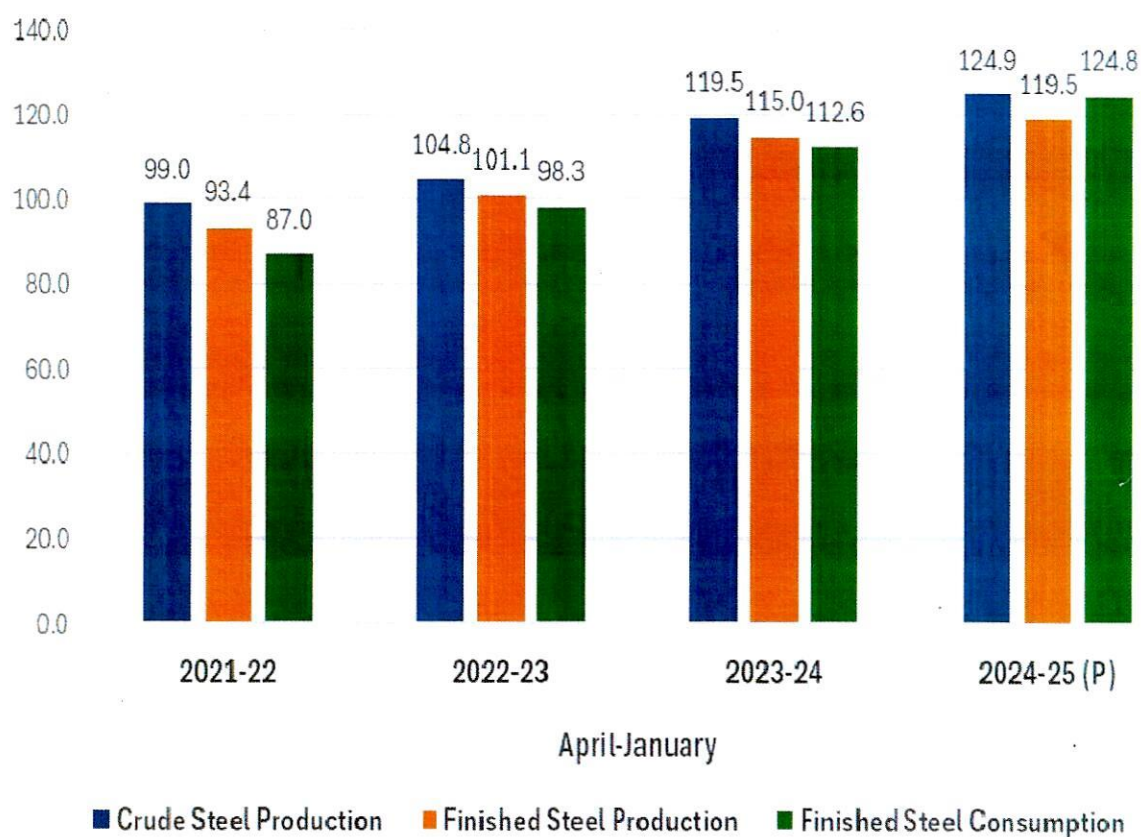
Steel Sector

1. The production of crude Steel during April-January, 2025 is 124.92 million tonnes (MT) 4.5% increase from corresponding period of last year).
2. The production of Finished Steel during April-January, 2025 is 119.5 million tonnes (MT) 4% increase from corresponding period of last year).
3. The consumption of finished Steel during April-January, 2025 is 124.8 million tonnes (MT) (10.7 % increase from corresponding period of last year).

Details of Production and Consumption of Crude Steel and Finished Still is at **Annexure-II**.

Production and Consumption (April- January)

(in Million Tonne)



- According to WSA (World Steel Association) estimates on overall global production, the global steel industry witnessed diverse trends across key producing countries in Dec '24. India's crude steel production saw a significant increase in December 2024, rising by 9.5% compared to December 2023 and by 9.7% compared to November 2024. For the year 2024, India's production reached 149.6 million tons, marking a 6.3% growth over 2023. This growth highlights India's resilience and continued strength in steel production despite global fluctuations. The details of production of crude steel in Dec'24 by top 6 countries in world are at **Annexure-III**.
- Performance of Steel CPSEs for the month of January are at **Annexure-IV**.

Export-Import Scenario

- In January'25, India's steel exports decreased to 3.95 lakh metric tonnes (LMT), compared to 4.46 LMT in December'24. India's imports of finished steel also went up to 8.68 LMT from 8.42 LMT in the previous month. India has been a net importer of steel since April 2024, and the net imports of 6.2 LMT in September 2024 was the highest since April 2024. During FY

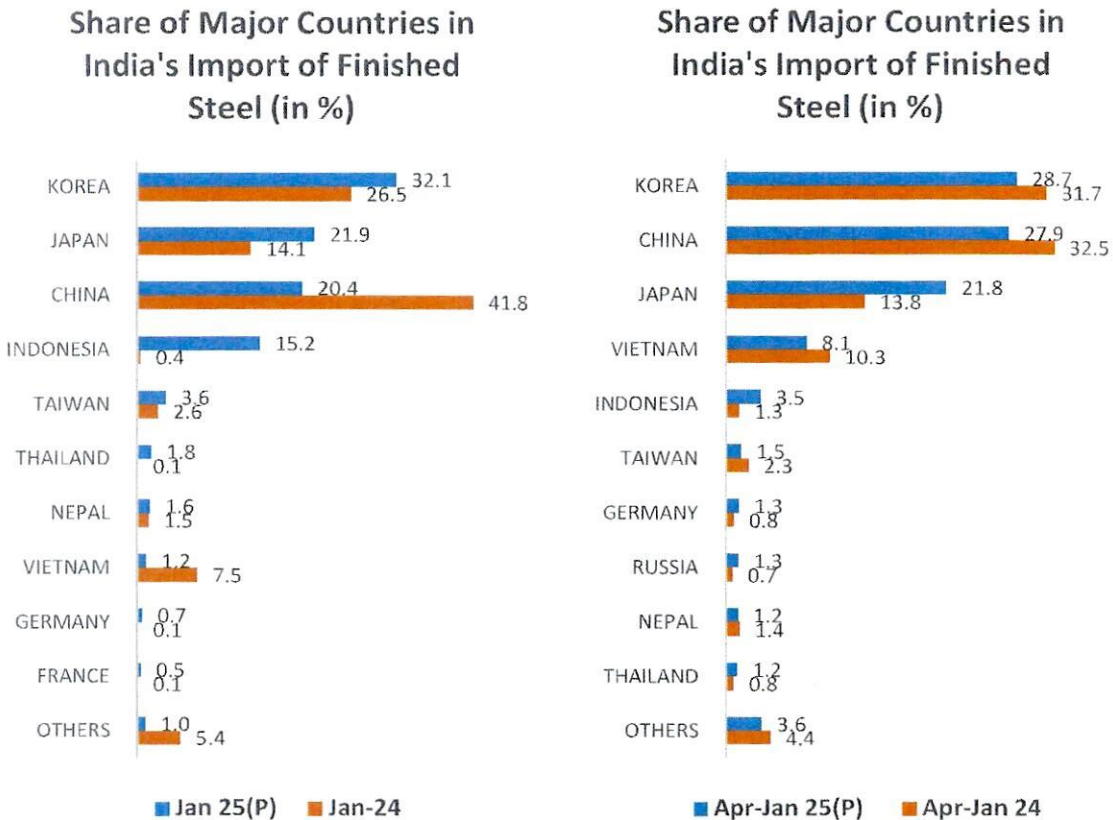
'24, India was a net importer of steel with imports exceeding exports by 8.3 lakh tonnes. Similarly, India was a net importer of steel with imports exceeding exports by 4.3 lakh tonnes during April-January FY '25.

Table 3: Export and Import of Steel- January 2025								
	Jan, 24	Dec'24	Jan'25	Change over Jan'24 (%)	Change over Dec' 24 (%)	April-Jan FY '24	April-Jan FY'25	Change over CPLY (%)
Exports (LMT)	8.46	4.46	3.95	-53.3	-11.5	56.19	39.94	-28.9
Imports (LMT)	8.47	8.42	8.68	2.5	3	68.95	82.92	20.3
Net Export	0.01	3.96	4.73			12.76	42.98	

Source: JPC,

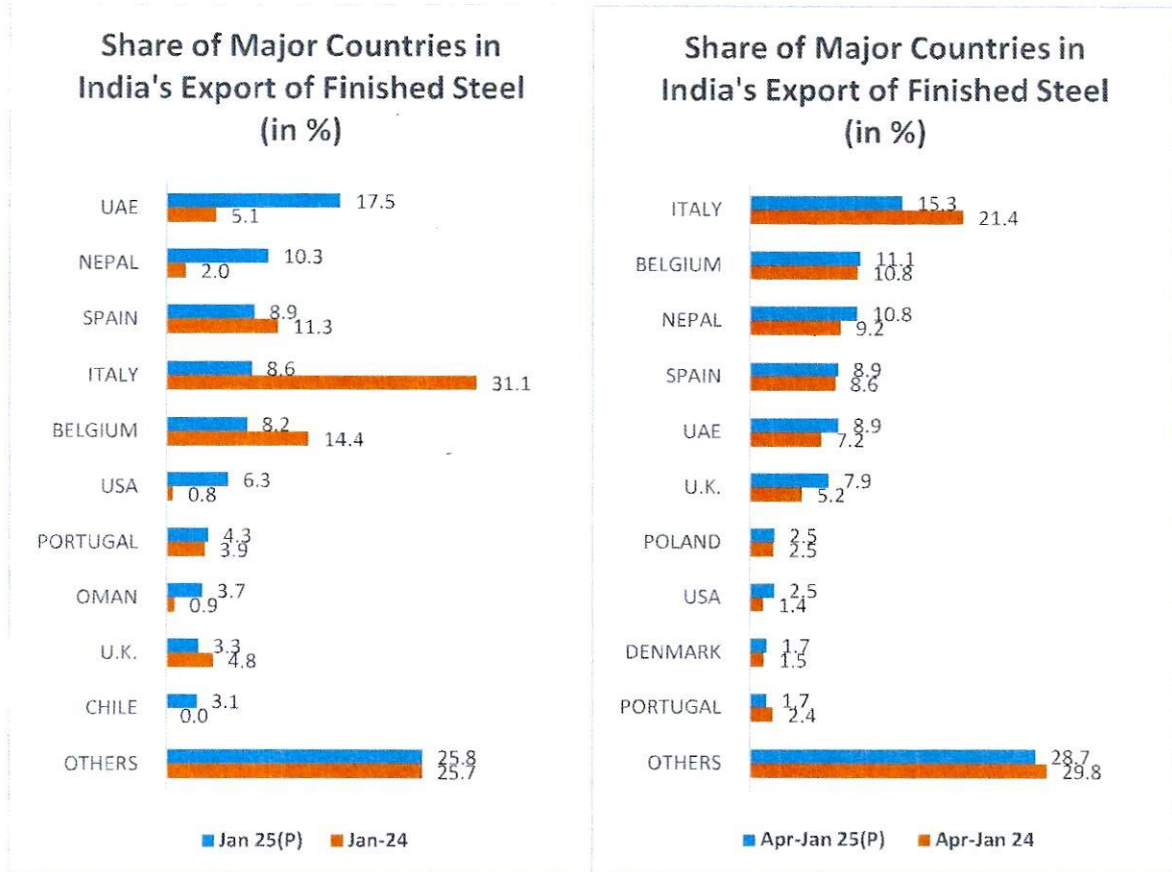
7. Share of Korea, Japan, Indonesia, Taiwan, Thailand, Germany, France and Nepal increased in total steel import of India in January '25 as compared to January '24 while share of China and Vietnam declined over this period as may be seen from the following graphs:

Share of Major Countries in India's Import of Finished Steel (in %)



8. Share of UAE, Nepal, USA, Portugal, Onam and Chile increased in total steel export from India in January' 25 as compared to January' 24 while share of Spain, Italy, Belgium and UK declined over this period as may be seen from the following graphs:

Share of Major Countries in India's Export of Finished Steel (in %)



9. Top five products (Export & Import)

Top 5 Imported Products (in LMT)

Product	Apr-Jan 25(P)	Apr-Jan 24	Change
HR COIL/STRIP	36.54	29.26	24.9
CR COIL/SHEETS	12.72	12.54	1.5
GP/GC SHEETS/COIL	11.28	10.77	4.8
PLATES	10.26	6.26	63.8
ELECT. SHEETS	3.94	2.80	40.8
OTHERS	8.19	7.33	11.7
TOTAL	82.92	68.95	20.3

Top 5 Exported Products (in LMT)

Product	Apr-Jan 25(P)	Apr-Jan 24	Change
HR COIL/STRIP	9.39	20.82	-54.9
GP/GC SHEETS/COIL	9.33	12.66	-26.3
PIPES	5.55	5.26	5.4
BARS & RODS	5.10	5.16	-1.2
CR COIL/SHEETS	4.90	5.36	-8.6
OTHERS	5.68	6.93	-18.0
TOTAL	39.94	56.19	-28.9

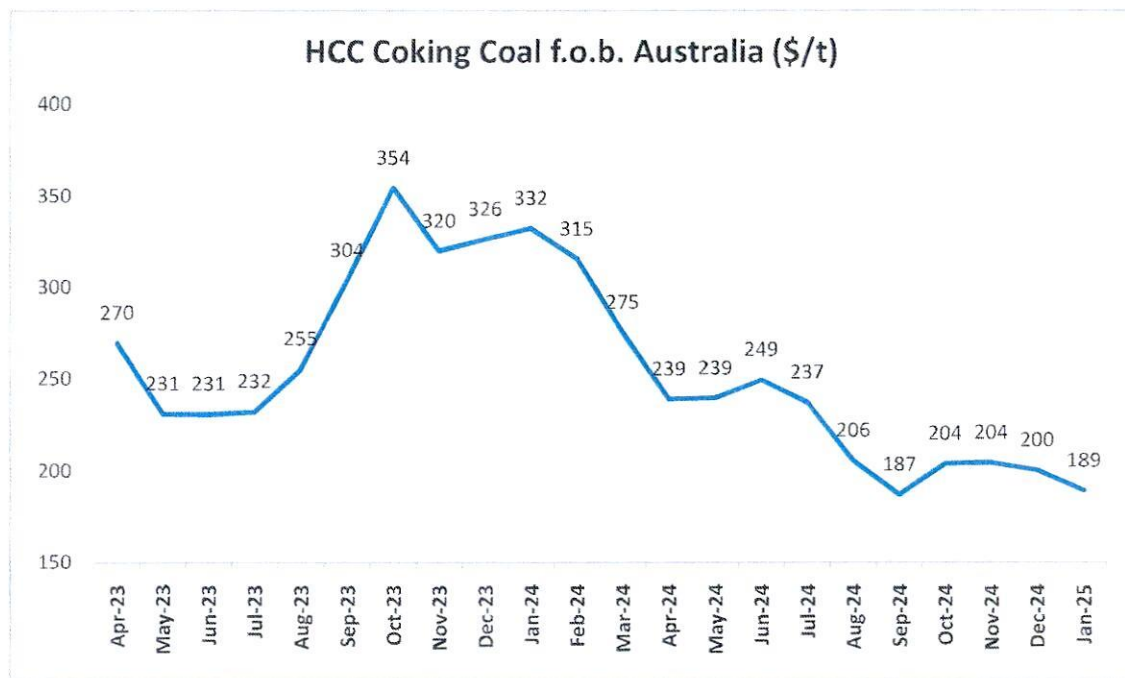
10. Price

- (i) Movement of prices of Iron Ore since April '23 may be seen in the following Graph. During the month of January '25, prices of iron ore lumps decreased to Rs. 6,000/tonne against Rs 6,350/- in December '24.

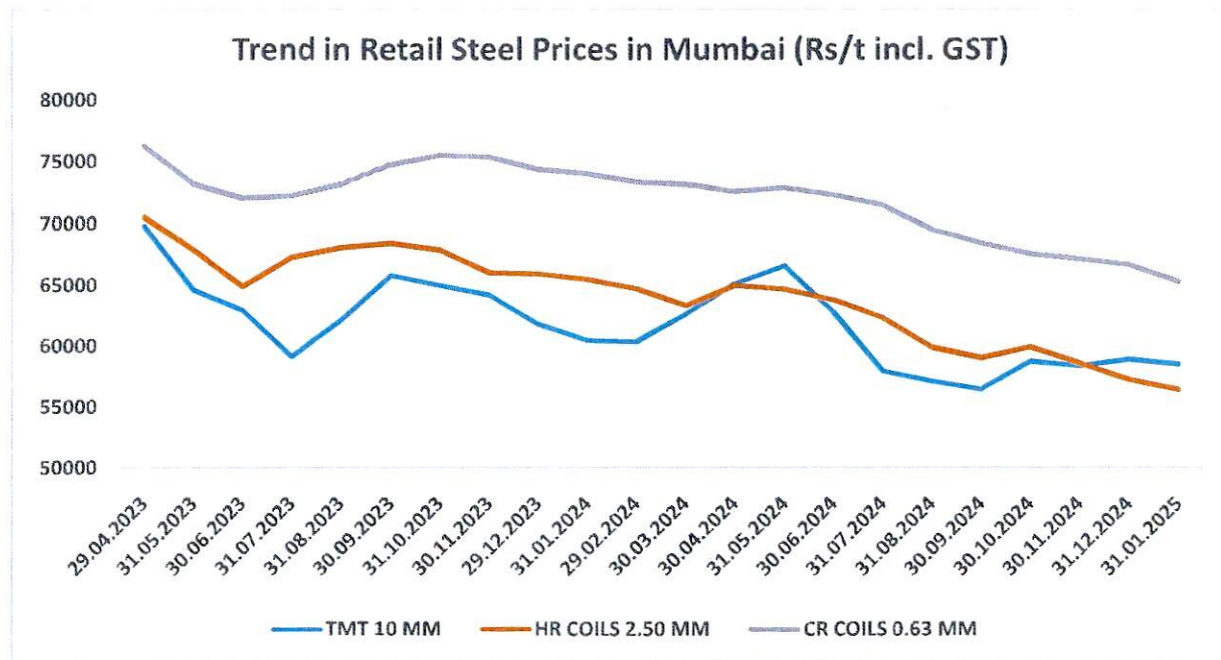
Price : Iron Ore Lumps, NMDC, Chattisgarh, India : 6-40 mm, Fe 65.5% (Rs/t)



- (ii) International prices of coking coal have been volatile in last one year and have decreased from US\$ 200/tonne in December '24, to US\$ 189/tonne in January '25. The prices of coking coal have been in the range of US\$ 189/tonne – US\$ 354/tonne in last 16 months. The trend in price of HCC Coking Coal f.o.b. Australia is shown in following graph.



- (iii) During January '25, prices of TMT, CRC and HRC decreased over December' 24, as may be seen from the following graph. The retail prices of TMT (10 mm), HRC (2.50 mm) and CRC (0.63 mm) in Mumbai market stood at Rs. 58,500/tonne, Rs. 56,400/tonne and Rs. 65,300/tonne respectively on 31st January '25, recording a decrease of 0.7%, 1.5% and 2.1% respectively over their prices on 31st December'24.



11. Budget 2025-26 and Indian Steel Industry

- The Indian steel industry has experienced strong growth, driven by rising domestic consumption, which increased by 11% during April–December 2024–25 (provisional, Source: JPC) compared to the same period last year. However, India remained a net importer of finished steel during this period, with imports rising by 23% while exports declined by 25%.
- On the global stage, India is the **second-largest producer of crude steel** and the **second-largest consumer of finished steel** in 2024, according to provisional rankings from worldsteel. It is projected to retain its position as the **second-largest consumer of finished steel in 2025**, as per worldsteel's Short Range Outlook.
- Given this backdrop, **Budget 2025** introduces key measures focusing on **Agriculture, MSMEs, Investment, and Exports** as the four pillars of economic growth. These initiatives are expected to significantly benefit the domestic steel industry through multiple channels.
- **Key highlights of Budget 2025 are enclosed in Annexure-V. The expected impact of these measures is outlined below.**

- I. Transforming agriculture and agri-livelihoods is expected to provide a strong indirect boost to steel production and demand by increasing rural incomes, which in turn will drive the need for steel and steel products.
- II. Direct support to the MSME sector is likely to create further opportunities for the steel industry, fostering its development in the coming days.
- III. Infrastructure remains the backbone of India's economy, and investments in this sector have consistently been a key driver of steel industry growth, influencing both supply and demand. A substantial Rs 11.21 lakh crore has been earmarked for capital expenditure (CAPEX), consisting 3.1% of GDP, underscoring the government's commitment to infrastructure development, industrial expansion and long term economic resilience. Given the uncertainty in global markets, the budget reinforces the need to strengthen domestic infrastructure to sustain growth.
- IV. The focus on the circular economy, particularly through initiatives in the shipbuilding sector, presents value-added benefits for the steel industry, paving the way for sustainable or "green" growth.
- V. With India currently being a net importer of steel and exports showing a downward trend, a renewed emphasis on export-driven growth could serve as a significant advantage for the domestic steel sector.
- VI. The Budget 2025 introduces significant tax relief measures, including no income tax on earnings up to ₹12 lakh and relaxed TDS limits for senior citizens. Additionally, the proposals include rationalization of TCS, voluntary compliance incentives, and a reduction in TDS rates and threshold amounts. These measures are expected to enhance disposable income, thereby stimulating demand for consumer durables—an indirect yet substantial driver of steel demand.
- VII. Basic Customs Duty (BCD):

The Budget has proposed a full exemption from Basic Customs Duty (BCD) on lead, zinc, and 12 other minerals, ensuring their availability for domestic manufacturing while generating employment opportunities. Additionally, tariff rates on certain iron and steel items, such as flat-rolled products and cast articles, have been reduced. However, there will be no change in the effective tariff rates from February 2, 2025.

A key long-term measure is the continuation of the BCD exemption on raw materials, components, consumables, and parts used in shipbuilding for the next ten years. This is expected to provide a significant boost to the shipbuilding industry, positively impacting the steel sector through both supply and demand channels.

VIII. Budget 2025 prioritizes regulatory reforms to create a more people-friendly framework, impacting the bottom lines and operations of India Inc., including the steel sector.

With a vision of transforming India into *Viksit Bharat*, the budget aims for zero poverty, universal access to quality education and healthcare, a fully skilled and meaningfully employed workforce, and 70% female participation in economic activities. To achieve this, it introduces a range of opportunities to drive growth, employment, and investment, ensuring balanced regional development.

For the steel sector, the budget emphasizes strengthening domestic demand while aligning it with supply-side efficiencies. Policy measures focus on sectoral growth across manufacturing and exports, reinforcing the industry's long-term expansion.

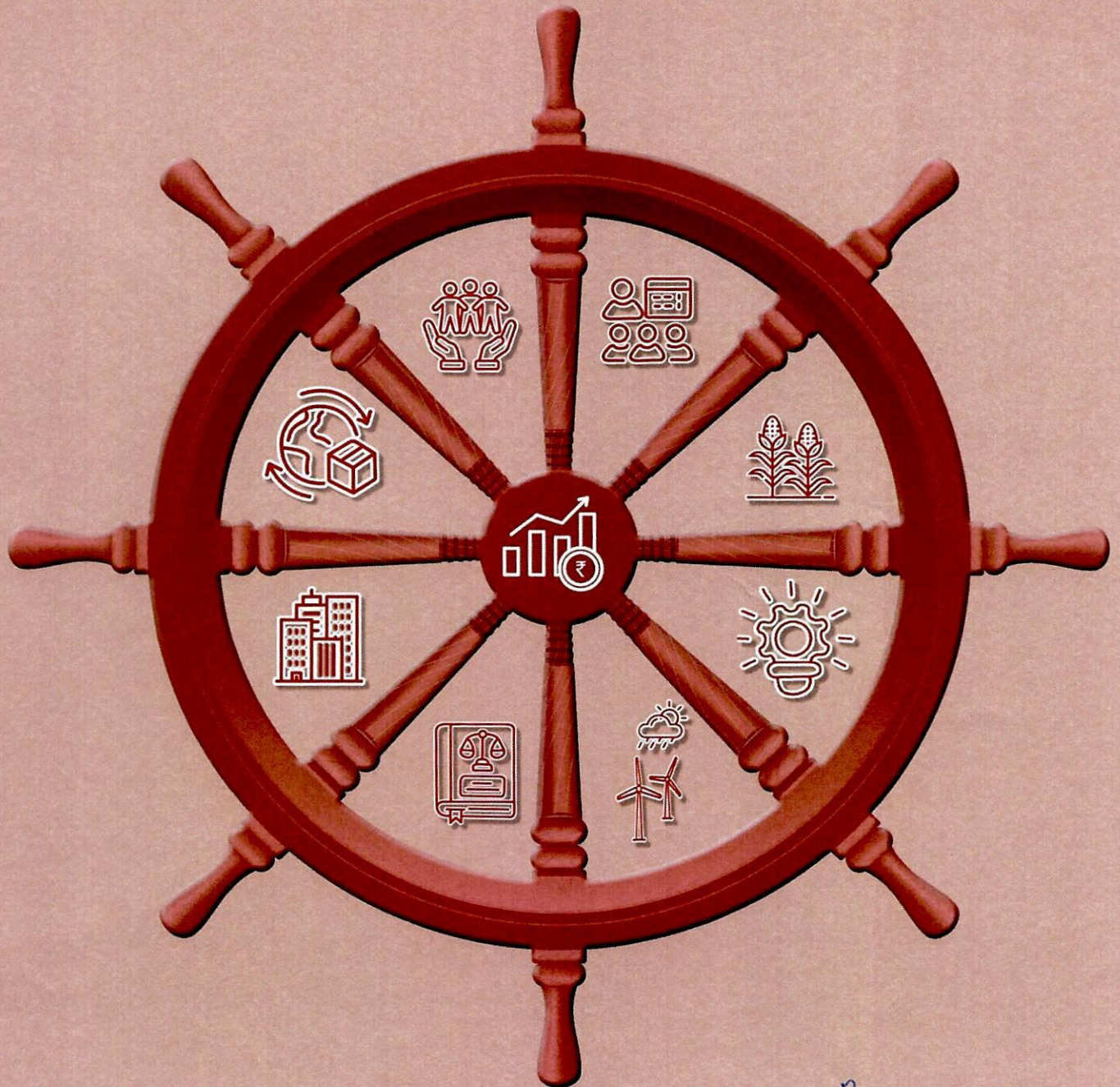
ECONOMIC SURVEY

2024-25

HIGHLIGHTS



सत्यमेव जयते
Government of India



Economic Survey 2024-25 Highlights

The 'Highlights' document of the Economic Survey 2024-25 succinctly presents the key aspects of each of the thirteen chapters using charts, infographics, and minimal text, all within 30 pages. This document provides a visually engaging and easily readable overview of the Survey, encouraging readers to dive deeper into its content for a more comprehensive understanding. It aims to make complex data accessible and relatable, fostering curiosity and further exploration among readers, whether they are policy enthusiasts, students, or professionals.

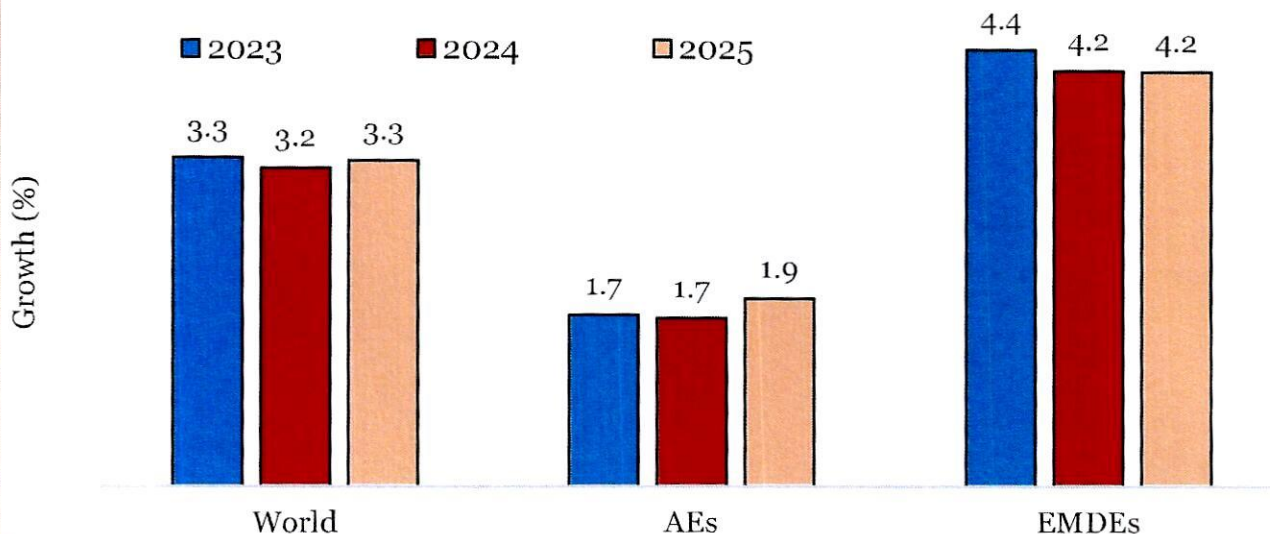
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Government of India

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State of the Economy: Getting back into the fast lane

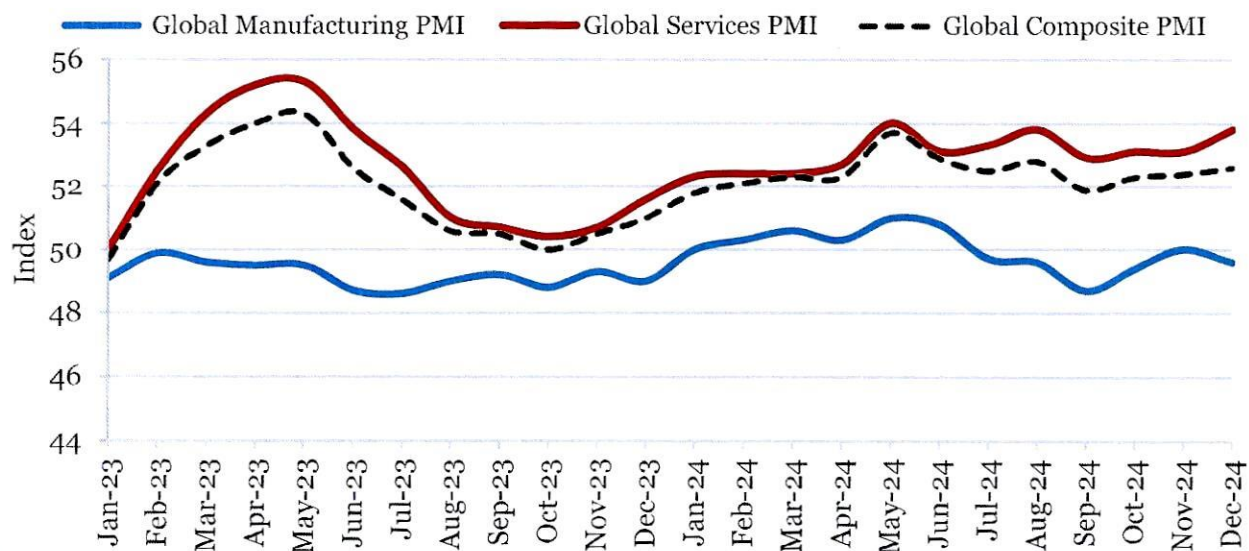
Steady growth outlook across country groups



Source: IMF's World Economic Outlook

Note: AEs- Advanced Economies, EMDEs- Emerging market and developing economies.

Global manufacturing and services PMI trends*



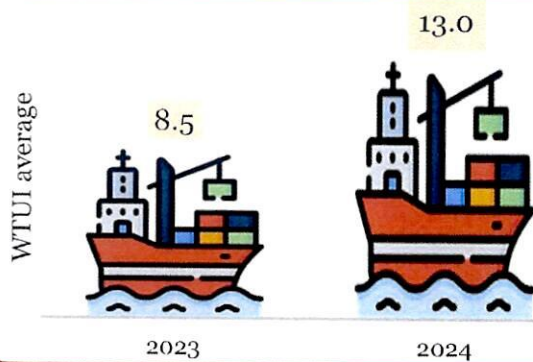
Source: Bloomberg

Note: PMI: Purchasing Managers Index.

*The index varies between 0 and 100, with a reading above 50 indicating an overall increase compared to the previous month and below 50, an overall decrease.

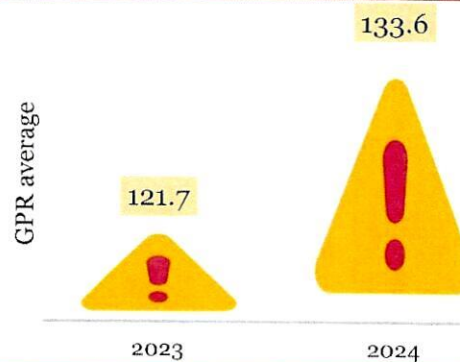
Elevated global uncertainties

Higher World Trade Uncertainty index (WTUI) in 2024



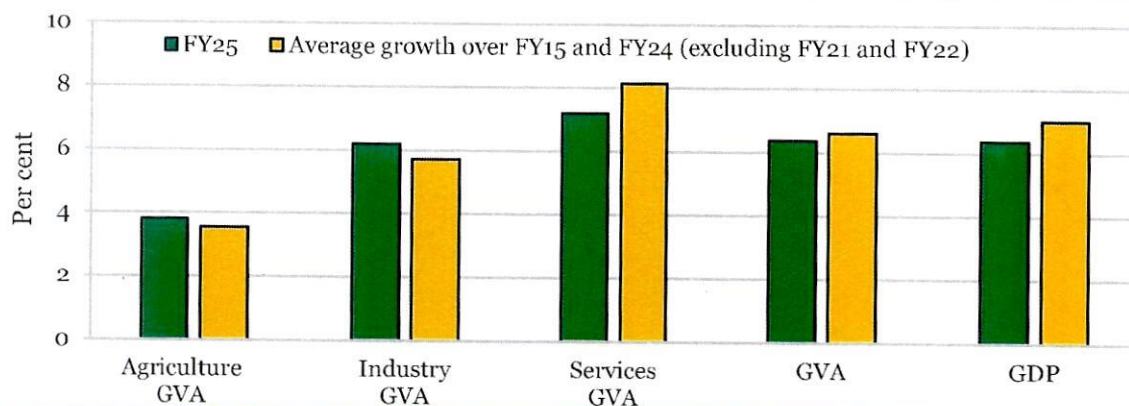
Source: Economic Policy Uncertainty <https://www.policyuncertainty.com/gpr.html>

Higher Geopolitical risk index (GPR) in 2024



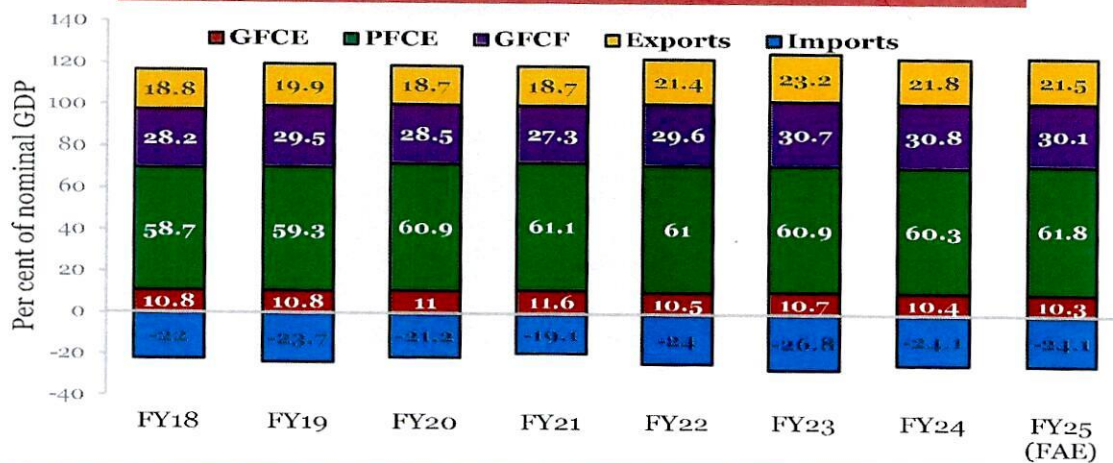
Source: Economic Policy Uncertainty <https://worlduncertaintyindex.com/data/>

India's growth remains close to the decadal average despite global uncertainties



Source: MoSPI, Note: GVA: Gross value added: GDP: Gross domestic product

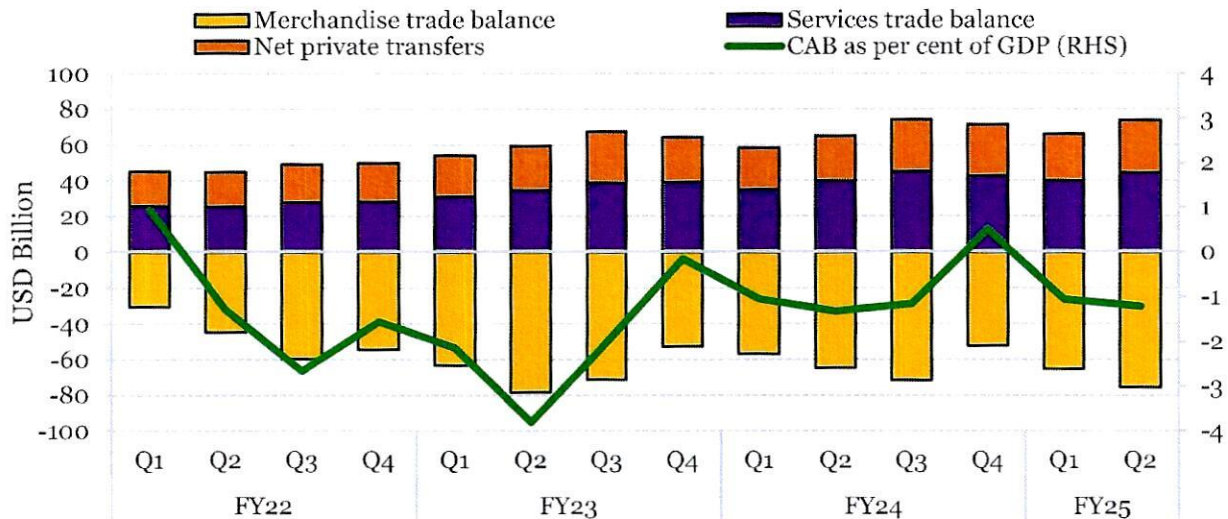
Steady shares of investment and consumption in GDP



Source: MoSPI

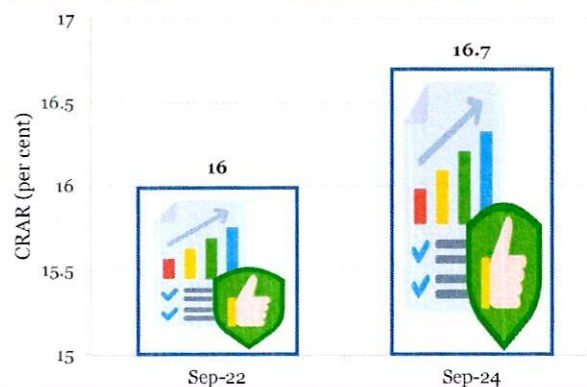
Note: PFCE – Private Final Consumption Expenditure, GFCE- Government Final Consumption Expenditure, GFCF- Gross Fixed Capital Formation

Strong external sector



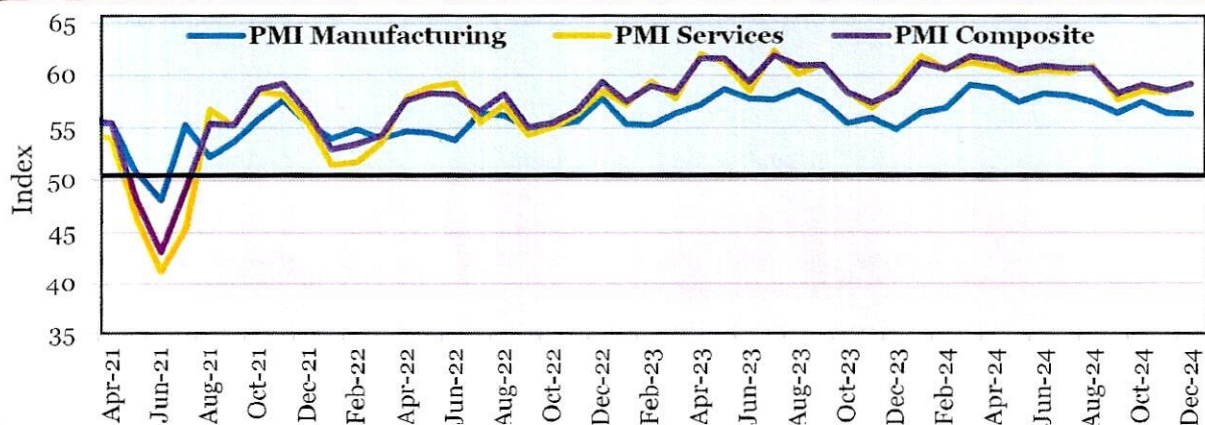
Source: Source: RBI Handbook of Statistics on the Indian Economy
Note: CAB – Current Account Balance

Stable banking system indicators



Source: Various editions of RBI Financial Stability Report
Note: CRAR: Capital to risk-weighted assets ratio.

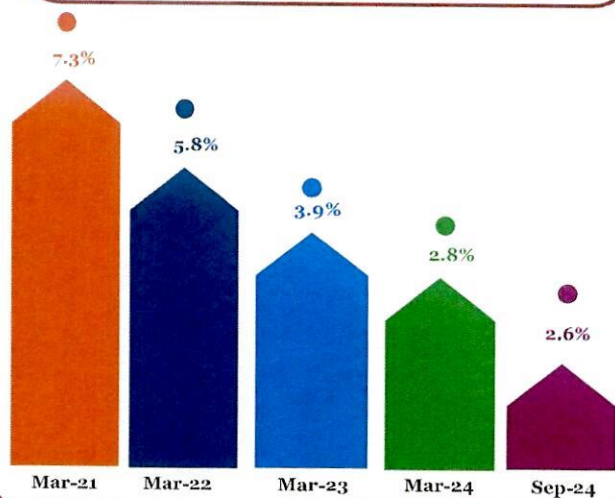
Steadily expanding economic activity



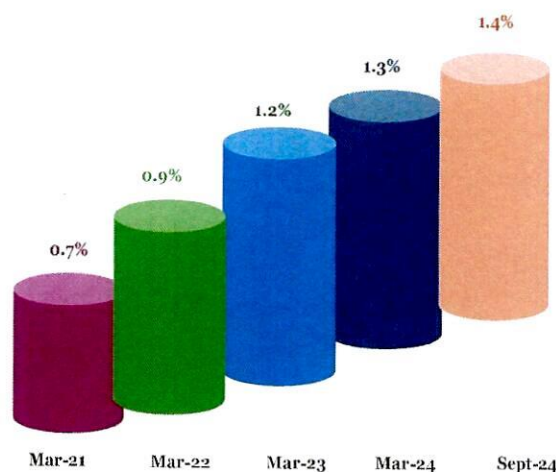
Monetary and Financial Sector Developments: The cart and the horse

Improvement in asset quality of banks

Gross Non-Performing Assets ratio (% of gross advances) of SCBs on a declining trajectory

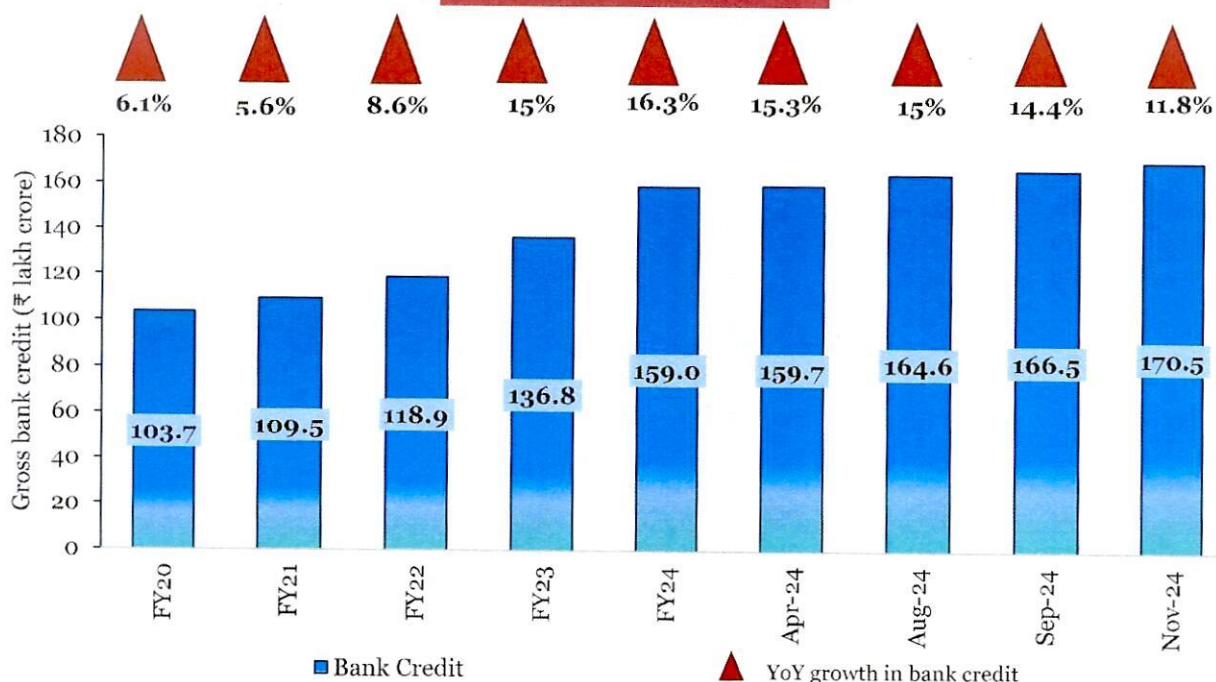


Improvement in the profitability of SCBs reflected in rising Return on Assets (RoA)



Source: RBI Financial Stability Report, various issues

Bank credit steady



Developments in capital markets



₹11.1 lakh crore mobilised from primary markets during Apr-Dec 2024, 5% more than the amount mobilised in FY24

No. of demat accounts rose by 33% to 18.5 crore at the end of December 2024 on a YoY basis



No. of IPOs increased to 259 in Apr-Dec 2024 from 196 in Apr-Dec 2023 (up 32.1% YoY) with funds raised tripling to ₹1,53,987 crore from ₹53,023 crore in the same period

Performance of Capital markets



No. of unique mutual fund investors doubled from 2.9 crore in FY21 to 5.6 crore as of December 2024



India's market capitalisation to GDP ratio stood at 136% at the end of December 2024, far higher than other EMEs



Monthly average gross SIP flows more than doubled in the last three years from ₹0.10 lakh crore in FY22 to ₹0.23 lakh crore as of Dec 24

Source: SEBI

Rural Financial Institutions have played a significant role in advancing financial inclusion



Government's strong emphasis on Financial Inclusion

Improvement in RBI's Financial Inclusion Index from 53.9 in March 2021 to 64.2 by March 2024

Performance of Regional Rural Banks



22,069 branches in 700 districts

- 26 States & 3UTs
- 14% share in all branches (all banks)
- 30% share in rural branches (all banks)
- 92% branches in rural/semi-urban areas



₹6.6 lakh crore deposits

- 31.3 crore deposit accounts
- 3.2% share in deposit amount (all banks)
- 13.7% share in deposit accounts (all banks)

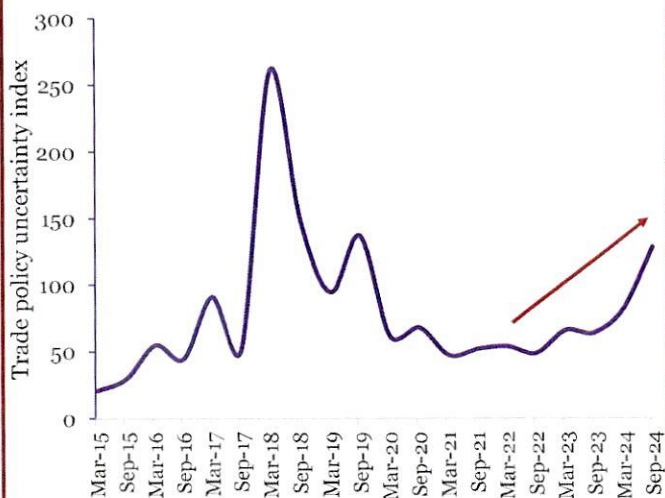


₹4.7 lakh crore advances

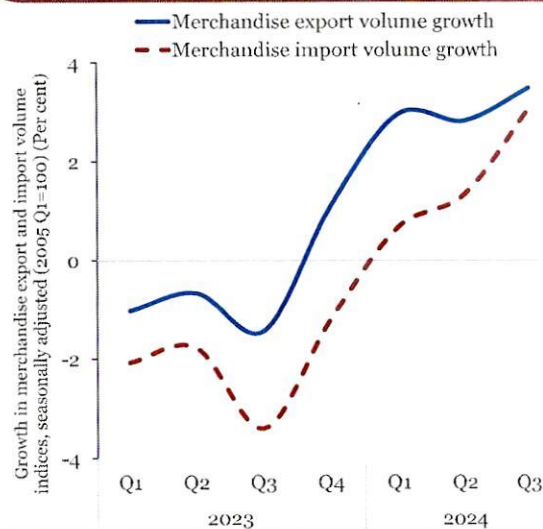
- 3 crore loan accounts
- 2.9% share in advances (all banks)
- 8% share in loan accounts (all banks)

Global trade dynamics

Rise in global trade uncertainty

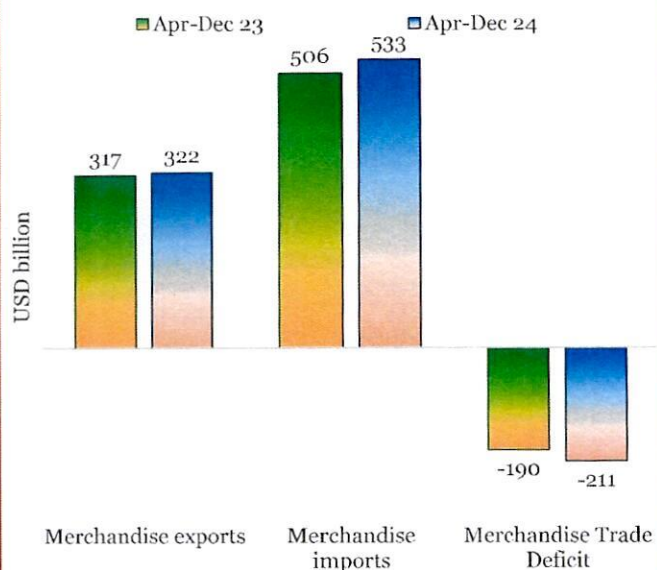


Rebound in global trade in 2024

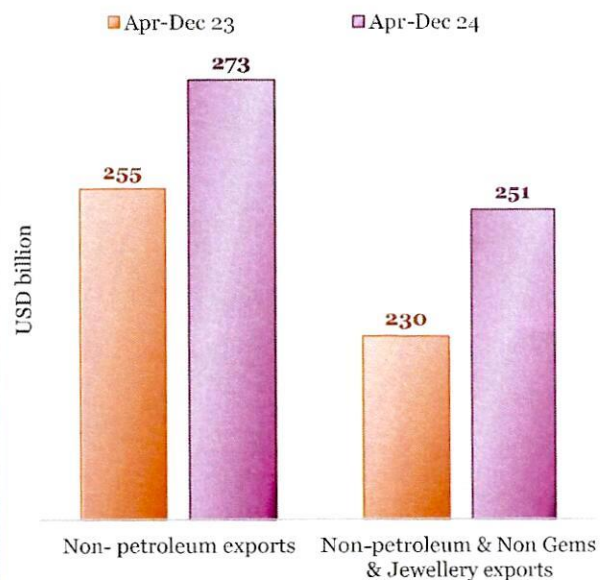


India's trade performance in the first eight months of FY25

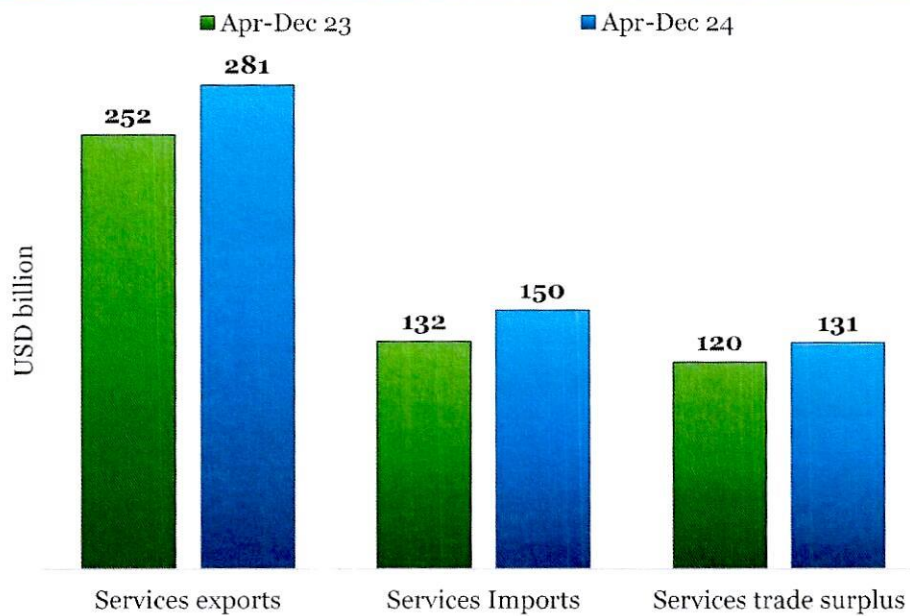
Merchandise trade deficit widened in the first nine months of FY25



Non-petroleum and Non-petroleum & Non-Gems and Jewellery exports performed well in the first nine months of FY25



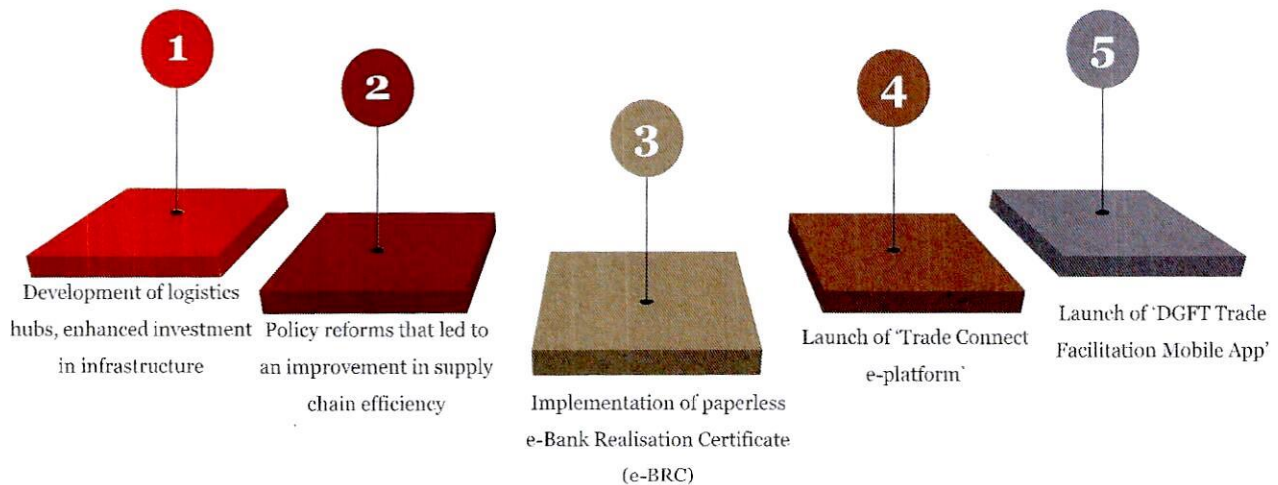
Services trade surplus in the first nine months of FY25



Source: DGCIS, M/o Commerce and Industry

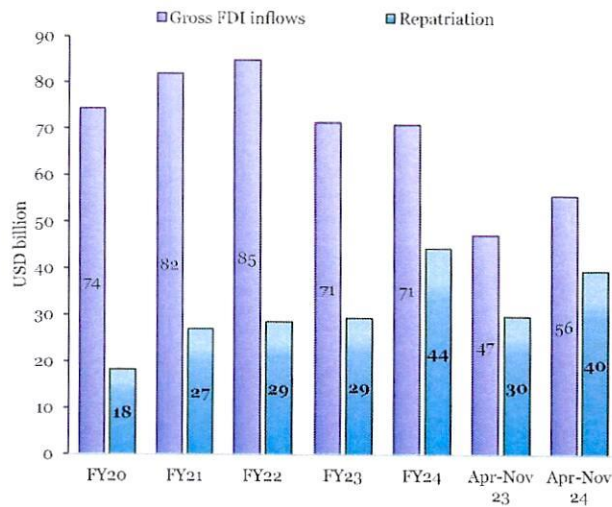
- ♦ Moderate growth in merchandise exports during April-December 2024, primarily due to a decline in the value of petroleum exports, driven by a fall in international oil prices
- ♦ Surge in merchandise imports reflecting a rebound in domestic consumption despite the inflationary impact

Ease of Doing Business initiatives for exporters

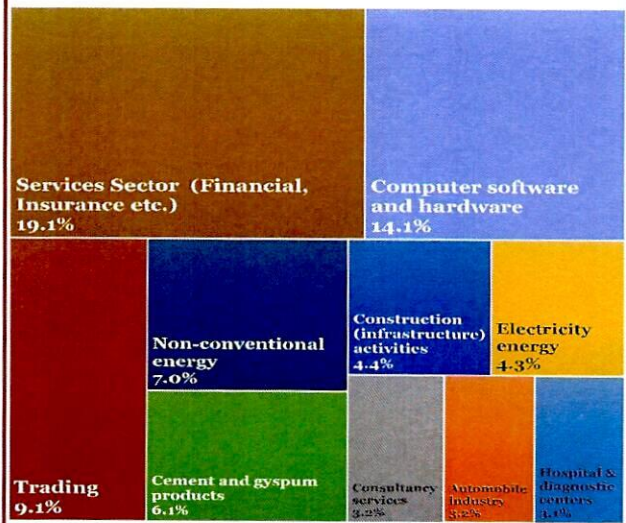


India continues to attract substantial foreign investments

Rise in Gross FDI inflows; Repatriation a sign of profitable exits

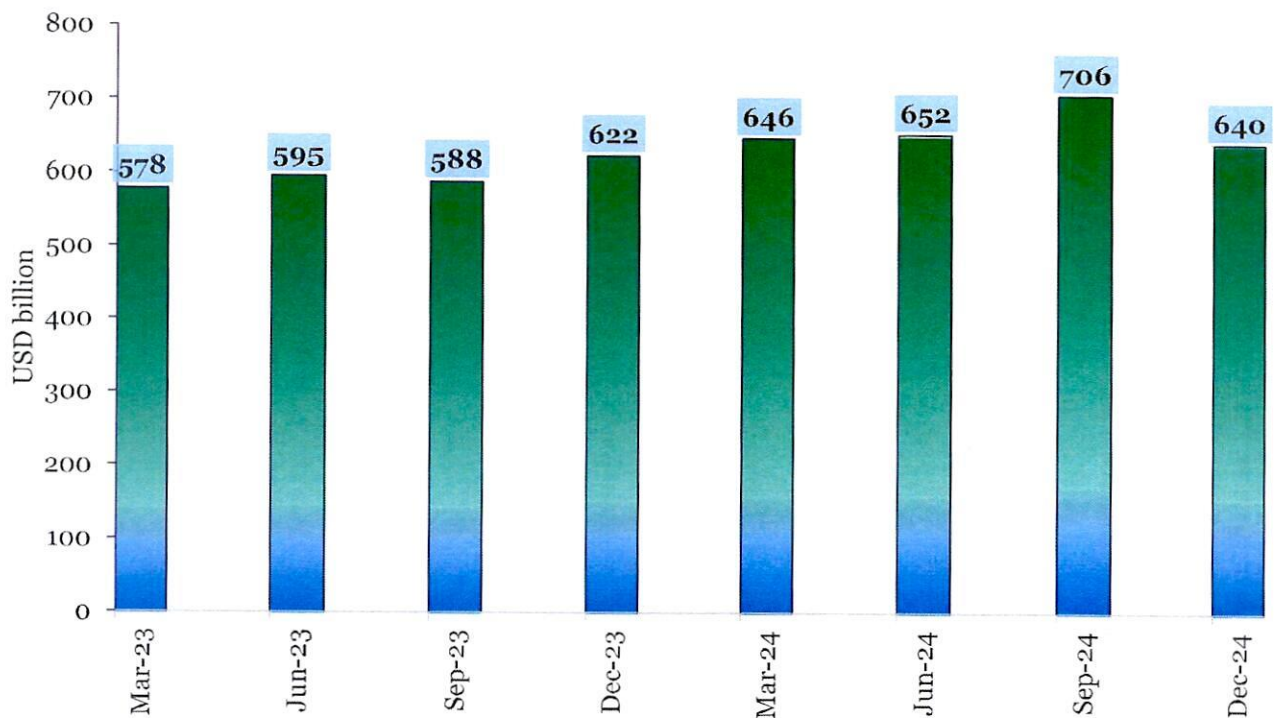


Services sector leads FDI inflows with 19.1% share in H1 FY25, followed by technology, trading and non-conventional energy



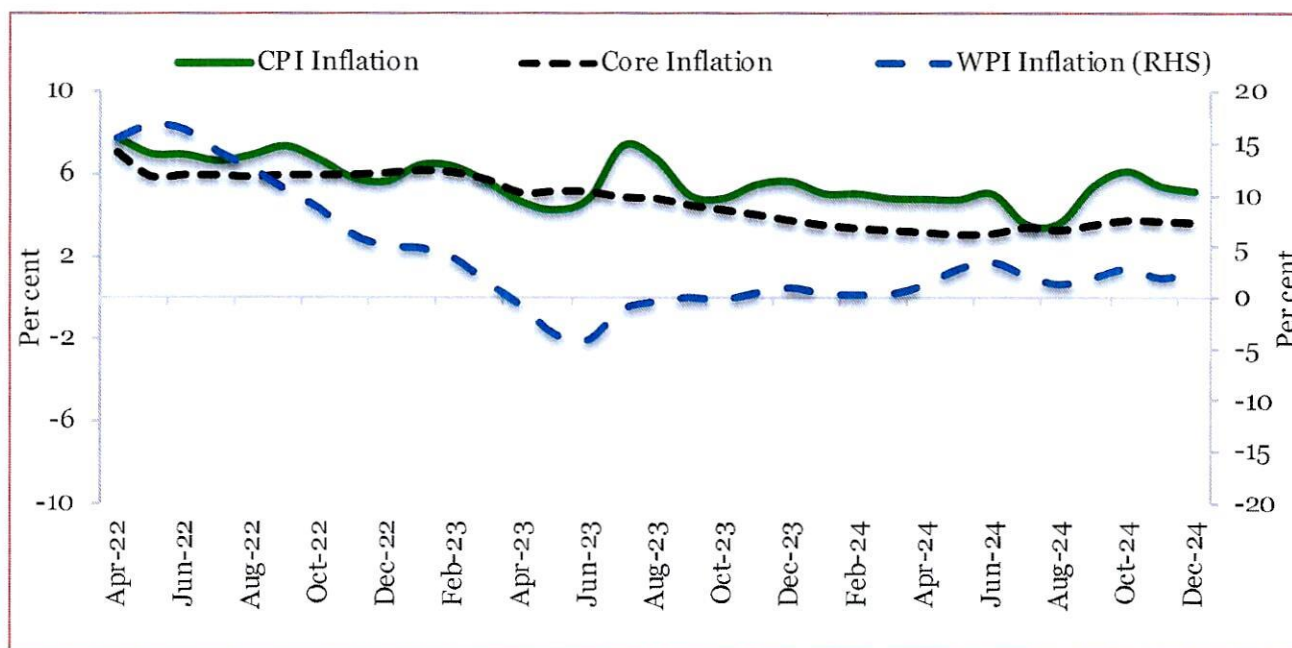
Strengthening Forex Reserves

Forex reserves were at a high of USD 706 billion in September 2024; and stood at USD 640.3 billion by 27 December, 2024, covering 89.9% of external debt



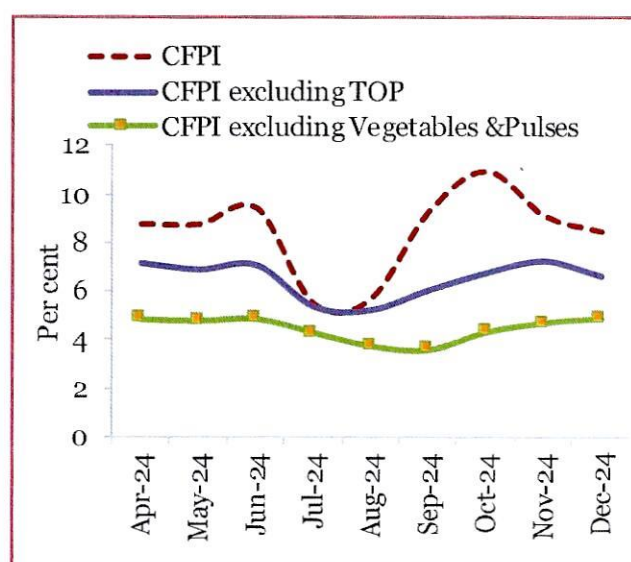
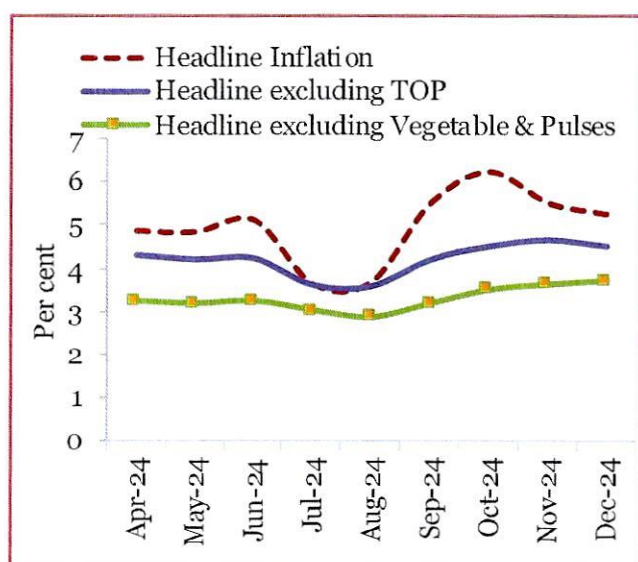
Prices and Inflation: Understanding the Dynamics

Softening core inflation cools headline inflation



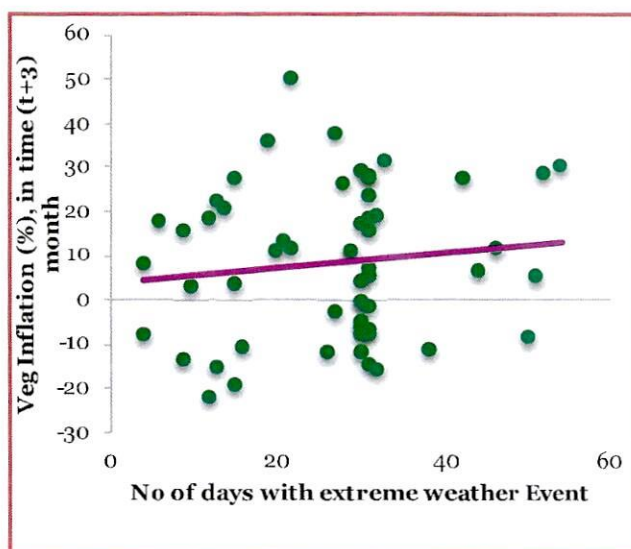
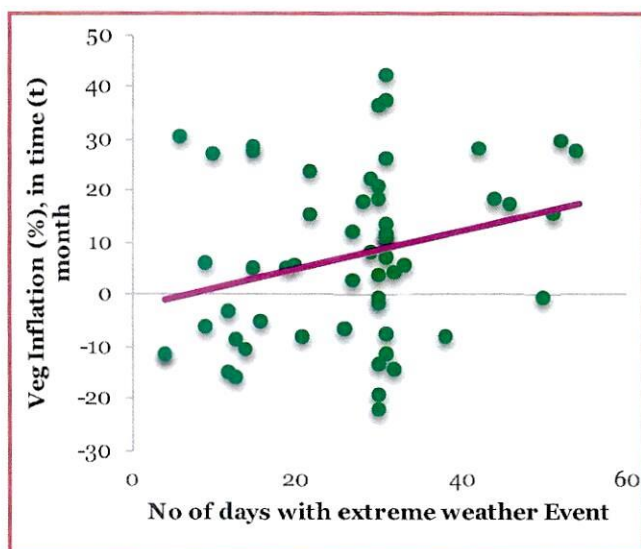
Source: Consumer Price Indices released by CSO, MoSPI

Headline and food inflation driven by few food items



Source: Consumer Price Indices released by CSO, MoSPI

Impact of extreme weather events on vegetable inflation: evident up to three months (April 2020-Dec 2024)



Source: Ministry of Earth Sciences and Consumer Price Indices released by CSO, MoSPI

Administrative measures to control food inflation

CEREALS

- ❖ Stock Limits on Wheat
- ❖ Open Market Sale Scheme: Wheat and Rice
- ❖ Sale Under Bharat Brand: Wheat Flour and Rice

PULSES

- ❖ Sale Under Bharat Brand: Chana, Moong and Masur Dal
- ❖ Duty-Free Import: Desi Chana, Tur, Urad, Masur and Yellow Peas
- ❖ Imposition of Stock Limits: Tur and Desi Chana

VEGETABLES

- ❖ Subsidised Sale of Onion and Tomato
- ❖ Buffer Stock of Onion

Source: Various PIB releases

Medium Term Outlook: Deregulation drives growth

Unleashing the domestic drivers of growth and the economic freedom of individuals and businesses



Enhancing the economic freedom of individuals and businesses is **both the means and the ends** to unleashing internal growth levers



De-regulation **raises investment efficiency** and bestows **more economic freedom** to individuals and enterprises



This calls for a focus on **domestic drivers of growth**



Geo-economic fragmentation is affecting global trade

EoDB 2.0 - Undertaking systematic deregulation

Pursued in phase 1



Reduced compliance burden

Saving businesses time and admin costs



Streamlined system, process & info

Eliminating redundancies, clarifying process flows



Digitised system, process & info

Establishing digital means of interaction



Provided incentives

Extending special benefits to key sectors or clusters

To be pursued in phase 2



Liberalise standards and controls

Adopt 'minimum necessary, maximum feasible' norms



Set legal safeguards for enforcement

Ensuring due process of law via hierarchy of safeguards



Reduce tariff or fees

Reducing/removing fees/tariffs paid to govt for utilities



Use risk-based regulation

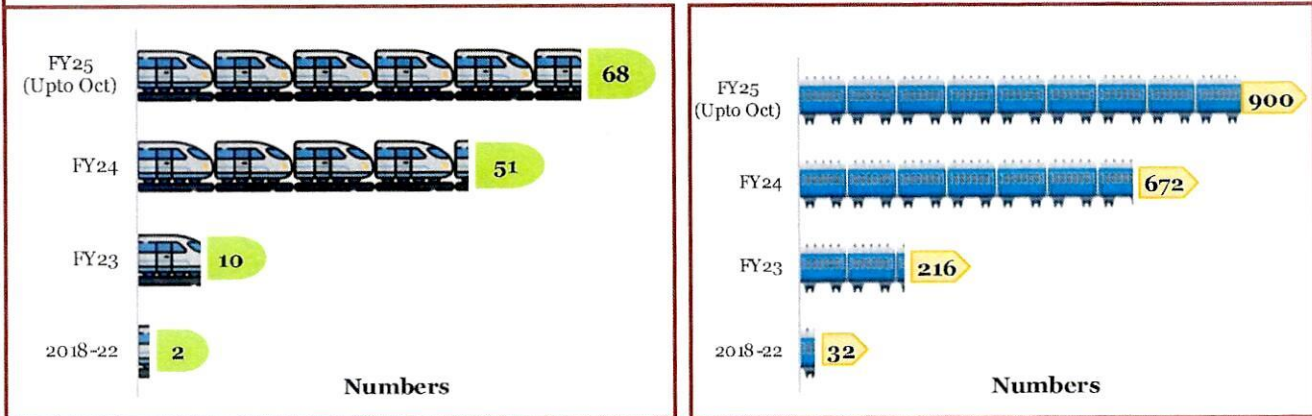
Tailor legal norms to risk profile, involve third parties

Investment and Infrastructure: Keeping it going

Progress in physical connectivity

Railways

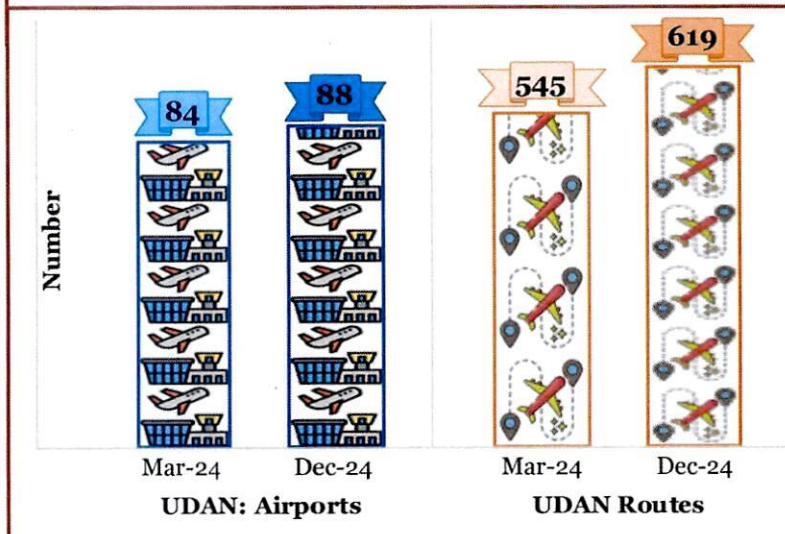
Cumulative no. of Vande Bharat trains and production of coaches



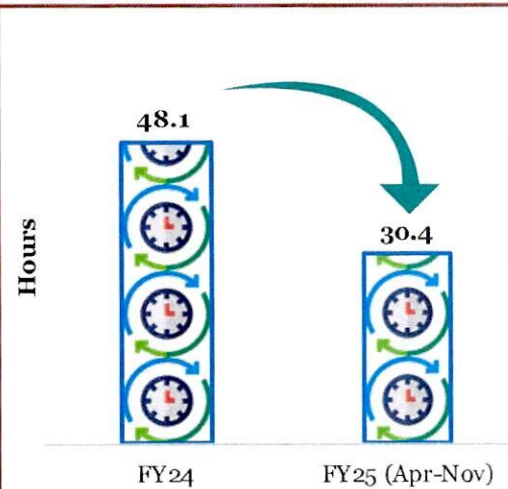
Source: Ministry of Railways

Civil aviation and ports and shipping

Operationalised airport and routes under RCS



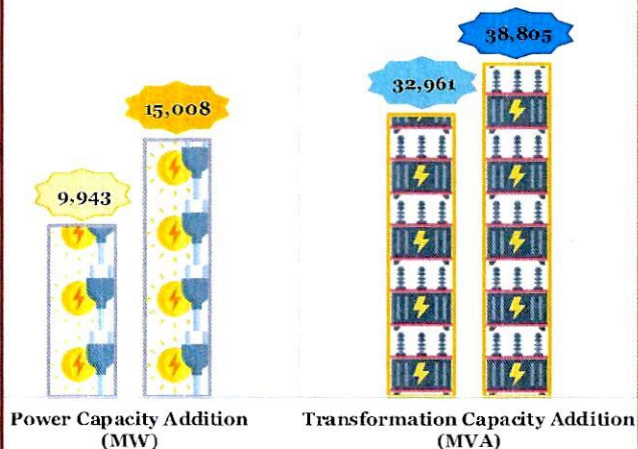
Reduction in average container turnaround time in major ports



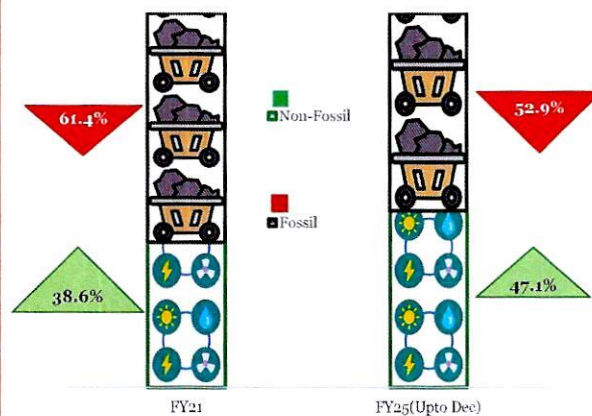
Source: Airport Authority of India Airport and JV/PPP airports, Ministry of Ports, Shipping and Waterways

Power sector

Capacity addition in the power sector



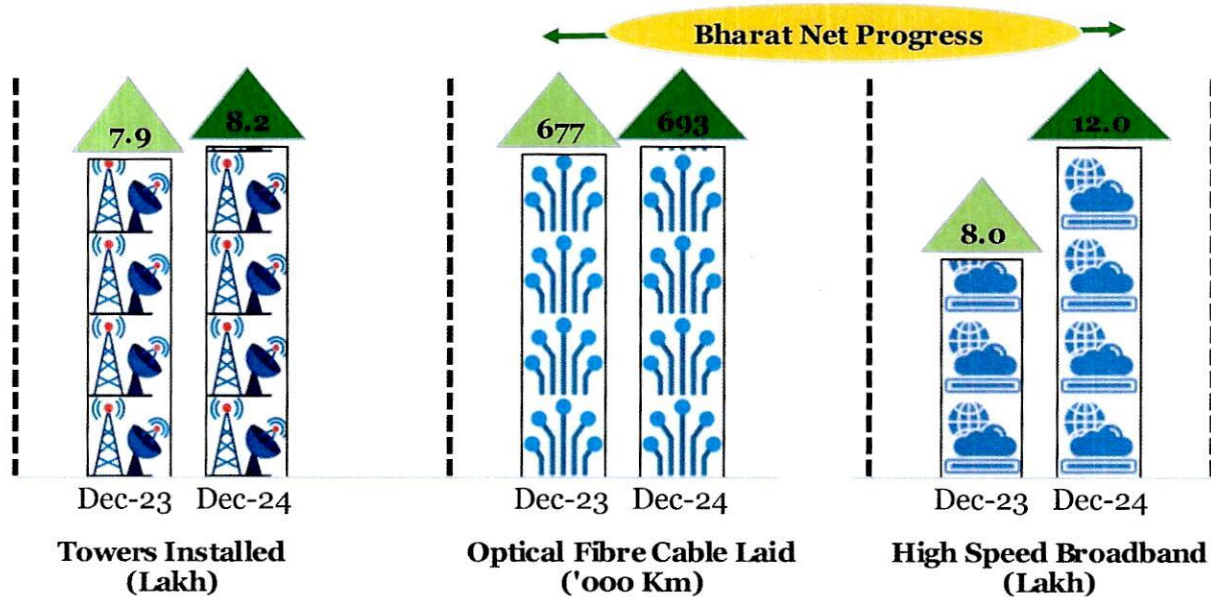
Growing reliance on renewables



Source: Executive Summary Report, Central Electricity Authority

Digital connectivity

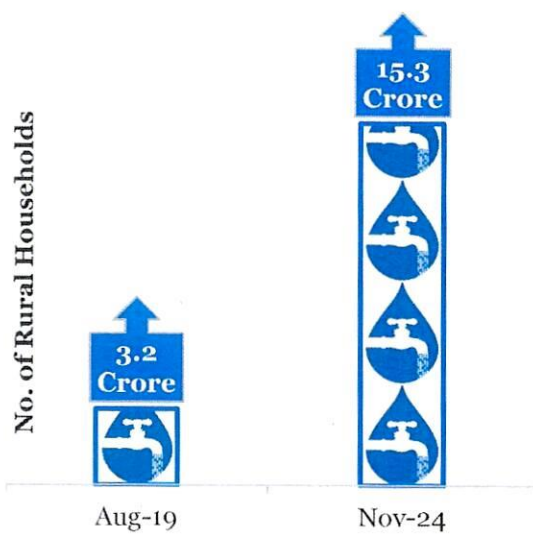
Progress in telecommunication infrastructure



Source: Digital Bharat Nidhi Dashboard, D/o Telecommunications, Ministry of Communications

Rural infrastructure

Progress under Jal Jeevan Mission: Access to safe piped drinking water



States achieving full coverage under JJM:

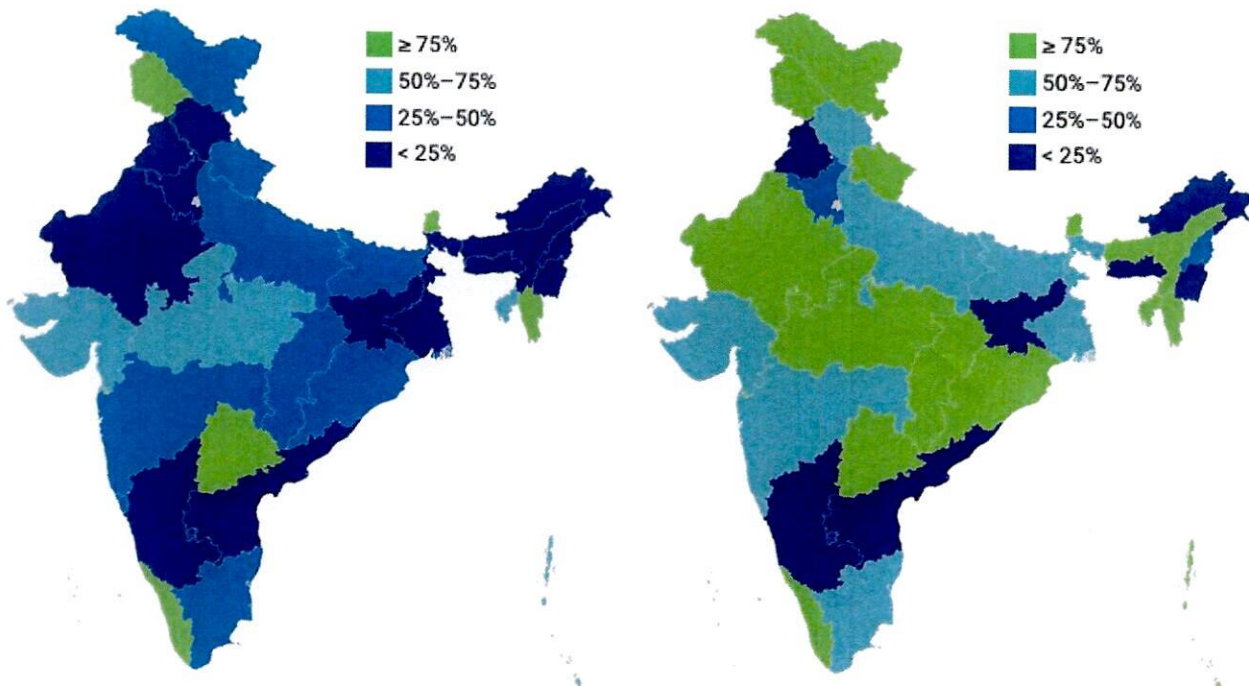
1. Arunachal Pradesh
2. Goa
3. Haryana
4. Himachal Pradesh
5. Gujarat
6. Punjab
7. Telangana
8. Mizoram

Source: Ministry of Jal Shakti

Increasing number of villages achieving ODF plus status

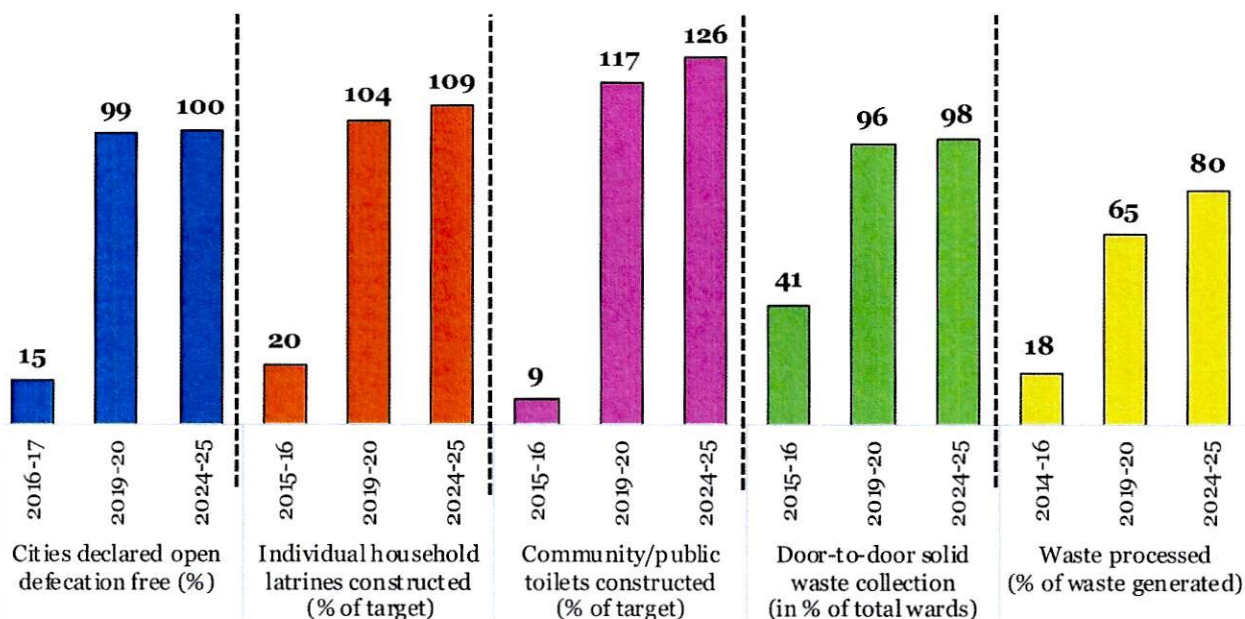
As of 31 March 2024

As of 22 November 2024



Urban infrastructure

Progress* under Swachh Bharat Mission-Urban



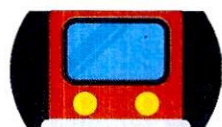
Source: M/o H&UA

* Note: As on 31st December 2024

Progress under various initiatives



Pradhan Mantri Awas Yojana – Urban: 1.18 crore houses have been sanctioned as of 25 Nov 2024



Urban transport: Metro rail systems: 1010 kilometres currently operational in 23 cities and an additional 980 kilometres underway



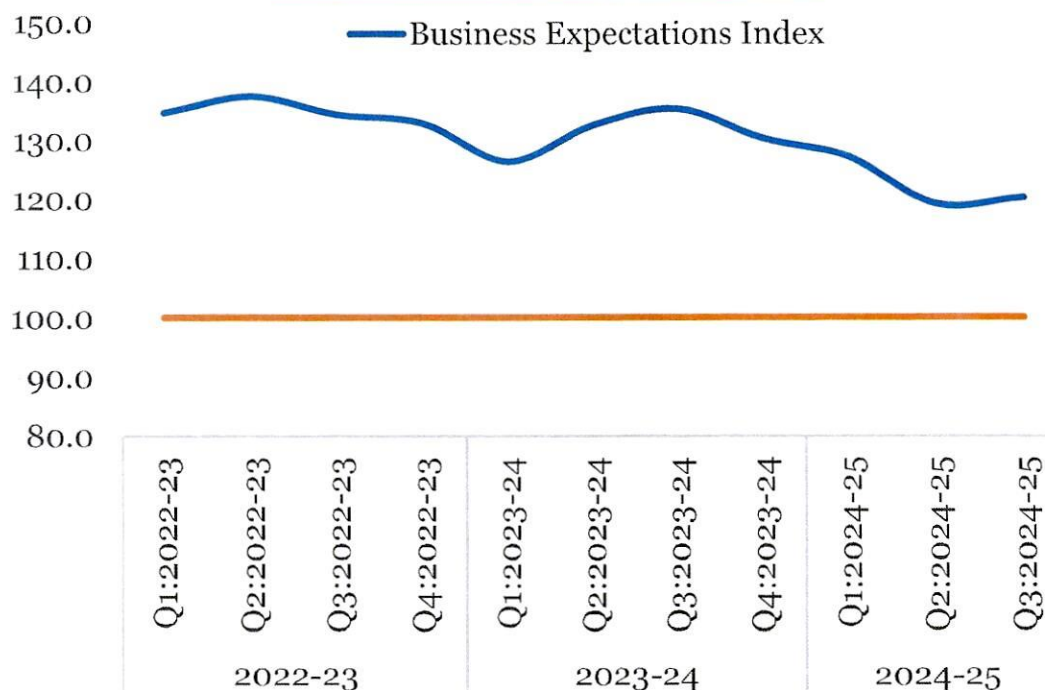
Atal Mission for Rejuvenation and Urban Transformation: tap water coverage increased to 70%, and sewerage coverage risen to 62%



Smart Cities Mission: 93% projects completed as of 13 Jan 2025

Industry: All about business reforms

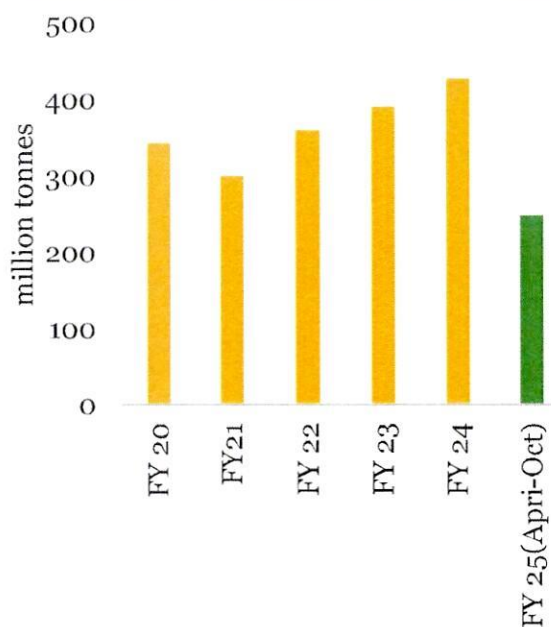
Optimism in the economy



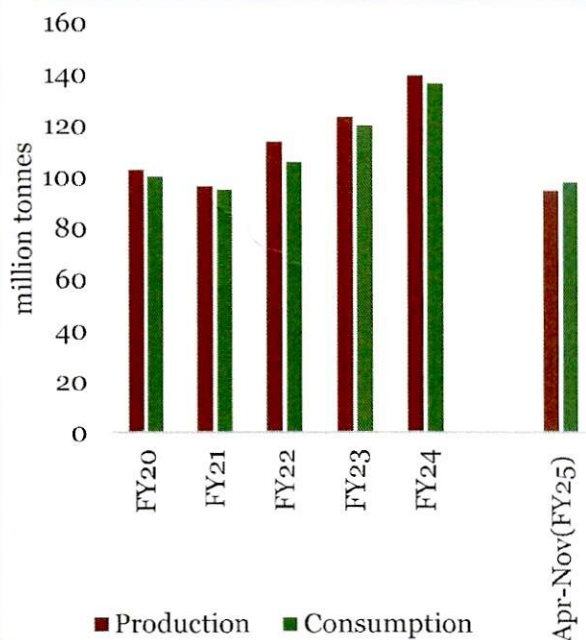
Note: >100 optimistic <100 pessimistic.

Growth in cement and steel production driving India's infrastructure

Rising cement production

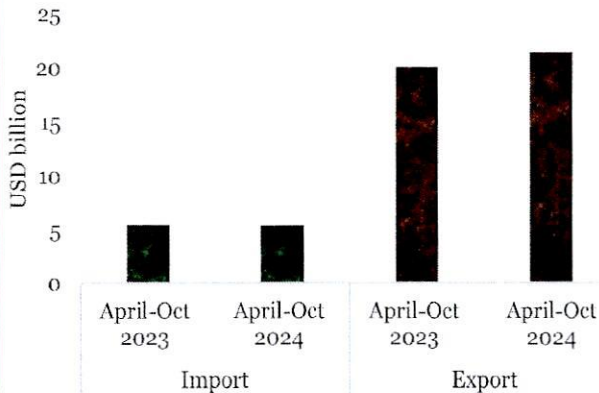


Steady increase in production and consumption of steel

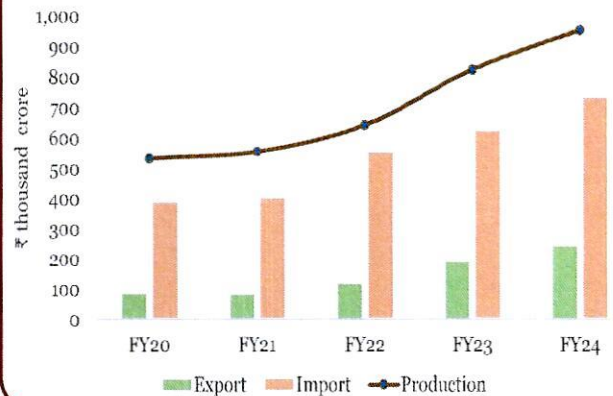


Performance of consumer goods industries

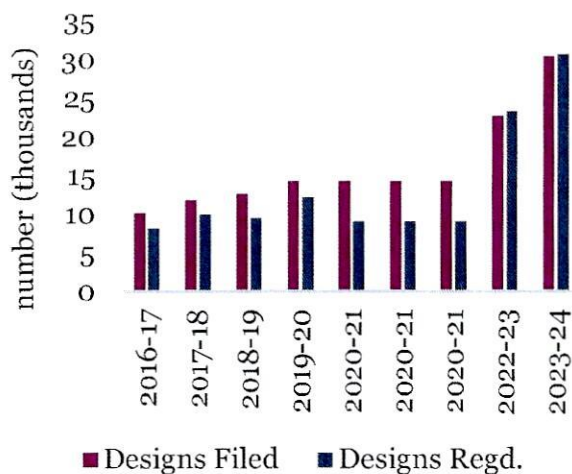
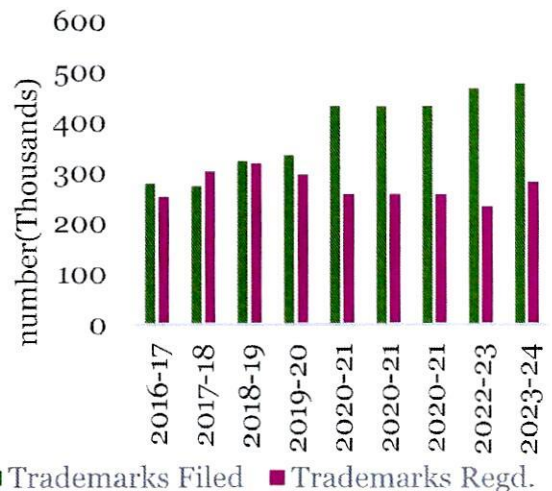
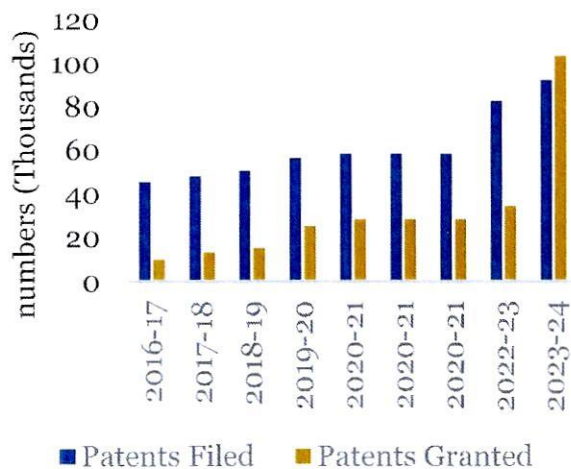
Growth in textile exports



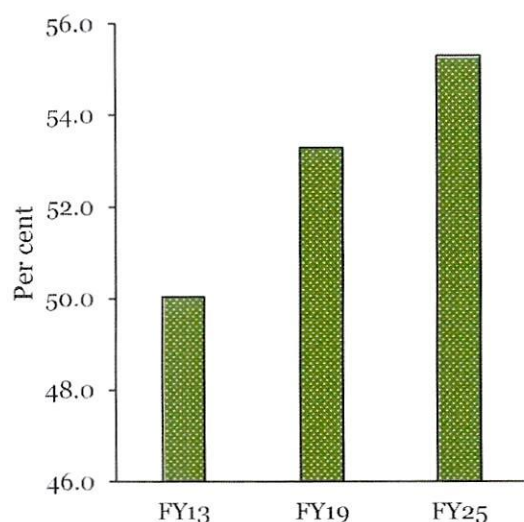
Increased momentum of electronics industry



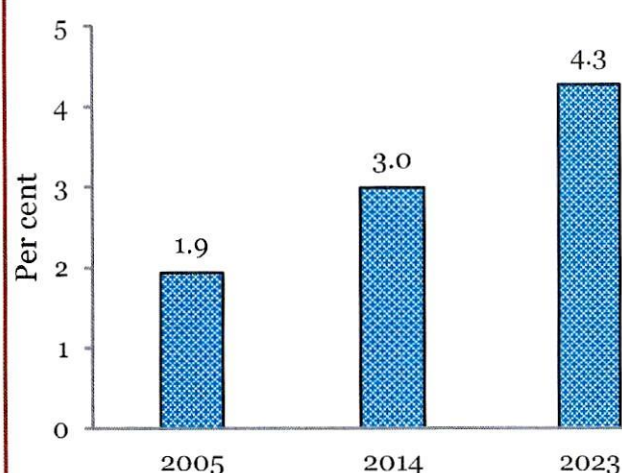
Intellectual properties are growing fast in India



Increasing trend of services sector share in GVA



India's increasing share in global services exports



Challenges, opportunities and way forward for services

New Challenges

Offshore Work

Traditional apprenticeship model faces challenges of inadequate direct supervision, language barriers, information gaps and differences in regulatory provisions across countries

Opportunities

Servicification

- ◆ Increasing demand for embedded services
- ◆ Adoption of digital technologies and AI in services and manufacturing
- ◆ Encashing the strength of global trade in services

Way Forward

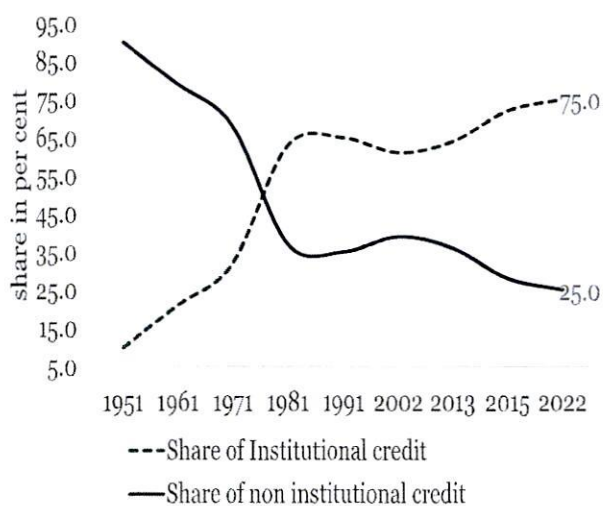
Policy support

Appropriate skilling to reap benefits of digital revolution

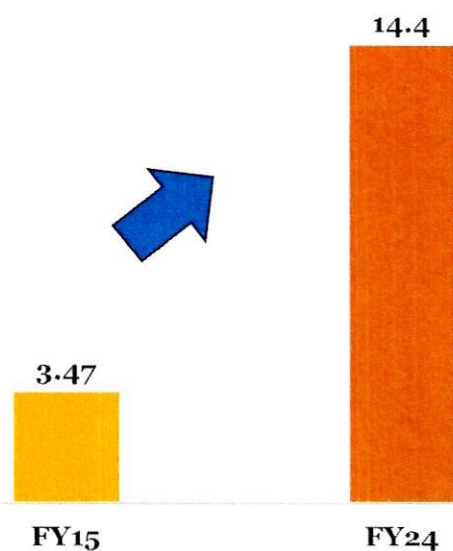
Reform grassroot-level procedures and regulations that hinder growth

Agriculture and Food Management: Sector of the future

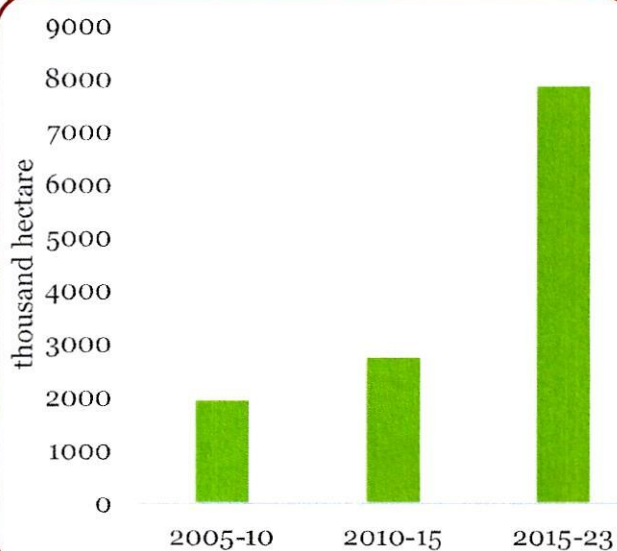
Decline in share of non-institutional credit



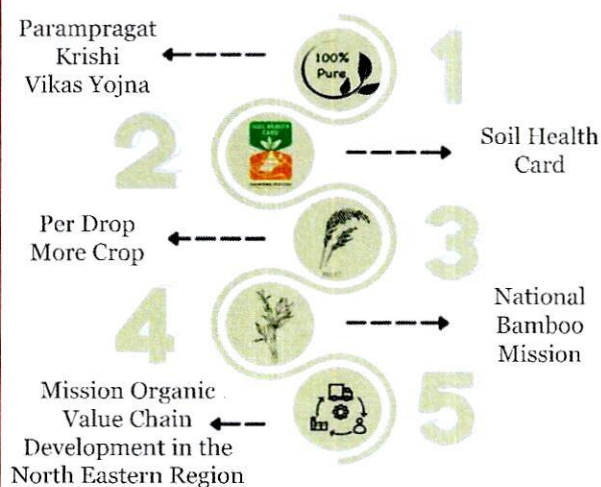
Growth in credit flow to small and marginal farmers (₹ in Lakh Crores)



Increase in area under micro-irrigation



Promoting sustainable farming: major measures



10 Climate & Environment: Adaptation matters

Challenges and priorities for India

Challenges

High economic growth to achieve the status of a developed country by 2047 and also become net zero by 2070

International support on finance and technology is highly inadequate. India meets its requirements largely from its own budgetary sources. A small NCQG of USD 300 billion has been set

Follow a low-carbon development path while ensuring job creation and affordable energy security for all, given the limitation of renewable energy

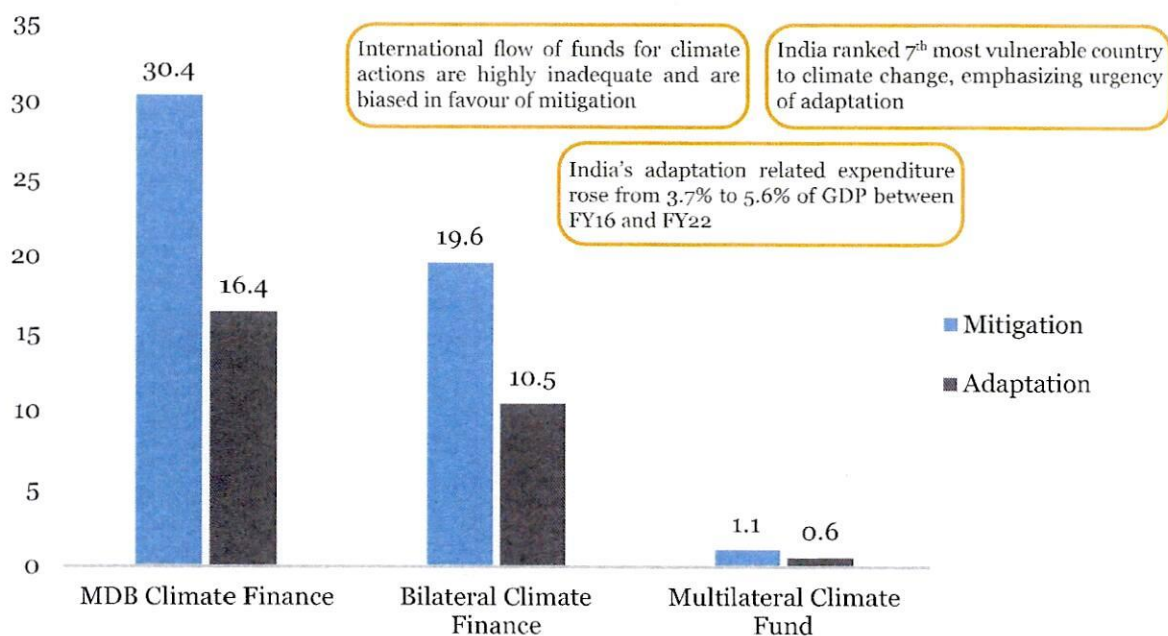
Priorities

Bringing adaptation to the forefront given higher vulnerability to climate change

Reducing emission intensity of its indispensable thermal power through adoption of super-critical (SC), ultra-super-critical (USC) and Advanced Ultra Super Critical (AUSC) technologies

Also focus on environmental sustainability through moderation of consumption and production habits as envisaged under Mission LiFE

Mitigation bias in international flow of funds



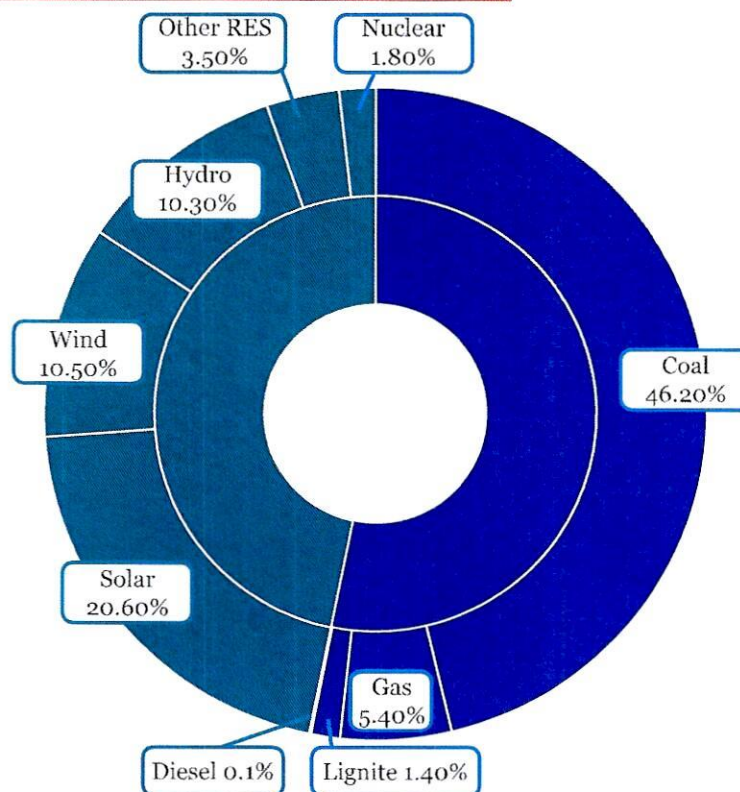
Progress towards India's NDCs

Renewable energy

Against the updated NDC target of 50 per cent by 2030, installed electricity generation capacity from non-fossil fuel sources has reached 46.8 per cent as on 30 November 2024

Forest cover

As per the latest Forest Survey of India 2024, an additional carbon sink of 2.29 billion tonnes CO₂ eq. has been created between 2005 and 2023 against the NDC target of creating an additional carbon sink of 2.5 to 3 billion tonnes CO₂ eq. by 2030



Climate initiatives

India's achievements on its climate commitments is attributed to a wide variety of schemes, policies, financial incentives and regulatory measures to boost renewable energy and green investments

Lifestyle for Environment (LiFE): Harnessing the power of collective action for environment

Power of Collective Action

Lifestyle change by 13% of global population can reduce carbon emission by 20 per cent.

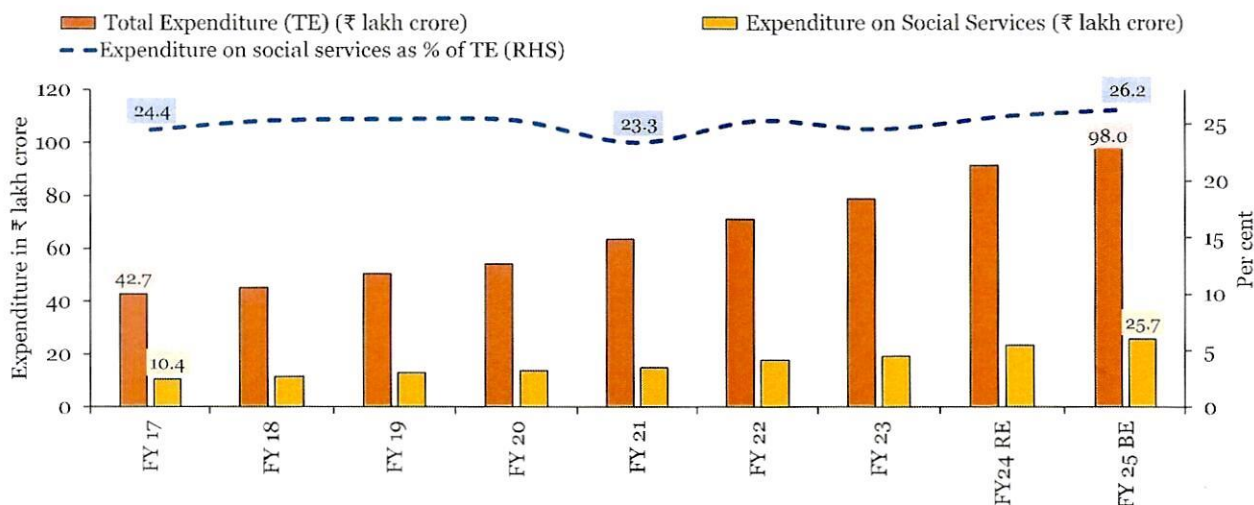
Finishing the food on plate can avoid 90 kgs of annual food waste per person.

Carpool can reduce 780,000 rides per day save 380 million litres of fuel in India.

Recycling one ton of newspaper can avoid 25,000 litres of water wastage.

Social Sector: Extending reach and driving empowerment

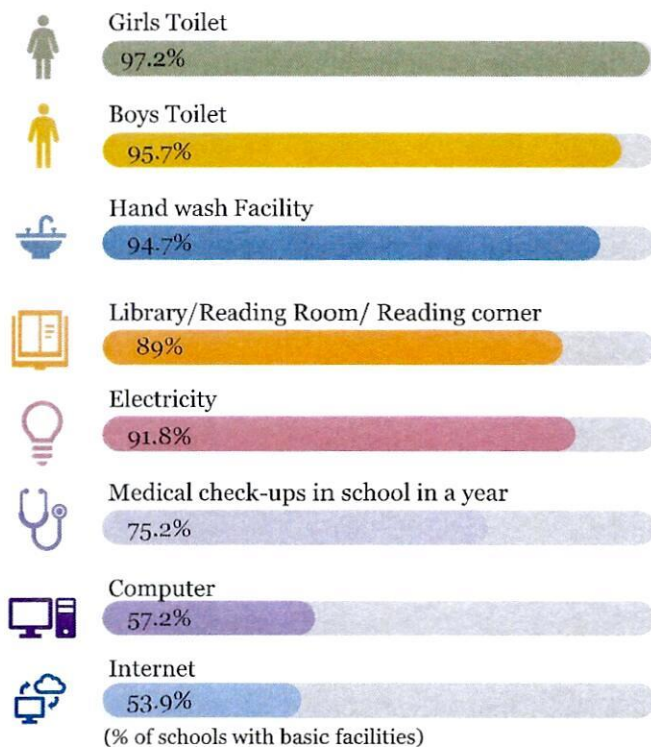
Increase in social services expenditure (Union+States)



Note: As per the Ministry of Education (MoE) estimates, the total expenditure on education is ₹ 9.7 Lakh Crore for FY 22(BE).

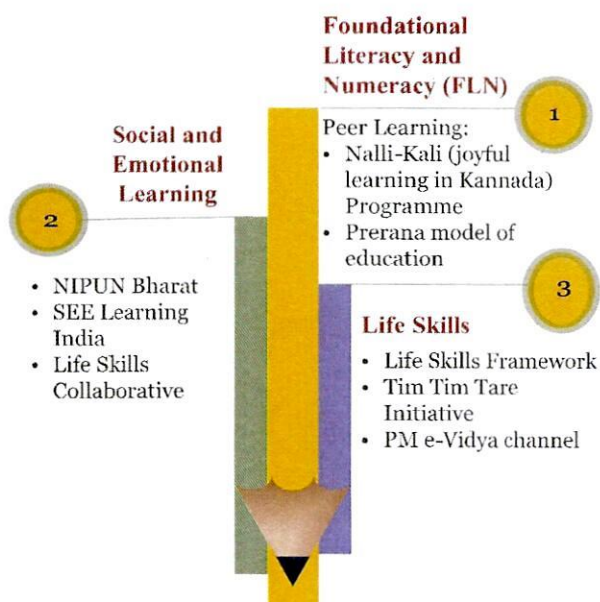
Building strong foundations for lifelong learning

Improving Basic Facilities in Schools



(% of schools with basic facilities)

Building Blocks for a Better Education



Powering rural economy

Pradhan Mantri Gram Sadak Yojana (PMGSY)

7,70,983 km of road length completed

Pradhan Mantri Awaas Yojana-Gramin (PMAY-G)

2.69 crore houses completed

Jal Jeevan Mission

12.2 crore households provided with tap water connections

Swachh Bharat Mission (Gramin)

11.8 crore toilets and 2.51 lakh community sanitary complexes constructed

Mission Amrit Sarovar

68,843 ponds constructed

National Health Mission - Rural

165.6k Sub-centres (SCs)
25.4k Primary Health Centres (PHCs)
5.5k Community Health Centres (CHCs)

Saansad Adarsh Gram Yojana (SAGY)

3,361 Gram Panchayats (GPs) adopted by MPs

Health for all

Affordable Medicine and Immunisation



Over 14000 Jan Aushadhi Kendras



Full immunisation coverage for FY 2023-24 at 93.5 per cent nationally



Insuring health and building Care



Ayushman Bharat Pradhan Mantri Jan Arogya Yojana: Over 36.36 crore Ayushman cards have been issued



Over 1,75,560 Ayushman Arogya Mandirs operationalised with a footfall of over 370 crore

Disruptive technology provides seamless and equitable Healthcare.



72.81 crore ABHA ids created



Under U-WIN 1.7 crore pregnant women & 5.4 crore children tracked; 26.4 crore vaccine doses monitored

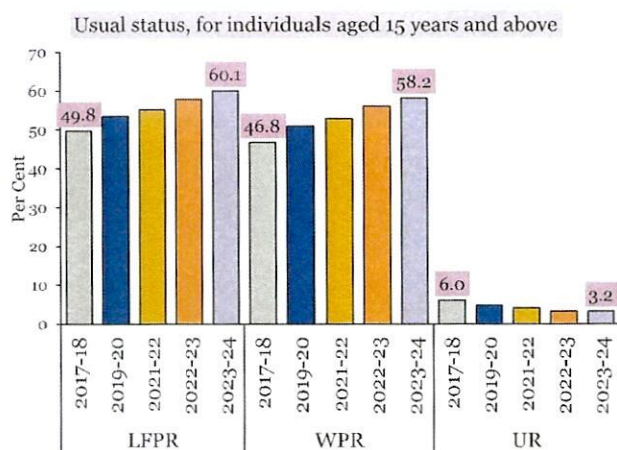


E-Sanjeevani: Serving 31.19 crore patients

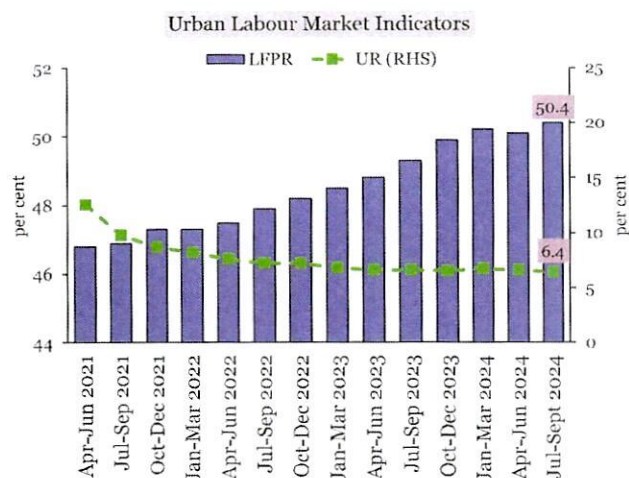
Note: As per the latest available figures.

Employment and Skill Development: Existential priorities

Improving labour market indicators

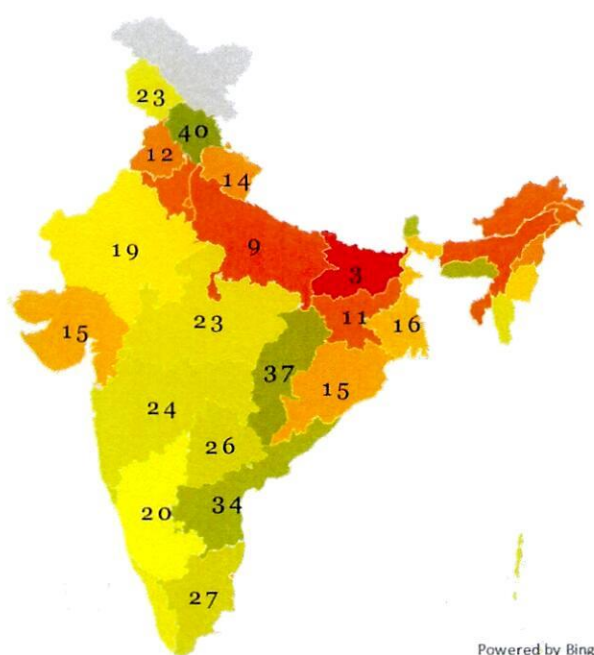


Source: Periodic Labour Force Survey (PLFS) annual reports. MoSPI
 Note: LFPR: labour force participation rate
 WPR: worker population ratio
 UR: unemployment rate



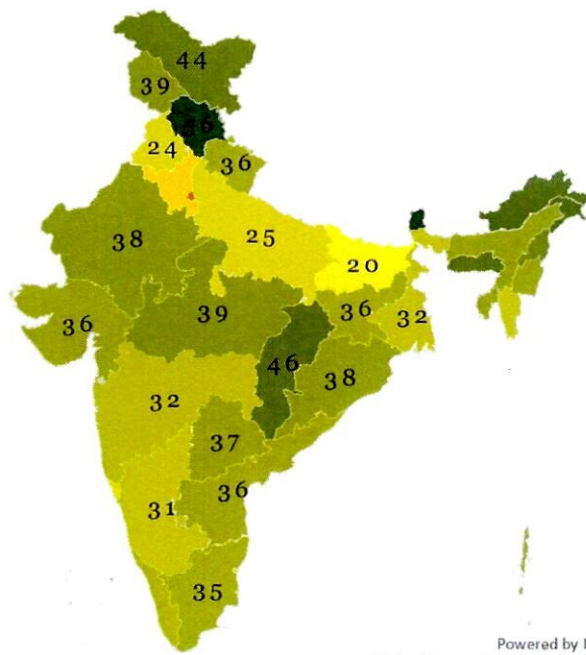
Source: Periodic Labour Force Survey (PLFS) Quarterly reports. MoSPI

Increase in female labour force participation rate



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2017-18
 2 20 60

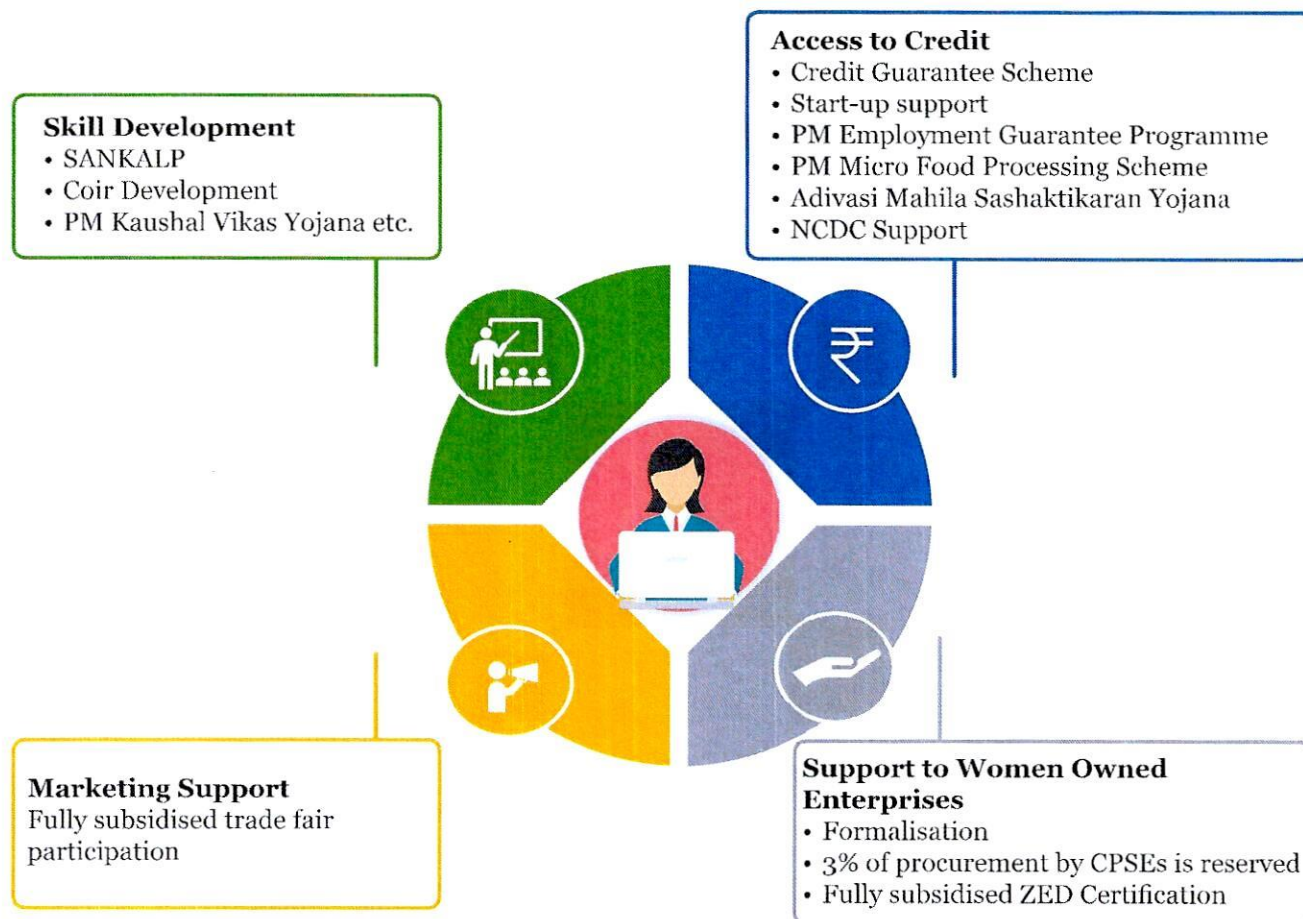


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2023-24
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Boosting female labour force participation

Harnessing the power of women entrepreneurs



Driving job opportunities

Harnessing the Digital Economy for Job Creation



India's digital economy is projected to surpass USD one trillion by 2025.



The gig workforce is projected to reach 2.35 crore by 2029-30.

Building a green workforce



Jobs in the renewable energy sector reached an estimated 1.02 million in 2023.



Hydropower employs ~453K in India's renewable sector, contributing 20% of global jobs globally.



Reskilling & upskilling

- **CTS at ITIs:** 1.24 Cr enrolled for long-term training
- **PMKVY:** 1.57 Cr trained; 1.21 Cr certified (STT, SP, RPL)
- **JSS:** 27L trained; 26L certified



Women participation

- **PMKVY:** Women's participation is 58 % (FY25)
- **JSS:** Women form 82% of total beneficiaries
- **ITI/NSTI:** Women's participation increased from 9.8% (FY16) to 13.3% (FY24)
- **NAPS:** Women's share grew from 7.7% (FY17) to 22.8% (FY25)



International mobility

- Bilateral partnerships
- G2G Memorandums of Understanding
- Skill India International Centers
- Pre-Departure Orientation Training



New age & future skills

- **NCVET:** 200+ new-age & future skill courses approved
- **PMKVY:** 4.65L enrolled; 3.02L completed; ~98K in training
- **ITIs:** 29 new-age courses added under CTS



Industry partnerships

- **NAPS Portal:** Registered establishments reached 2.38L; 37.94L apprentices engaged
- **New ITI Upgradation Scheme (2024):** Upgrade 1,000 ITIs in hub-and-spoke
- 20L youth to be trained over 5 years in industry-aligned courses



Digital public infrastructure for skilling

- **Skill India Digital Hub Portal:** A transformative platform to empower the skill ecosystem.
- **Democratising Skills:** Easy access to industry-aligned courses.

A Future for human centric automation



Deployment of AI presents both **opportunities** and **challenges** for a **labour rich India**



Past technology revolutions, **when not carefully managed**, have been **painful** with long-lasting adverse impacts



Mitigating the risks to India's labour markets requires robust **Enabling, Insuring, and Stewarding Institutions**



Careful deployment optimised over a long horizon can ensure AI augments labour and delivers broad-based societal benefits



Coordinated efforts between the government, private sector, and academia is required for a future of work where AI is '**Labour Augmenting**' rather than '**Labour Replacing**'

Challenges to scaling AI



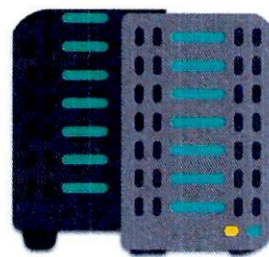
Practicality

Translating breakthroughs into practical, widely adopted applications remains challenging, as AI currently shows experimental and uneven utility



Reliability

Ensuring AI reliability is critical for real-world applications, as failures in key industries like autonomous vehicles or healthcare can prove problematic



Infrastructure

AI at scale requires substantial investments in infrastructure, including data centres, clean data pipelines, and computational resources



Resources

Large Models are resource intensive, requiring high energy consumption, dependency on scarce minerals for hardware, and finance, making sustainable innovation essential



सत्यमेव जयते
Government of India

आर्थिक कार्य विभाग
**DEPARTMENT OF
ECONOMIC AFFAIRS**

Table: Production and Consumption of Crude Steel and Finished Still (MT)

	2021-22		2022-23		2023-24		2024-25
	Apr-March	Apr-Jan	Apr-March	Apr-Jan	Apr-March	Apr-Jan	Apr-Jan
Crude Steel Production	120.3	99.0	127.2	104.8	144.3	119.5	124.9
Finished Steel Production	114.0	93.4	123.2	101.1	139.2	115.0	119.5
Finished Steel Consumption	105.8	87.0	119.9	98.3	136.3	112.6	113.8

MT- Million tonne

Table: Production of Crude Steel (Production in MT)								
	Dec-23	Nov-24	Dec-24	Change in Dec '24 over Dec '23 (%)	Change in Dec '24 over Nov '24 (%)	2023	2024	Change in 2024 over 2023 (%)
China	68.0	78.4	76.0	11.8	-3.1	1022.5	1005.1	-1.7
India	12.4	12.4	13.6	9.5	9.7	140.8	149.6	6.3
Japan	7.0	6.9	6.9	-1.1	0.3	87.0	84.0	-3.4
United States	6.9	6.3	6.7	-2.4	6.7	81.4	79.5	-2.4
Russia	6.2	5.6	5.7	-8.6	2.6	76.0	70.7	-7.0
South Korea	5.4	5.2	5.2	-3.2	0.1	66.7	63.5	-4.7
World	136.8	146.9	144.5	5.6	-1.7	1856.3	1839.4	-0.9

MT- Million Tonne

Table : Performance of Steel CPSE's (In LMT)									
CPSE	Item	Jan-24	Dec-24	Jan-25	(YoY) Change over Jan '24 (%)	(MoM) Change over Dec '24 (%)	April- Jan 2023-24	April- Jan, 2024-25	Change over CPLY (%)
SAIL	Hot Metal	18.15	17.63	18.21	0.3	3.3	169.68	167.98	-1.0
	Crude Steel	17.16	16.91	17.49	1.9	3.4	159.39	158.33	-0.6
	Saleable Steel	15.78	15.57	16.04	1.6	3.0	152.96	148.22	-3.1
	Iron Ore	30.33	30.42	31.84	4.9	4.7	284.33	276.73	-2.7
	Sales of Saleable Steel	15.04	15.56	16.71	11.1	7.4	140.52	143.43	2.1
NMDC	Iron Ore Production	45.35	47.10	51.04	12.5	8.4	363.20	358.69	-1.2
	Iron Ore Sales	45.53	39.13	44.79	-1.6	14.5	364.93	362.16	-0.8
KIOCL	Pellets Production	1.85	2.35	2.40	29.40	1.90	16.86	5.8	-65.58
	Pellets Sales	2.67	0.85	1.15	-56.85	35.74	17.36	4.58	-73.64
MOIL	Manganese Ore Production	1.60	1.50	1.60	0	6.67	14.33	14.91	4
	Manganese Ore Sales	1.34	1.49	1.57	17	5.37	12.34	12.96	5
RINL	Liquid Steel	4.44	4.08	4.02	-9	-1	37.99	29.68	-22
	Hot Metal	4.73	4.18	4.19	-11	0.1	38.78	30.96	-20
	Crude Steel	4.22	3.89	3.86	-9	-1	36.39	28.40	-22
	Saleable Steel	3.81	3.65	3.64	-4	-0.3	34.65	27.37	-21
NSL	Hot Metal	1.53	1.93	1.90	24	-1.6	6.86	16.20	136.02
	Liquid Steel	1.01	1.52	1.50	48	-1.1	3.11	11.97	285.01
	Crude Steel	0.99	1.50	1.47	48	-1.9	2.99	11.65	289.66
	Hot Rolled Coil	0.98	1.47	1.44	48	-1.8	2.94	11.39	288.01

LMT- Lakh Metric Tonne



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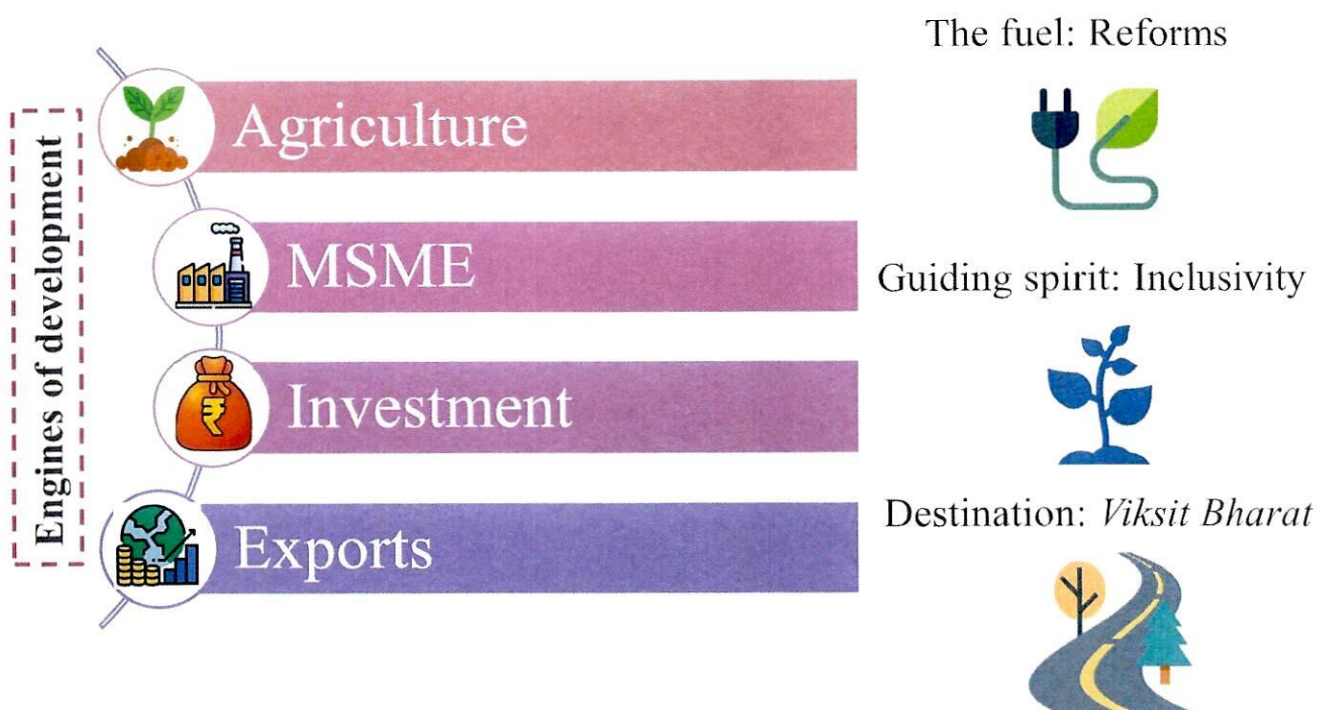
GOVERNMENT OF INDIA

Key Features of Budget 2025-2026

February, 2025

**MINISTRY OF FINANCE
BUDGET DIVISION**

Journey of Development



A country is not just its soil, a country is its people.



Development measures focusing on *Garib, Youth, Annadata and Nari*

Spurring Agricultural Growth & Building Rural Prosperity



Prime Minister Dhan-Dhaanya Krishi Yojana - Developing Agri Districts Programme

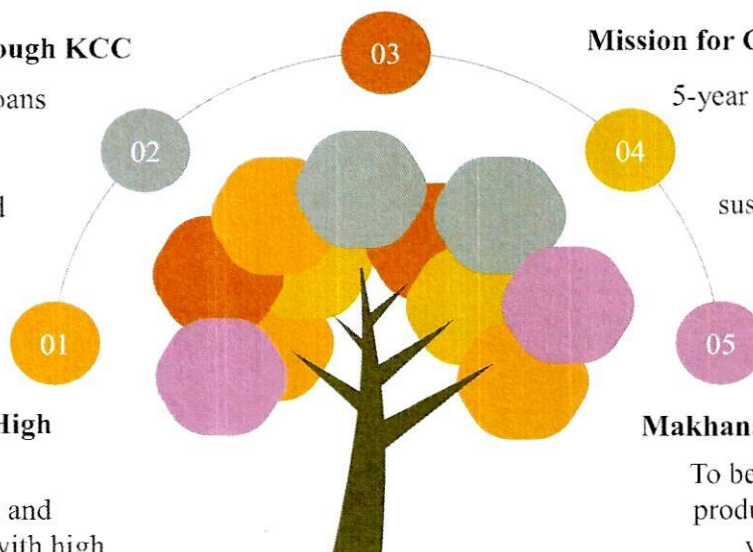
To cover 100 districts and
likely to help 1.7 crore farmers.

Enhanced Credit through KCC

Facilitate short term loans
for 7.7 crore farmers,
fishermen, and dairy
farmers with enhanced
loan of ₹5 lakh.

National Mission on High Yielding Seeds

Targeted development and
propagation of seeds with high
yield, pest resistance and
climate resilience.



Mission for Cotton Productivity

5-year mission to facilitate
improvements in
productivity and
sustainability of cotton
farming.

Makhana Board in Bihar

To be set up to improve
production, processing,
value addition, and
marketing and
organisation of FPOs.

Aatmanirbharta in Pulses

Launch a 6-year Mission with special focus
on Tur, Urad and Masoor, emphasising

- Development and commercial availability of climate resilient seeds
- Enhancing protein content
- Increasing productivity
- Improving post-harvest storage and management, assuring remunerative prices to the farmers.

India Post as a Catalyst for the Rural Economy

- Rural community hub co-location
- Institutional account services;
- DBT, cash out and EMI pick-up
- Credit services to micro enterprises
- Insurance; and
- Assisted digital services.

Development measures focusing on *Garib, Youth, Annadata and Nari*

Supporting MSMEs & Furthering Make in India



Credit Cards for Micro Enterprises: Customised Credit Cards with a ₹ 5 lakh limit for micro enterprises registered on Udyam portal. In the first year, 10 lakh such cards will be issued.

Scheme for first time Entrepreneurs: For 5 lakh first-time entrepreneurs, including women, Scheduled Castes and Scheduled Tribes, a new scheme, to be launched, to provide term loans up to ₹ 2 crore during the next 5 years.



Manufacturing mission with the mandate to focus on

- Ease and cost of doing business;
- Future ready workforce for in-demand jobs;
- A vibrant and dynamic MSME sector;
- Availability of technology;
- Quality products;
- Clean tech manufacturing for climate-friendly development.

Measures for Labour Intensive Sectors

- **Focus Product Scheme for Footwear & Leather Sectors:** scheme is expected to facilitate employment for 22 lakh persons, generate turnover of ₹ 4 lakh crore and exports of over ₹ 1.1 lakh crore.
- **Measures for the Toy Sector:** To focus on development of clusters, skills, and a manufacturing ecosystem that will create high-quality, unique, innovative, and sustainable toys to represent the 'Made in India' brand.
- **Support for Food Processing:** Establishment of a National Institute of Food Technology in Bihar, enhanced income for the farmers and skilling, entrepreneurship and employment opportunities for the youth.

Significant enhancement of credit availability with guarantee cover

₹ in Crore	Credit guarantee cover	
	Current	Revised
MSEs	5	10
Startups	10	20
Exporter MSMEs	For Term Loans Up To ` 20 Crore	

Revision in classification criteria for MSMEs



₹ in Crore	Investment		Turnover	
	Current	Revised	Current	Revised
Micro Enterprises	1	2.5	5	10
Small Enterprises	10	25	50	100
Medium Enterprises	50	125	250	500

Development measures focusing on *Garib, Youth, Annadata and Nari*

Investing in people, economy
and innovation



Saksham Anganwadi and Poshan 2.0

Expansion of Capacity in IITs

Day Care Cancer Centres in all District Hospitals

Bharatiya Bhasha Pustak Scheme: provide digital-form Indian language books for school and higher education.

05 National Centres of Excellence for skilling to be set up with global expertise and partnerships.

Atal Tinkering Labs: 50 Thousand Labs to be set up in government schools in next 5 years.

Centre of Excellence in Artificial Intelligence for education with a total outlay of ₹500 crore.

Broadband connectivity to be provided to all government secondary schools and primary health centres in rural areas.

Expansion of medical education: 10,000 additional seats with the goal of adding 75,000 seats in the next 5 years.

PM SVANidhi: To be revamped with enhanced loans from banks, UPI linked credit cards and capacity building support.

Welfare of Online Platform Workers: Registration on the e-Shram portal & healthcare under PM Jan Arogya Yojana.

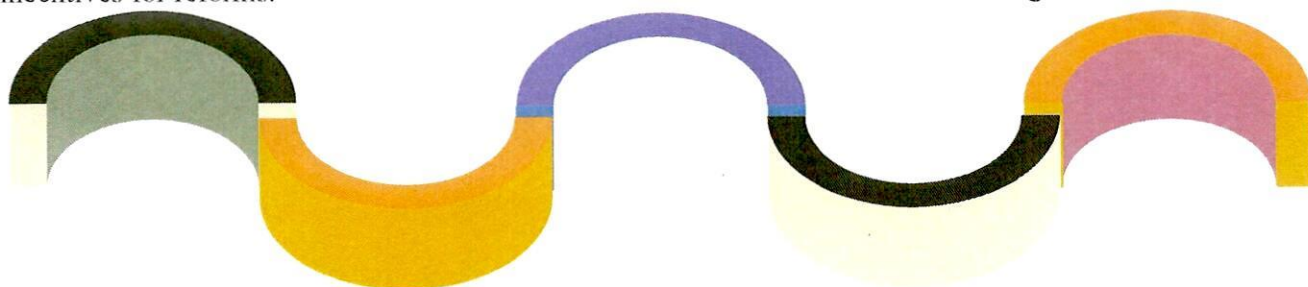
Development measures focusing on *Garib, Youth, Annadata and Nari*

Investing in people, economy and innovation

Support to States for Infrastructure: With an outlay of ₹ 1.5 lakh crore, 50-year interest free loans to states for capital expenditure and incentives for reforms.

Jal Jeevan Mission: To achieve 100 % coverage, the mission extended till 2028 with an enhanced total outlay.

Power Sector Reforms: Incentivize distribution reforms and augmentation of intra-state transmission. Additional borrowing of 0.5 % of GSDP to states, contingent on these reforms.



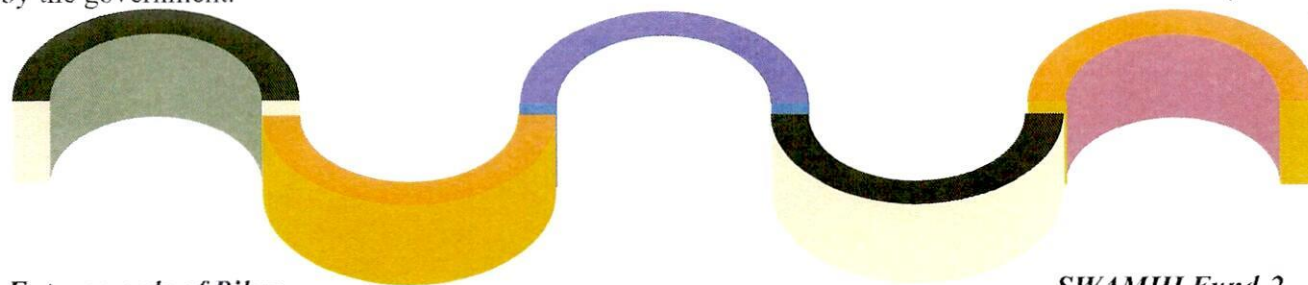
Asset Monetization Plan 2025-30: launched to plough back capital of ₹ 10 lakh crore in new projects.

Urban Challenge Fund
₹ 1 lakh crore to implement the proposals for 'Cities as Growth Hubs', 'Creative Redevelopment of Cities' and 'Water & Sanitation'.

Maritime Development Fund
with a corpus of ₹25,000 crore for long-term financing with up to 49 % contribution by the government.

Nuclear Energy Mission for Viksit Bharat: Amendments to the Atomic Energy Act and the Civil Liability for Nuclear Damage Act will be taken up for active partnership with the private sector.

UDAN: Regional connectivity to 120 new destinations and carry 4 crore passengers in the next 10 years.



Future needs of Bihar
Greenfield airports, Financial support for the Western Koshi Canal ERM Projects.

SWAMIH Fund-2
₹ 15,000 crore for expeditious completion of one lakh dwelling units through blended finance.

Tourism for
employment-led
growth

Top 50 tourist destination sites to be developed in partnership with states

Performance-linked incentives to states

Introducing streamlined e-visa facilities

MUDRA loans for homestays

Intensive skill-development programmes for our youth

Ease of travel and connectivity to tourist destinations

Development measures focusing on *Garib, Youth, Annadata and Nari*

Investing in people, economy and innovation

PM Research Fellowship

To provide ten thousand fellowships for technological research in IITs and IISc.

Gene Bank for Crops Germplasm

The 2nd Gene Bank with 10 lakh germplasm lines to be set up for future food and nutritional security.

Gyan Bharatam Mission

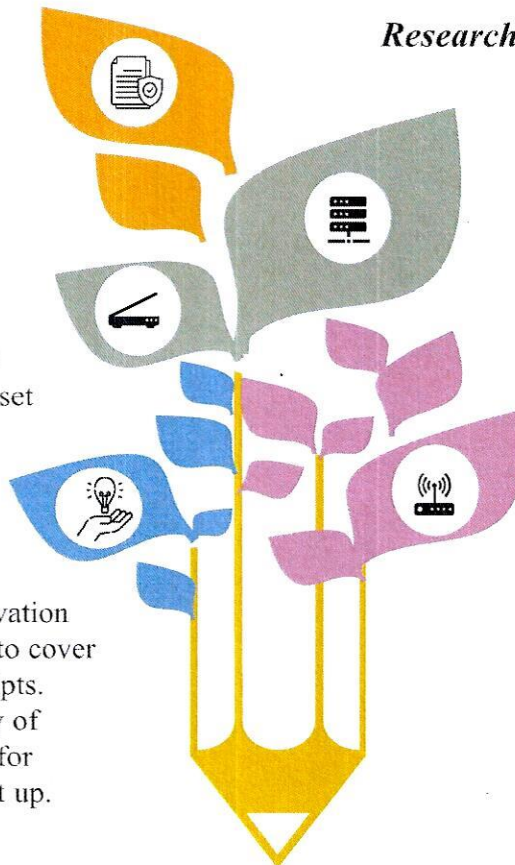
Documentation and conservation of our manuscript heritage to cover more than 1 crore manuscripts. National Digital Repository of Indian knowledge systems for knowledge sharing to be set up.

Research, Development & Innovation

Allocating ₹ 20,000 crore to implement private sector driven Research, Development and Innovation initiative.

National Geospatial Mission

To develop foundational geospatial infrastructure and data. Using PM Gati Shakti, facilitation of modernization of land records, urban planning, and design of infrastructure projects.



Promoting Exports



- ➔ **Export Promotion Mission:** With sectoral and ministerial targets to facilitate easy access to export credit, cross-border factoring support, and support to MSMEs to tackle non-tariff measures in overseas markets.
- ➔ **BharatTradeNet:** A digital public infrastructure, 'BharatTradeNet' (BTN) for international trade will be set-up as a unified platform for trade documentation and financing solutions. Support for integration with **Global Supply Chains**.
- ➔ **National Framework for GCC:** As guidance to states for promoting Global Capability Centres in emerging tier 2 cities.
- ➔ **Warehousing facility for air cargo:** To facilitate upgradation of infrastructure and warehousing for air cargo including high value perishable horticulture produce.

Reforms as the fuel

Financial Sector Reforms and Development

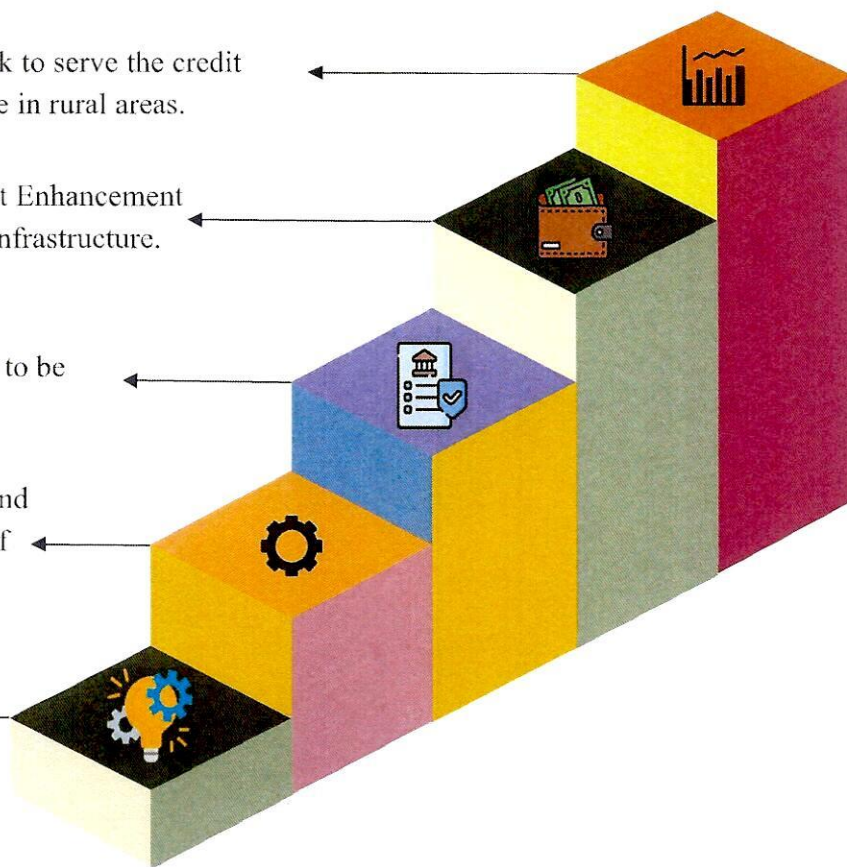
'Grameen Credit Score' framework to serve the credit needs of SHG members and people in rural areas.

NaBFID to set up a 'Partial Credit Enhancement Facility' for corporate bonds for infrastructure.

Revamped Central KYC registry to be rolled out in 2025.

Rationalisation of requirements and procedures for speedy approval of company mergers.

FDI limit for the insurance sector will be raised from 74 to 100 per cent.



Tax Reforms

Changes in direct taxes and proposal to introduced the **New Income Tax Bill**

Regulatory Reforms

Light-touch regulatory framework based on principles and trust to unleash productivity and employment

- **High Level Committee for Regulatory Reforms**
- **Investment Friendliness Index of States**
- **FSDC Mechanism:** to evaluate impact of the current financial regulations and subsidiary instructions along with a framework to enhance their responsiveness and development of the financial sector.
- **Jan Vishwas Bill 2.0:** to decriminalize more than 100 provisions in various laws.

Indirect Tax proposals

Rationalisation of Customs Tariff Structure for Industrial Goods



Removal of 07 tariff rates.



Apply not more than one cess or surcharge.



Apply equivalent cess to maintain effective duty incidence on most items and lower cess on certain items.

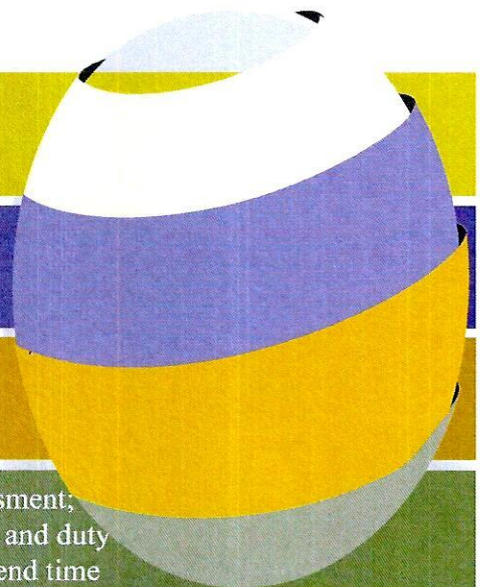
Sector specific proposals

Make in India- Exemption to open cell for LED/LCD TV, looms for textiles, capital goods for lithium ion battery of mobile phones and EVs.

Promotion of MRO – exemption for 10 years on goods for ship building and ships for breaking, extension of time limit for export of railway goods imported for repairs.

Export promotion – duty free inputs for handicraft and leather sectors.

Trade Facilitation: Time limit fixed for finalisation of provisional assessment; new provision for voluntary declaration of material facts post clearance and duty payment with interest but without penalty; IGCR Rules amended to extend time limit to 1 year and file quarterly statement instead of monthly.



Improved access to lifesaving medicines

Addition of:

- 36 lifesaving drugs/medicines in exempted list;
- 6 medicines in 5% duty list;
- 37 medicines and 13 new patient assistance programmes in exempt list.



(Medicines for rare diseases, cancer, severe chronic diseases)

Direct Tax proposals

Ease of doing business

- Introduction of a scheme for determining arm's length price of international transaction for a block period of three years.
- Expansion of scope of safe harbour rules to reduce litigation and provide certainty in international taxation.

Personal Income Tax reforms with special focus on the middle class



Rationalization of TDS/TCS for easing difficulties

Tax deduction limit for senior citizens doubled from ₹ 50,000 to ₹ 1 lakh.

The annual limit of ₹2.40 lakh for TDS on rent increased to ₹ 6 lakh.

Encouraging voluntary compliance

Extension of time-limit to file updated returns, from the current limit of two years, to four years.

Reducing compliance burden

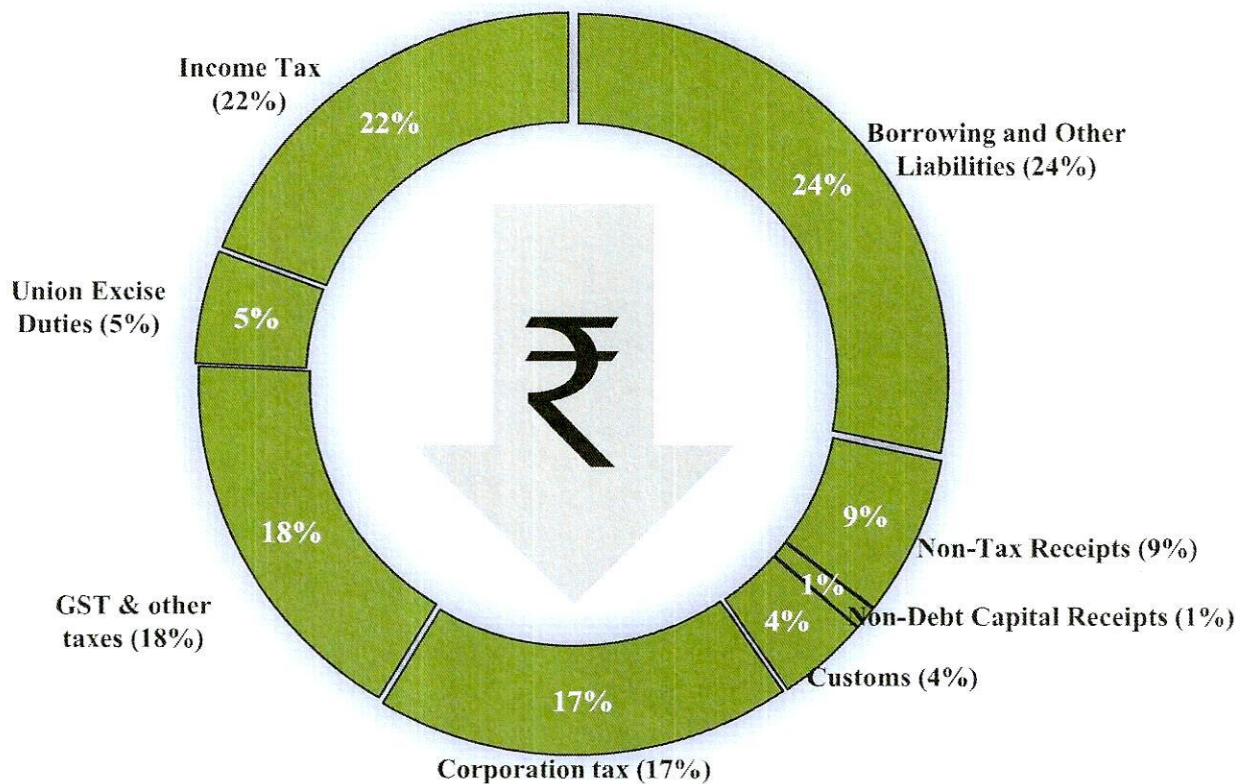
Reduced compliance for small charitable trusts/institutions by increasing their period of registration from 5 years to 10 years.

Tax payers to be allowed to claim the annual value of 02 self occupied properties (previously 01) without any conditions (previously conditions attached).

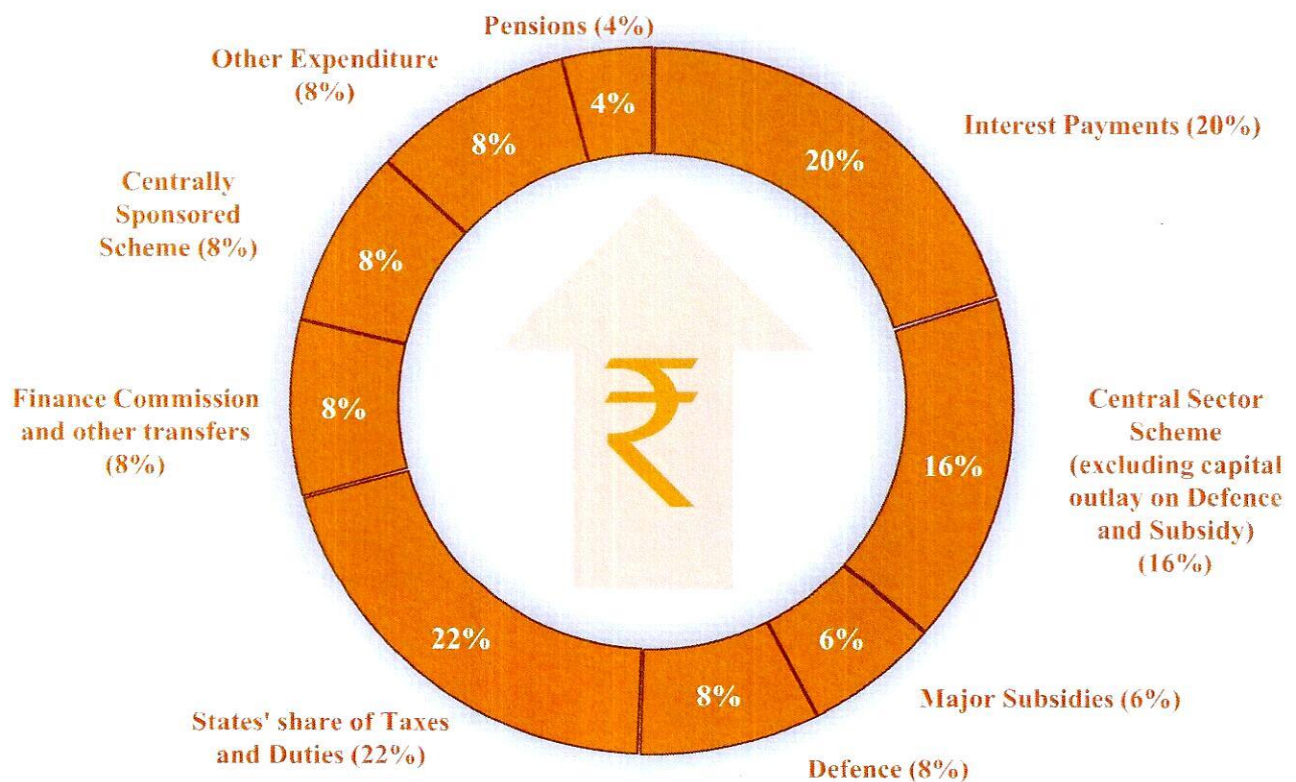
Employment and investment

- **Tax certainty for electronics manufacturing Schemes**
- **Tonnage Tax Scheme for Inland Vessels**
- **Extension for incorporation by 5 years of Start-Ups**
- Specific benefits to ship-leasing units, insurance offices and treasury centres of global companies which are set up in IFSC
- Certainty of taxation to Category I and category II AIFs, undertaking investments in infrastructure and other such sectors, on the gains from securities.

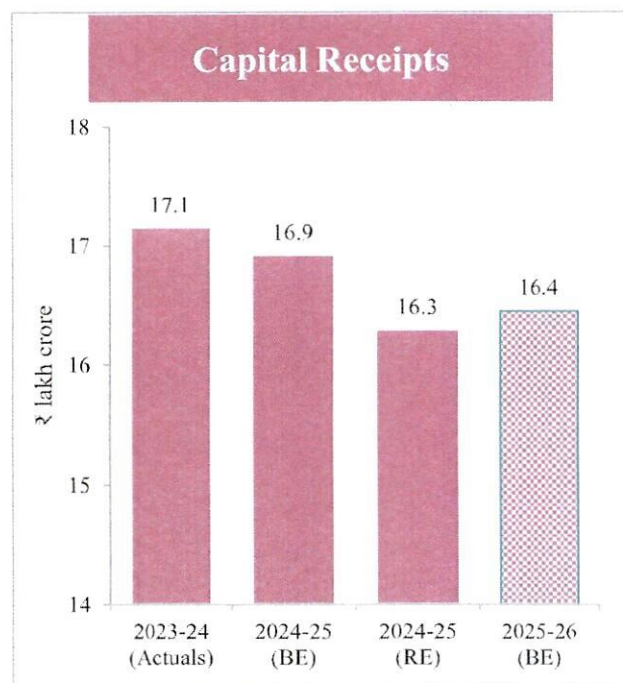
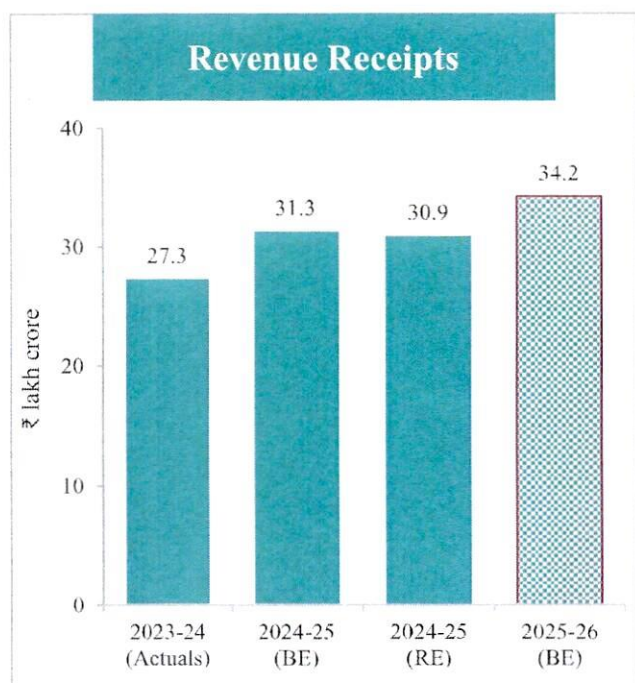
Rupee Comes From



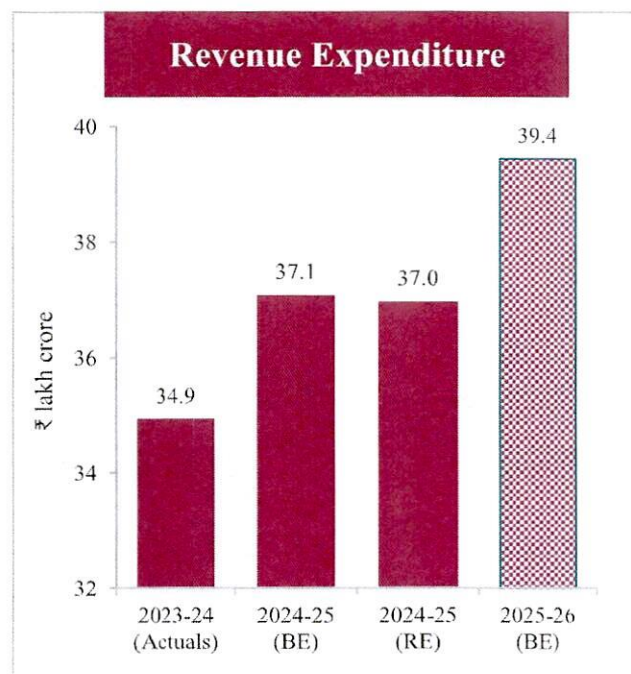
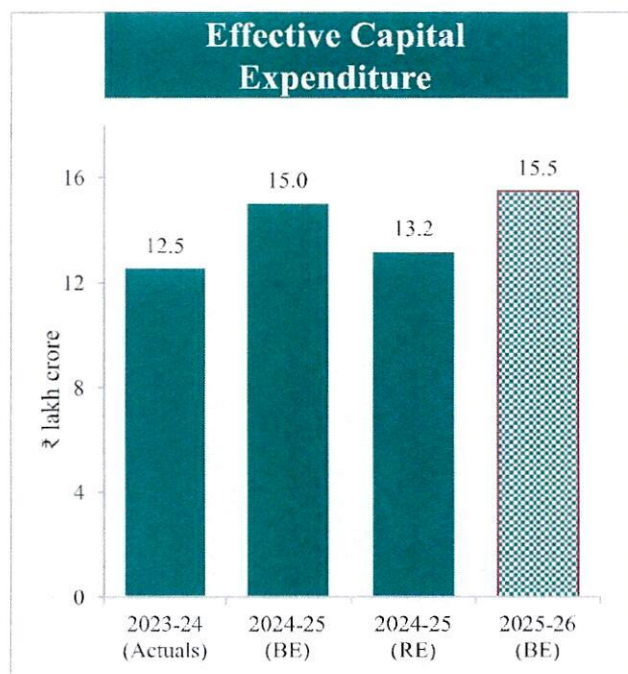
Rupee Goes To



Receipts

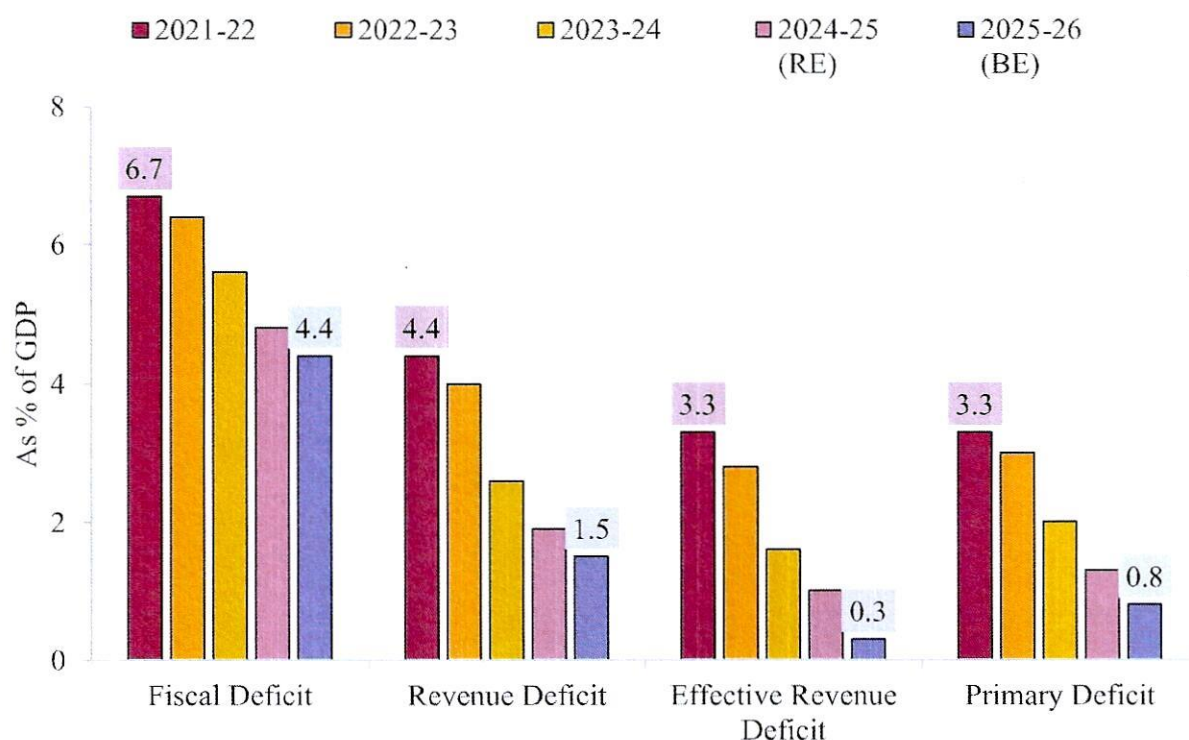


Expenditure

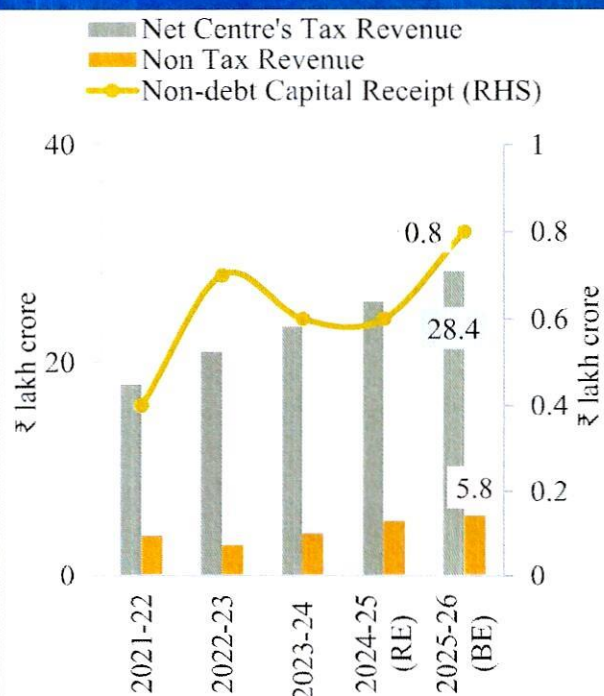


Robust Economic Foundations

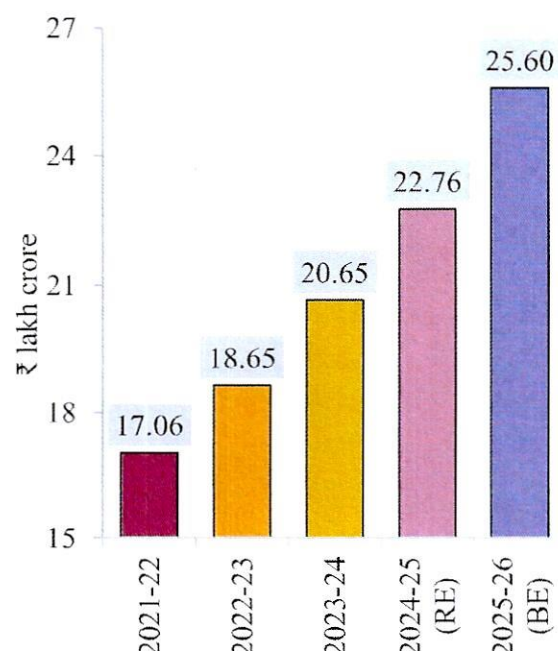
Deficit Trends



Trend in Net Receipt of the Centre



Total Transfers to States & UTs



Expenditure of Major Items

