

INSIDE: INDIA'S TOP LAW SCHOOLS

BW BUSINESSWORLD

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Productivity
and Resilience in
Agriculture

Employment
and Skilling

Inclusive Human
Resource
Development and
Social Justice

Energy Security

UNION BUDGET 2024-25

THE GROWTH YATRA

Sitharaman's
nine-pronged strategy to
put India on an accelerated
growth path

Manufacturing
and Services

Urban
Development

Infrastructure

Support for
Promotion of
MSMEs



PRUDENT GROWTH STRATEGY



ANNURAG BATRA

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IN A MASTERFUL BLEND of fiscal prudence and growth impetus, Union finance minister Nirmala Sitharaman has charted out a promising course with her budget proposals for the 2024-25 financial year. The Union Budget ensures fiscal consolidation even as it lays the groundwork for robust economic expansion. The *Economic Survey 2023-24* projects a real GDP growth of 6.5-7 per cent for FY 2025, buoyed by a confluence of global and domestic drivers. I am confident that our readers will get a deeper insight into the budget through our easy-to-understand, yet in-depth features, columns and expert analysis. A pivotal aspect of this budget is the government's commitment to a fiscal deficit target of 4.9 per cent, an improvement from the 5.1 per cent outlined in the previous interim budget, with an ambitious aim to drop below 4.5 per cent by FY 2025-26. This decisive step fortifies the nation's economic resilience against global financial uncertainties.

Tax collections are anticipated to rise substantially, with an 11.2 per cent increase in the central government's net tax revenue from the FY2023-24 revised estimates. While there is a slight reduction in net tax collections over the interim budget, this is primarily owing to higher state allocations from the gross tax revenue. The gross tax to GDP ratio is projected to rise to 11.8 per cent in FY2024-25, up from 11.6 per cent, to surpass conservative revenue estimates and enable future growth. The budget proposes significant reforms in indirect and direct taxation to streamline the system and boost economic growth. The key measures include simplifying the Income-tax Act 1961, rationalising tax rates, revamping capital gains taxation and improving taxpayer services. The big takeaway from the Union Budget is this determined endeavour to encourage investment and create jobs!

This issue also underscores the dynamic evolution of legal education in India with the coverage of the third edition of the BW Law School Rankings held by our community magazines *BW Legal World* and *BW Education*. Our focus remains steadfast on the stately domain of the legal profession, where education is undergoing a significant transformation to prepare students for the new and emerging demands of the profession. An industry-law school interaction is highly sought after, with top law schools making commendable strides in this direction. There is, however, a collective realisation that the emphasis on being market-ready should not come at the cost of losing the foundational principles of law, which stem from deep research and a thorough understanding of jurisprudence. For a more equitable assessment, we have also distinguished between government and private law colleges in our rankings.

As always, we carry our regular columns and features. Happy reading!

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MAILBOX

YOUR COMMENTS

EMPHASIS ON ADOPTING GENAI

This refers to the editorial (“All In On AI”, BW, July 27). The author rightly points out that India’s current AI efforts in public are being led by its IT industry. It is good to know that TCS is spearheading AI efforts with over 300 active projects, ranging from pilots to full-scale production. Currently TCS boasts a robust talent pool with 40,000-50,000 employees in its dedicated AI.Cloud unit and an impressive 3 lakh employees trained in generative AI foundations across the organisation. Moreover, Infosys has embedded generative AI across its service lines. The company has trained 2.5 lakh employees in the area of GenAI. Also, the group’s LTIMindtree, along with L&T Technology Services (LTTTS), recently revealed a GenAI deal pipeline worth \$200 million. Going by these developments, adoption of GenAI seems to be happening at a fast pace.

NEHA RAWAT, EMAIL

ENCOURAGING ENTREPRENEURSHIP

This refers to the editorial (“We Want To Create 100 Startups A Year”, BW, July 27). It is heartening to know that IIT Madras has reinvented its B.Tech curriculum. Students can choose about 40 per cent of their courses, which enables customisation and personalisation. The changes are focused on preparing students for jobs, driving research and innovation and encouraging entrepreneurship. Ten per cent of the course is for startups, hence students get time to think about startups. One semester has been structured in such a way that students can opt for a six-month internship or job. They can work for a startup and stabilise it.

REKHA SAHANI, EMAIL



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Photograph courtesy: PIB

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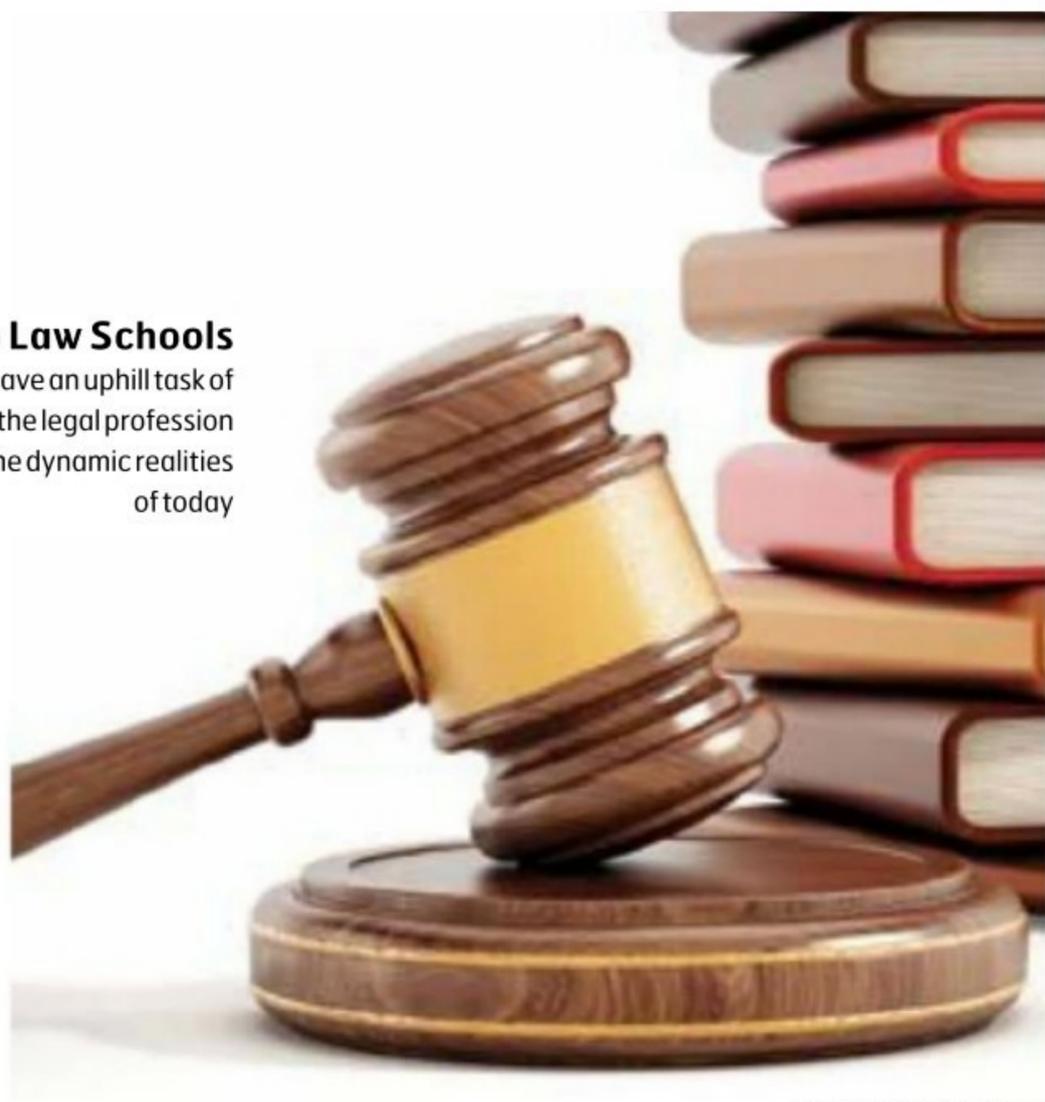
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Cover design by DINESH SBANDUNI
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JOTTINGS

The Paris Olympics Brand Rush

Photograph by Photo Time



While Indian athletes are definitely putting their best foot forward, there is no doubt brands are also betting higher on the Paris Olympics this year. With the Indian sports industry crossing the Rs 15,000 crore mark in 2023, going by GroupM's ESP report – it's evident that brands are realising the immense potential of sports as a marketing platform. Sources say, there has been a 70 per cent increase in advertisements and sponsorships compared to the Tokyo Olympics. The projected viewership numbers – 150 million on digital platforms and 120 million on linear TV – is presenting an opportunity for brands to engage with audiences worldwide.

Brands are capitalising high on this opportunity, with the State Bank of India (SBI), the JSW Group and Thums Up securing key sponsorships among others, positioning themselves on a global stage and potentially opening doors

to international markets.

What's even more interesting to note is the localisation of global events. Brands are not just sponsoring the Olympics but also curating India-specific campaigns that resonate with the national sentiment. Puma's billboard campaign featuring Indian athletes is a prime example, leveraging national pride to build brand affinity. The Paris Olympics 2024 could catalyse a shift in Indian marketing, propelling sports-centric strategies to the forefront of brand building and consumer engagement.

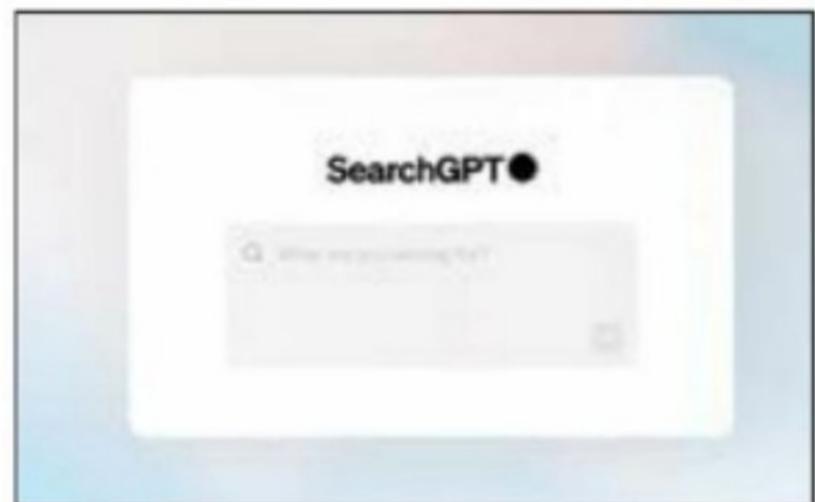
— Reema Bhaduri

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New Contender

OpenAI's SearchGPT will be an important page in the already storied search engine history. This is bound to contest Google's two-decades-long entrenched supremacy by harnessing real-time AI capabilities and possibly try to offer a more nuanced and engaging search experience to attempt at reshaping the now fairly set user expectations. In turn, incumbents like Google and Bing will now be compelled to accelerate their innovation trajectories.

But OpenAI will face challenges while navigating the legal milieu and striking partnerships with content creators. The collaboration with News Corp and The Atlantic is encouraging, yet there's plenty of friction between AI innovators and publishers regarding intellectual property rights. Moreover, SearchGPT enters a competitive arena



Photograph courtesy: OpenAI

where entities like Perplexity, despite their backing by Amazon's Jeff Bezos and Nvidia, grapple with legal entanglements over content usage.

OpenAI's success in 'search' will depend on its ability to harmonise cutting-edge technology with ethical content stewardship. The search engine landscape will also evolve, hopefully for the better, as a result.

— Rohit Chintapali

Trade Deficit Widens

In June, India's merchandise export growth slowed to 2.6 per cent year-on-year, down from 9.1 per cent in May, largely due to an 18.2 per cent contraction in oil exports. However, non-oil exports maintained a steady momentum, growing 7.7 per cent compared to 7.8 per cent the previous month. Services exports are projected to have shown robust performance in June.

Merchandise imports grew by five per cent year-on-year, down from 7.7 per cent in May. Core imports rose 7.1 per cent, up from 0.8 per cent. Consequently, the trade deficit widened to \$21 billion from \$19.2 billion.

On a cumulative basis, merchandise exports for the first quarter of fiscal 2025 increased by 5.8 per cent to \$109.96 billion, up from \$103.9 billion in the same period



Photograph byllfede

last year. This indicates that India's export sector has remained resilient despite ongoing conflicts in Europe and West Asia. Meanwhile, cumulative imports rose at a faster pace of 7.7 per cent, reaching \$172.4 billion from \$160 billion, widening the trade deficit to \$62.44 billion from \$56.1 billion.

Services exports grew by 10.2 per cent year-on-year to \$29.76 billion in May, while services imports moderated to a 5.4 per cent increase from 19.1 per cent the previous month. Consequently, the services trade surplus expanded to \$13.02 billion, up from \$11.1 billion in May of the previous year. Will the surplus in services trade and robust remittances flow be sufficient to keep the current deficit in a safe zone? Fingers crossed!

—Ashish Sinha

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Automotives Crawl

In the first quarter of the fiscal 2024-25, Indian automotive retail sales showed surprising resilience despite a severe heatwave in northern India and the disruption of general elections. While the passenger car, commercial vehicle, and tractor segments faltered, the sector achieved an overall year-on-year growth of 9.40 per cent, largely driven by robust performance in the two- and three-wheeler segments.

Two-wheelers surged with a 12.5 per cent increase, and three-wheelers followed closely with an 11.4 per cent rise. In contrast, passenger vehicles posted a meagre 2.5 per cent growth, commercial vehicles barely registered any progress, and the tractor segment suffered declines, significantly dragging down overall growth.

Experts note that the passenger vehicle segment struggles with environmental and market challenges.



Photograph byBreakermaximus

Growth is expected to be below five per cent due to competition, excess supply, and discounting, despite strong bookings and customer flow, says Manish Raj Singhania, President of the Federation of Automobile Dealers Associations. The election period, extreme heat, and liquidity issues profoundly impacted dealers.

In May, showroom walk-ins plummeted by 18 per cent, with inventory levels soaring to an unprecedented 62 to 67 days by June-end. Despite improved product availability and generous discounts to stimulate demand, market sentiment remains subdued. The ongoing heatwave and delayed monsoons caused a 15 per cent drop in walk-ins.

Will the festive season, which is barely two quarters away, be enough to revitalise automotive sales? The industry's future hangs in balance.

—Ashish Sinha

PSU Silver Bullet

**MINHAZ MERCHANT**

The writer is the biographer of Rajiv Gandhi and Aditya Birla and author of *The New Clash of Civilizations* (Rupa 2014). He is founder of Sterling Newspapers Pvt Ltd., which was acquired by the Indian Express Group

W

HEN NARENDRA MODI was chief minister of Gujarat, many believed privatisation of the state's cash-rich public sector units (PSUs) would be a priority. It turned out that while Modi turbocharged foreign and domestic investment with "Vibrant Gujarat", privatisation of the state's PSUs did not take off.

On Modi assuming office as prime minister in May 2014, it was again widely expected that privatisation of central PSUs would form a part of his reform agenda. After all, former Prime Minister Atal Bihari Vajpayee had made privatisation a key reform of his government in 1998-2004.

To stem criticism from the Left that he was selling the family silver, Vajpayee had called his privatisation programme "disinvestment". Arun Shourie was appointed Minister of Disinvestment in 2001. Diligent as ever, Shourie quickly got down to work. Several PSUs were privatised – or disinvested – during his ministership, including Maruti, VSNL and Hindustan Zinc.

The bureaucratic antipathy towards privatisation – most PSUs have bureaucrats as chairman or directors – torpedoed the programme following the controversial privatisation of Centaur Hotel which was investigated for financial irregularities.

When Modi took charge as prime minister in 2014, Shourie was back in the reckoning as the BJP's likely new finance minister who would give PSU privatisation new impetus. By now, however, Shourie had moved from Delhi to Lavasa, the township located between Pune and Mumbai. He was summoned to Delhi by the incoming BJP government. The general impression was that he would be given an important portfolio – finance or a revived disinvestment ministry. In the event, he got neither. Shourie returned to Lavasa a bitter man. The new finance minister was Arun Jaitley.

During the first two Modi terms, privatisation of PSUs was still a priority. The Life Insurance (LIC) disinvestment was a success. But there were few others bar Air India. The aborted disinvestment of Bharat Petroleum (BPCL) was a signal: privatisation was no longer in favour. The numbers told the tale. In the 2020-21 Union Budget, the target for disinvestment was Rs 2.10 lakh crore. By the 2023-24 Union Budget, the target had dropped to Rs 51,000 crore.

Bull by the Horns

The bull market has meanwhile raised the market value of India's stock market to over \$5.3 trillion. This presents a new opportunity for the Modi government to monetise PSUs without actual privatisation. There are over 56 listed central government PSUs. Most recorded surging profits in 2023-24. According to data published in *Mint*, the 56 listed PSUs recorded a 48 per cent increase in net profit over last year. Their combined net profit was over Rs 5 lakh crore. These PSUs include State Bank of India, LIC, ONGC, Indian Oil and Coal India.

The market value of listed PSUs doubled from \$404 billion in 2022-23 to \$804 billion in 2023-24. That puts the valuation of PSUs within reach of \$1 trillion (Rs 83 lakh

crore) by end-2024. The government now has an opportunity to balance its books by divesting small tranches from its PSU holdings. Even a two per cent annual divestment across listed companies currently valued at \$804 billion (Rs 68 lakh crore) would fetch the treasury Rs 1.36 lakh crore – more than double the privatisation target in last year's Union Budget.

This does not mean privatisation of specific PSUs can't go ahead simultaneously. The strategy should be to fix a privatisation target in the Union Budget

used to pare its debt which is currently at unsustainable levels.”

But the newspaper also sounded a word of caution: “In the last five years, the Centre planned divestments of Rs 6.16 lakh crore and all that it managed to achieve was Rs 1.79 lakh crore. Even here, the bulk of the proceeds came from the sale of minority stakes. The only exception has been the divestment of Air India. Not once since FY19 has the government come even close to meeting its divestment target. This despite the target being reduced every year since FY21.

The strategy should be to fix a privatisation target in the Union Budget (as is customary) along with a new separate market divestment target. With the stock market likely to rise in the long term by a compounded annual growth rate (CAGR) of around 12 per cent, divestment of two per cent among listed PSU stock could be replenished within months while adding significantly to government revenue



Photograph by Irina Drozd

(as is customary) along with a new separate market divestment target. With the stock market likely to rise in the long term by a compounded annual growth rate (CAGR) of around 12 per cent, divestment of two per cent among listed PSU stock could be replenished within months while adding significantly to government revenue.

As *Mint* pointed out: “With such good valuations, the government will get the best possible price for its stake. It needs money to invest in infrastructure and spend more on education and health without upsetting fiscal consolidation. Divestment will help it raise the necessary resources. The money can also be

In FY24, all it managed from divestment was Rs 30,000 crore.”

The problem is bureaucratic stasis. PSUs lie within the bureaucratic domain. Many provide sinecures for retired IAS officers on the boards of PSUs. Full privatisation, as in the case of Air India, deprives them of that privilege. Market sales will sidestep the problem. Monetising a small stake sale in cash-rich PSUs will keep government administrators in control while providing additional funds.

Modi has relied on bureaucrats to run his pet schemes. He put his former principal secretary Nripendra Misra in charge of the Ram Mandir project. The

prime minister's office (PMO) is packed with former bureaucrats and domain-specific technocrats. It is no coincidence that the two most prominent and successful ministers in the Modi cabinet are a former IFS officer (External Affairs Minister S. Jaishankar) and a former IAS officer (Railway, IT and I&B Minister Ashwini Vaishnaw). The Gujarat model was exactly the same. Senior IAS officers did the heavy lifting on both policy and execution.

In his third term, the prime minister can employ a new hybrid disinvestment model – privatisation and market divestment – that would have appealed to both Vajpayee and Shourie.

FROM MONEY TO MEMORIES: REDEFINING WEALTH THROUGH EXPERIENCES



The author is an economist and columnist

FORGET LEAVING a mountain of cash behind – what if the ultimate inheritance was a life overflowing with experiences? The “Die with Zero” concept flips the script on traditional wealth building, urging us to spend on adventures, focus on experiences and not acquisitions.

For generations, the conventional wisdom of wealth accumulation has revolved around amassing financial assets. Bill Perkins’ book *Die with Zero* challenges this paradigm, advocating a life rich in experiences and memories over mere financial hoarding. This philosophy is particularly resonant in India, a nation with a rich cultural heritage.

‘Deferral Trap’ Secures Financial Stability, But Robs Immediate Joy:

Unlike nations with robust social safety nets, Indians often shoulder the responsibility of saving for retirement and emergencies. Financial security holds paramount importance. Deep-rooted cultural expectations add complexity, requiring a delicate balance between ensuring stability, meeting societal norms, and pursuing personal happiness. This often creates the ‘deferral trap’ – a cycle of postponing present enjoyment in favour of future security. While this approach ensures financial stability, it can

lead to a life devoid of immediate joy and fulfilment.

In India, societal benchmarks frequently pivot around material possessions, fostering a milieu where amassing wealth overshadows the enrichment garnered through life experiences. Embracing ‘Die with Zero’ calls for a cultural renaissance that prizes well-being and the present instant. By exchanging personal narratives and nurturing dialogue on the inherent worth of experiences over material possessions, this paradigm shift has the potential to ignite societal transformation towards a more enriching existence.

Die with Zero advocates a paradigm shift from accumulating wealth to investing in “memory dividends.” These dividends are the lasting rewards derived from experiences. Picture a trek in the Himalayas, a family vacation in Goa, or acquiring a new skill. Such experiences provide more than just immediate pleasure; they enrich life with cherished memories and contribute to long-term happiness.

Finding the Happiness Threshold: One of the most compelling aspects of ‘Die with Zero’ is its inclusivity. This philosophy is accessible to everyone, regardless of financial status. Even those with limited resources can focus on simple yet meaningful experiences. Familial dynamics play a pivotal role. Open dialogues on defining a fulfilling life are pivotal. Families often cultivate collective experiences like weekend retreats, local festivities, or engaging in home-based recreations such as board games. These shared pursuits foster not only lasting impressions but also fortify familial ties. Similarly, a picnic in the park, a movie night with friends, or volunteering in the community can create lasting memories and foster strong personal connections without breaking the bank.

The ‘Die with Zero’ concept fundamentally embodies strategic living – an art of judiciously allotting time and resources to harmonise professional commitments, fiscal prudence, and



The 'Die With Zero' concept fundamentally embodies strategic living – an art of judiciously allotting time and resources to harmonise professional commitments, fiscal prudence, and enriching pursuits. Leveraging complimentary cultural events, regional celebrations, helping and 'giving' and time with friends and family enriches experiences at nominal expense



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enriching pursuits. Leveraging complimentary cultural events, regional celebrations, helping and 'giving' and time with friends and family enriches experiences at nominal expense. The essence lies in identifying and prioritising activities that yield maximal personal contentment.

Financial stability stands paramount, yet studies indicate that beyond a defined threshold, increased wealth fails to correspond with heightened happiness. The crux lies in pinpointing one's "happiness threshold" – striking equilibrium between economic security and experiential fulfillment. To navigate this terrain, emphasis must be placed on essentials such as shelter and sustenance, adopting economical living strategies where feasible. Crafting a budget that allocates resources for both future retirement security and immersive life experiences becomes imperative in this pursuit.

Embrace The Journey: Embracing the philosophy advocates valuing experiences over material wealth – a principle underscored by its emphasis on the journey rather than the destination. Prioritising everyday moments and fostering meaningful

connections with loved ones are central tenets. Engaging in hobbies, volunteering for community causes, and exploring local culture through events and budget-friendly travel enrich life with enduring memories, ensuring a legacy rich in experiences and free of regrets, beyond just financial assets.

Recognising time as a precious resource and allocating it to meaningful pursuits like personal interests and community involvement fosters personal growth, enriches life. Similarly integrating activities that imbue life with purpose, such as mentoring or community service, contributes to a fulfilling existence marked by lasting impacts and contentment.

In a digital age that often distorts perceptions of wealth and success, focusing on authentic experiences that resonate personally rather than conforming to external expectations is equally important. True happiness stems from inner fulfillment, not external validation.

Amid ongoing discussions on economic policy, the relevance of 'Die with Zero' grows, challenging conventional approaches to wealth accumulation. Instead of solely accumulating assets for future generations, redirecting resources towards enriching experiences and creating lasting memories offers a path to profound fulfillment and legacy-building.

Vivid Richness of Life's Journey: In India, where the tapestry of life is woven with vibrant experiences, embracing the 'Die with Zero' philosophy acquires heightened significance. Prioritise moments – whether the spirited chaos of Holi celebrations with family, the quiet joy of teaching a child to fly a kite, or the bustling energy of local bazaars – as these are the narratives that endure, shaping legacies passed down through generations.

Don't just leave behind a hollow bank account. Leave behind a heart brimming with the vivid richness of life's journey. 🏡

CITIES IN CRISIS: ADDRESSING INDIA'S URBAN CLIMATE EMERGENCIES



Clockwise from the left:
Amit Kapoor & Shrey Tiwari

THE COUNTRY'S metropolitan areas witnessed a triple crisis in June and the wider summer season. The sweltering Indian summer has so far seen the highest number of heatwave days across the country, with June witnessing the warmest temperatures in recorded history. The circumstances were aggravated by a water crisis due to major reservoirs failing to meet the demand of a growing population. Simultaneously, the northeastern part of the country was battling floods due to continuous heavy downpours triggered by the cyclone Remal. The National Capital Region followed suit with the highest single-day rainfall recorded in June, leading to multiple cases of water logging across the region. The role of urban infrastructure in adapting and contributing to such disasters is highlighted in the aftermath of these extreme weather events, with significant losses to lives and property at large.



These Indian (mega) cities are experiencing synchronous blows of water shortages and escalating climatic problems due to the country's rapid and uncontrolled development. The ballooning residential skyscrapers, many of which remain vacant, devour land in the absence of rainwater harvesting equipment. This is causing a dangerous depletion of water sources, especially in conjunction with the widespread extraction of groundwater. Seasons of unpredictable rainfall exacerbate the situation, leaving communities dry and scrambling for drinking water.

The matters are worsened by a complete disregard for natural drainage systems in city planning. There is no room left for rainwater to enter rivers or replenish the earth due to the encroachment on wetlands and the concretisation of drains. This is what turns heavy rainfall into deadly catastrophes, as the floods in Delhi this past year have shown. Moreover, the loss of green spaces and the growth of concrete jungles only serve to ex-

acerbate the stress on the environment. This urban sprawl is also leading to a rise in the number of "Heat Islands". Contributing to this situation are the rising air pollution levels and energy usage, with the latter still largely dependent on fossil fuels. According to research by IIT-Bhubaneswar, urbanisation is responsible for an astounding 60 per cent of the increase in temperature in Indian cities.

The urban flooding events bring economic devastation through a domino effect. Homes, businesses, and critical infrastructure are damaged, forcing closures and loss in productivity. Transportation grinds to a halt as gridlocked roads and the stoppage of public transport hinder the movement of goods and services. As per the *State of Climate in Asia* report, damages relating to floods and storm cost the Indian economy around \$7.6 billion in 2020-21 alone. The state of infrastructure in the country, along with other low- and middle-income countries (LMIC) underscores the extent of damage during such extreme events. The Intergovernmental Panel on Climate Change (IPCC) claims that the countries in South Asia and Africa bear the highest losses due to unreliable infrastructure. The direct

Photograph by Powerofforever / Canva



The 11 lives lost in Delhi's deluge, and the 50-plus deaths in heatwaves across the country so far this year are a sombre reminder of the stakes involved in climate catastrophes plaguing our cities

losses to firms operating in the LMIC due to transportation disruptions amount to \$107 billion a year. On the other hand, the direct losses resulting from disruptions to water supply are expected to be around \$6 billion for the firms and \$88-\$153 billion to the households.

The rising average temperatures, and resultant heatwaves, are also proving detrimental to India in terms of lives lost, crop failures, and decreased productivity. The countries in the Global South are witnessing a loss of up to 6.7 per cent of the GDP per capita per year, significantly higher than the 1.5 per cent losses in the high-income countries. The International Labour Organization warned that working in moderately physical jobs in temperatures above 33-34°C could lead to as much as 50 per cent loss in individual productivity. As per the *Climate Transparency Report*, the potential income losses due to this reduced capacity among workers in India was estimated to be \$159 billion, over five per cent of the GDP in 2021. If the average temperatures in the country keep on increasing, the produc-

tion of important crops such as rice and maize could also drop 10-30 per cent and 25-70 per cent respectively.

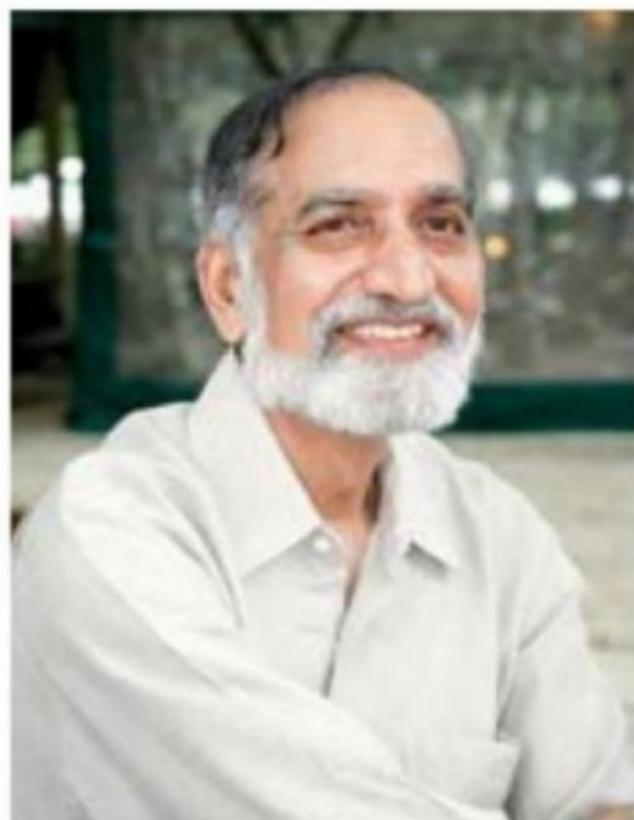
India's booming cities face a huge influx of people, with about 400 million additional people in the urbanisation fold by 2050. While disaster plans exist for heatwaves and floods, the focus is on reaction, not prevention. Sustainable practices like rainwater harvesting and cool roofing are rarely enforced, despite mandates. This lack of long-term planning strains resources and the unprepared infrastructure highlights the need for a multi-pronged approach to sustainable urban development.

India's national urban programmes such as Atal Mission for Rejuvenation and Urban Transformation (AMRUT), and Smart Cities Mission address climate change, but individual cities need unique solutions. For instance, poor maintenance of the existing infrastructure in the form of jammed floodgates was touted as one of the many reasons for Delhi's disastrous floods last year. Hence, more funding is needed for sustainable con-

struction practices and upgrades to existing infrastructure, including improved drainage and green spaces. Around the world, cities like New York, Shanghai, and Cardiff have invested heavily towards their transformation as 'sponge cities' allowing for absorption and storage of rainwater, reducing urban flooding. This was achieved by improving drainage systems and increasing green spaces through inner-city gardens, among other conventional initiatives adapting to the local needs.

Moreover, public participation is crucial to maximise the impact of climate-friendly initiatives. Local communities need to embrace sustainable practices alongside improved infrastructure. With the increased instances of climate catastrophes the world over, it is imperative to initiate and sustain mass local-level movements to prepare our cities for such instances. The 11 lives lost in Delhi's deluge, and the 50-plus deaths in heatwaves across the country so far this year are a sombre reminder of the stakes involved in climate catastrophes plaguing our cities. Making our cities climate-resilient will thus have far-reaching consequences in securing the lives and livelihoods of the masses. ■

Amit Kapoor is Chair, Institute for Competitiveness. Shrey Tiwari is researcher, Institute for Competitiveness



NEETLY Messy

THANKS TO REPORTS of the alleged leakage of papers for NEET, there is much controversy around these important entrance tests. From media to Parliament to the streets, various people – commentators, politicians, and students – are using all platforms to vociferously air their view. The entity responsible for the tests, National Testing Agency (NTA), is under fire, and a high-power committee is looking into all aspects of the tests and their organisation.

Hopefully, it will address basic issues. For instance, is a central test necessary? If so, should it be a single one, or two/multiple tests (like JEE)? Is there a more meaningful way of assessment instead of multiple-answer tests, which cannot gauge aptitude or attitude, and encourage rote learning rather than critical thinking? While multiple-choice tests provide an easy way to deal with the massive number of candidates, can new tech and AI provide a way of as easily dealing with essay-type answers?

Present entry tests for JEE, NEET, etc., devalue schools: for lakhs of students,

coaching institutions are far more important than school, and final/board examinations are practically irrelevant for those seeking a medical or engineering degree. One way of reversing this undesirable trend is to use the board examination results as the sole – or major – criterion for admission to all university courses. The problem of comparability of results of different boards in an age of marks inflation can be handled by using a percentile, instead of marks, for common all-India ranking. Thus, for priority in admission, one can start with, say, the top one per cent, from each board; then, the next one per cent, and so on. Over a fairly short period, this approach should result in considerably upgrading the quality of school education across the country.

CLIMATE CHANGE & TOILET PAPER

Ideally, each institution could even give different weights to the percentile ranking in each subject: medical colleges may want to give greater weightage to biology, while an engineering one may do so for math or physics. Each institution might do an interview of short-listed candidates for final selection, in which subjective assessment – very different from bias – will play a role.

The NEET mess continues to excite media, but the government's *Economic Survey* raises issues linked to a different "messy" operation,

involving bowel movement. With countries pointing fingers at each other for accelerating global warming, the report points to the West's culpability through the use of toilet paper. Whether responsibility for climate change should be attributed to the West's historical contribution, or to the now-growing carbon emissions by China and India, may be a bone of contention. However, it is indisputable that Western lifestyles involving toilet paper usage results in environmental damage. As a report quoted in the *Survey* notes, one roll of toilet paper uses 1.5 pounds of virgin wood, 37 gallons of water and 1.3 Kwh of electricity. It urges Westerners to learn from developing nations and adopt a more nature-

friendly lifestyle. Of course, with more Indians now consuming toilet paper, we may need behaviour change here too! Also, amongst our leaders, who extol green cover and attend tree-planting functions, but permit the mass chopping of forests – right from Nicobar to Aravalli to Uttarakhand.

Back to NEET: maybe the ideal future is about centralised tests, online learning, AI bots as teachers, and no schools. Coaching classes will, of course, continue to prosper. 📖

The author loves to think in tongue-in-cheek ways, with no maliciousness or offence intended. At other times, he is a public policy analyst and author. His latest book is Decisive Decade: India 2030 Gazelle or Hippo (Rupa, 2021)

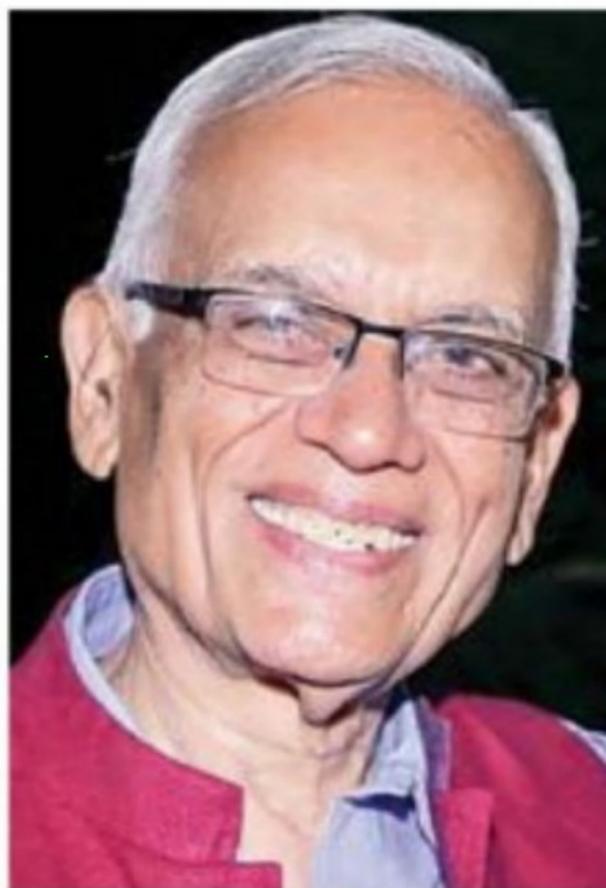


Photograph by Yusufdemirci/Envato

TOURISM – especially foreigners coming to India – has always been a subject that has received less than the desired attention by successive governments at the Centre and in the states. With some exceptions like Kerala and Haryana a long time ago, no other state seems to have made earnest efforts to boost tourism – specially to attract international tourists.

I have often tried to find some answers but failed. The only explanations that come to my mind are either that this is not a vote bank puller or perhaps the state governments have not really grasped the economic and employment generation prospects that can come with an increase in incoming foreign tourists.

Even before coming to some facts about the 'effects on economy and em-



TOURISM:

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EFFECTS ON ECONOMY & EMPLOYMENT

ployment', just to put the matter in perspective, I looked up Google to check out the countries that attract the largest number of foreign tourists per person of their own population. As expected Vatican – technically a sovereign nation – is right on top.

The Vatican

This tiny nation of just about 1,000 people attracts around seven million visitors annually, that is about 7,000 per capita. Of course, there are as many as 50 nations in the world where annual arrival of tourists exceed their population. Leaving out the tiny ones

like Andorra (population <80,000), San Marino (33,000) and Monaco (36,000), surprisingly Croatia – with a sizable population of about four million – located at the crossroads of Central and Southeast Europe – attracts visitors every year around 14 times its population!

Anyway, back to The Vatican, and for a very good reason. During the recent inauguration of the Shriram Janmabhoomi Mandir, we all learnt about the tourism potential of this forgotten city of about 60,000 people. So, here we have the highest seat of Catholicism (1.4 billion in the world) attracting 7,000 tourists per capita so why shouldn't we target something on those lines in Ayodhya – now the undisputed tallest place of Hinduism – with a global Hindu population of about 1.2 billion – and growing! On a direct proportionate basis, that would work out to a mind boggling 420 million visiting Ayodhya every year; 11.5 lakhs every single day!

Photograph courtesy: PIB



in the world.

Out of the total 'Hindus' in the world, estimated at 1.2 billion, nearly 966 million live in India; so we are left with only 234 million living out of the country. Taking all these factors into account, let's be practical and set our sights on getting just one per cent of the imputed figure of 420 million. Even if 4.2 million foreign visitors were to come to Ayodhya we will have whopping footfalls of over 11,500 visitors daily – not really an eye popping figure and well within the local administra-

Hindu Teerthsthans

Okay, we know that is not feasible and not manageable – logistics and infrastructure would not permit that even if a miracle was to happen and such numbers do descend at the holy temple town located on the banks of Saryu river where Lord Ram was born. Also, let's look at two factors – firstly Catholics have only Vatican whereas we Hindus have many other *teerthsthans* like Mata Vaishno Devi near Jammu, Golden Temple in Amritsar, Tirupati Balaji in the South, the spruced up Kashi Vishwanath temple in the transformed city of Varanasi, Meenakshi Temple in Madurai, UNESCO World Heritage Great Living Chola Temples in Thanjavur Tamil Nadu, Mahabodhi Temple in Gaya, Akshardham in Gujarat and Delhi and now in several other locations too...the list is endless.

The second vital factor is the location of the Vatican and that of Ayodhya. The majority of Catholics live in Europe for whom the Vatican is just a short drive or flight away. Even for those in the USA, it is not too far to fly over the Pacific and reach there. Ayodhya, on the other hand, is a long way off for Hindus living in the US, Europe, Canada, Australia, the Middle East and other places

During the recent inauguration of the Shriram Janmabhoomi Mandir, we all learnt about the tourism potential of this forgotten city of about 60,000 people. So, here we have the highest seat of Catholicism (1.4 billion in the world) attracting 7,000 tourists per capita so why shouldn't we target something on those lines in Ayodhya?

tion's management capabilities.

As a matter of fact, our Prime Minister envisions redevelopment of the city to handle up to three lakh people streaming in every single day in ten years as per the Master Plan 2031. He sees an investment of Rs 85,000 crore over 10 years and has himself mentioned that "foundation had been laid on the same day for development works worth more than Rs 15,000 crore which would convert the city into a mega tourist hub. Plans include enhanced connectivity, hotels by Taj, ITC, Radisson as well as budget players like OYO and others.

Add to it the newly emerged culture of Home-stays and we should be able to accommodate 11,500 foreign tourists and perhaps a larger number of the domestic travellers. The economic gains to the city/region would be enormous. So would be the potential employment for hotel workers, taxi drivers, tourist guides, merchandise retailers, FMCG shops, fruits, vegetables and flower vendors, auto sales and service outlets etc. The Ayodhya Development Authority envisages development of not only the small core city of about 31.5 sq. km but the master planned area of 133 sq. km and even a bigger area of nearly 875 sq. km.

Beyond Spiritual Tourism

But why am I talking about only Ayodhya or only generic 'spiritual tourism'? We have beautiful beaches, fascinating forests and wildlife, magnificent mountains, ancient forts and palaces, architectural marvels... everything that is needed to attract foreign tourists. Why are we then getting less than 10 million (official 2023 figure of Foreign Tourist Arrivals – FTAs – from January to December) of them annually. Let me share some interesting statistics about the FTAs, as well as economic and employment potential of tourism. The

Photograph by Kasto



2023 figure cited above is still around 15 per cent less than the pre-pandemic arrivals.

Foreign Tourist Arrivals

From just 6.3 million FTAs in 2011, we crawled up ever so slowly to the peak of 10.9 million in 2019. Next two years were of course, disastrous due to the deadly Covid but we managed to pull up to 6.2 million in 2022 and an encouraging 9.25 million in 2023.

What is more important is the fact that our foreign exchange earnings from tourism in 2022 were \$17 billion and these arrivals would've certainly given a big boost to the employment scenario. Every additional tourist counts; as it has an effect on several sectors like civil aviation, auto industry, hospitality (hotels and restaurants) tour guides, souvenir shops etc.

Coming back to the 2023 FTA figures, worldwide the count was 963 million who collectively spent a whopping \$1031 billion. Money spent by foreign tourists coming to India in the same year was about 21.4 billion i.e. approximately 2.1 per cent of the total!

India accounts for nearly 18 per cent

We have everything that tourists want. All that we are lagging behind is the will to make India the biggest tourist hub in the world and to streamline access to all our tourist hotspots and hotels to meet all budgets at those places with excellent maintenance of places of attraction... and we will be in business; ready for the world

of the world population – and with ‘everything that can attract tourists’ – why shouldn't we look at 18 per cent share of more than the trillion dollars spent by them? Why settle for a piffling two per cent? Our global rank in the ‘receipts’ in 2023 was a shameful 14.

The Will is Lacking

So, the case I am trying to make is that we have everything that tourists want – beaches, rivers, mountains, forests, bio-diversity, history, culture. All that we are

lagging behind is the ‘will’ to make India the biggest tourist hub in the world and to streamline access – air and road – to all our tourist hotspots and hotels to meet all budgets at those places, comfortable buses and taxis, trained and certified guides, excellent maintenance of places of attraction... and we will be in business; ready for the world. Definitely doable.

Some important points, recently mentioned by the chairperson of the World Travel & Tourism Council India Initiative, also need urgent attention of the government. These are:

- ❶ need for rationalisation and reduction of ‘hotel taxes’ – currently 12 per cent GST for rooms of up to Rs 7,500 per night and 18 per cent above that tariff – as our neighbouring competitors like Australia, Cambodia, China, Indonesia, Malaysia and Thailand charge much lower GST/VAT between two per cent and 10 per cent and
- ❷ higher budgetary allocation for the tourism ministry for aggressive overseas promotion. In the interim budget the allocation was a trifling Rs 3 crore – down from 100 crores last year – whereas we need nearly Rs 2,000 crores!

In her maiden speech in the Rajya Sabha Mrs Sudha Murty also mentioned the need to give a big push to tourism – one of the only two points the distinguished MP spoke about.

Ayodhya is just the beginning. If the rest of India can receive even a fraction of the attention that ‘Ram Janmabhoomi’ got, there'll be nothing to stop the flood of tourist arrivals. ■

The author is former president of AIMA and member BOG, IIMC

Investing in Human Capital: Nuanced Approach to L&D Budgets

TRAINING AND DEVELOPMENT expenses are necessary to invest in human capital for business growth. Sadly, this is only sometimes realised, and the budget is often pared down during a downturn. Determining the right amount of Learning and Development (L&D) budget is a complex dilemma for CXOs, especially in today's fast-evolving business landscape.

The emerging era of tech disruptions, marked by rapid advancements in artificial intelligence, machine learning, and automation, necessitates continuous upskilling. A McKinsey report suggests that by 2030, up to 375 million workers (14 per cent of the global workforce) may need to switch occupational categories due to automation and AI. Organisations must invest in L&D to stay competitive, but the question remains: how much is enough?

The Critical Role of L&D

Quantifying ROI: Critics often point to the difficulty in quantifying the return on investment (ROI) from L&D programmes, arguing that the benefits are intangible and hard to measure. However, this perspective overlooks the fundamental role that L&D plays in fostering a resilient and adaptable workforce. While immediate metrics might only sometimes capture the full impact, the long-term advantages are evident in enhanced employee performance, improved innovation, and greater organisational agility.

From Checkbox to Strategic Investment: Traditionally, L&D has often been relegated to a mere checkbox for many businesses, assuming employees would take the initiative to

Photograph by VitalikRadco



upskill themselves. This passive approach overlooks that strategic and proactive investment in L&D can significantly enhance organisational performance and employee satisfaction.

Generational Considerations

Gen Z Aspirations: Gen Z's aspirations further complicate the decision. This generation values personal growth and development opportunities more than any preceding cohort. They seek workplaces that invest in their skills, provide continuous learning paths, and support their career progression. Ignoring these aspirations risks alienating a vital workforce segment, leading to higher turnover rates and losing innovative potential.

Multi-Generational Workforces: With multi-generational workforces becoming the norm, companies must cater to diverse learning needs. While younger employees may prefer digital and interactive learning methods, older employees might benefit more from traditional approaches. Balancing these preferences within the L&D budget requires careful consideration and strategic planning.

The Evolving Workplace

New Management Styles: Human behaviour at the workplace is also evolving. The traditional top-down approach to management is giving way to more collaborative and inclusive styles. This shift necessitates demonstrated skills and competencies, such as emotional intelligence, adaptability, and digital literacy.

Remote and Hybrid Work Models: The ideology of the future of work and the workplace has also undergone significant transformation. Remote and hybrid work models are becoming increasingly common, necessitating new employee training and development approaches. Virtual learning platforms and online courses have become essential tools, but they come with challenges, including ensuring engagement and measuring effectiveness.

Addressing the Challenges

Indirect Impact: Training programmes' impact on performance, productivity, and profitability is often indirect and can take time to manifest, making it hard to justify immediate expenses. Secondly, there is the challenge of keeping L&D content current and relevant.



Photograph by Vitalik Radco

In fast-changing industries, outdated training materials can quickly become obsolete, requiring continuous updates and reinvestment.

Diverse Learning Needs: An organisation's varied learning needs can take time and effort. Different departments and roles may require specialised training, necessitating diverse programmes and resources. This diversity can stretch L&D budgets thin, forcing difficult choices about prioritising areas.

Maintaining Organisational Culture: This trend also leads to the challenge of maintaining a cohesive organisational culture. With a mix of full-time employees, gig workers, and

solopreneurs, companies must ensure that all contributors share a common understanding of the organisation's values, goals, and processes. These workers may require specialised training to meet the company's needs and standards.

Key Considerations for CXOs

There is no one-size-fits-all answer to the question of the right L&D budget. It requires a nuanced understanding of the organisation's needs, employee aspirations, and the broader economic and technological context. CXOs must adopt a strategic approach, balancing immediate financial constraints with long-term benefits.

Industry-Specific Needs: Each organisation operates within a unique context influenced by industry standards, competitive pressures, and internal dynamics. For instance, a tech company may prioritise upskilling in the latest programming languages, while a healthcare organisation might focus on compliance and patient care skills.

Alignment with Strategic Goals: Aligning L&D budgets with strategic goals ensures that investments contribute directly to achieving business objectives. This alignment necessitates a thorough analysis of current capabilities and future requirements.

Personalised Learning Journeys: Employees are more engaged and productive when their learning journeys are personalised to their career aspirations and learning styles. A Deloitte study highlights that organisations with strong learning cultures are 92 per cent more likely to innovate and 52 per cent more productive. AI-driven learning management systems (LMS) can provide insights into learning trends and effectiveness, helping to optimise budgets.

Economic Fluctuations and ROI: A strategic approach to L&D means balancing what is financially feasible and necessary for sustained growth. According to the Association for Talent Development, companies that offer comprehensive training programmes have 218 per cent higher income per employee and a 24 per cent higher profit margin than those who spend less on training. 



Photograph by Sdecoret

Human behaviour at the workplace is also evolving. The traditional top-down approach to management is giving way to more collaborative and inclusive styles. This shift necessitates demonstrated skills and competencies, such as emotional intelligence, adaptability, and digital literacy

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By PRAKASH IYER

The CEO and the 5-day Week



Prakash Iyer: The author is a speaker and leadership coach and former MD of Kimberly Clark Lever

Great organisations are built when leaders show they care – for the rank and file in the organisation. There’s a terrific lesson in there for leaders. While framing policies, make sure you are considering how it impacts your frontline folks – and indeed the entire organisation

■ WAS SPEAKING with the leaders of one of India’s largest microfinance companies the other day. The CEO and his able deputy, the COO, were telling me about the organisation’s journey, the hits and the misses. And as it often happens, a tiny little anecdote they shared told me a lot about the organisation’s culture, the fabulous leader, and what it takes to build a great organisation.

The CEO told me how the organisation was extremely progressive, always striving to be ahead of its time. He talked of their investments in technology, the culture of empowerment, and how for instance they had implemented ERP long before most other financial institutions. “Not just that,” he continued, “We even implemented a five-day week way for our organisation way back in 2018.” Considering banks in India are only now moving to alternate Saturdays off, you’ll agree they were indeed ahead of their time. And that’s when his COO spoke up and added what I thought was an unnecessary detail: “In fact, while we implemented the five-day week in 2018, my team and I had sent the proposal to him in 2016 itself!” he said.

And I thought to myself, uh oh, why is he complaining that the CEO was slow to implement a good idea? Why show up your leader in poor light? But the COO continued, and said that the initial five-day week proposal was meant only for the people in

the corporate office. And the CEO had turned it down saying “Come up with a plan that can work for the entire organisation – and we’ll think about implementing it. If it’s only for the head office folks, I wouldn’t do it.” The team went back to the drawing board, and returned a couple of years later – when they felt the time was right – with a proposal for a five-day week for the entire organisation. And the proposal was accepted and implemented.

Wow! What a leader, I thought. And my respect for the COO went back up too. And suddenly, I began to understand the secret behind their incredible growth, their fabulous engagement scores and the almost-zero attrition.

Great organisations are built when leaders show they care – for the rank and file in the organisation. There’s a terrific lesson in there for leaders. While framing policies, make sure you are considering how it impacts your frontline folks – and indeed the entire organisation. Without realising it, and without intending to do so, leaders can sometimes create a divide between the HO folks and the rest of the organisation. They can make those people out in the field feel like second class citizens. And that can damage the fabric of the organisation.

It reminded me of something I had heard from another leader, some years ago: the 24/48 rule for building a great organisation. The 24 and 48 refer to the ambient temperatures at which people work. Organisations he said have two parts. The 24-degree folks who work in air-conditioned corporate offices. And the 48-degree folks who work in the heat and dust of the marketplace. Great organisations are built when the 24 degree folks take decisions keeping in mind the welfare of the 48 degree folks.

Listening to the story of the delayed implementation of the five-day week, it felt good to see the 24/48 rule in action. Clearly, it works. All days of the week. 📖



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**ROCKWOOL
STONE WOOL
5 WAYS
IN WHICH IT
CAN BE
THE NEXT
SUSTAINABLE
INSULATION
SOLUTION**



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VINAY PRATAP SINGH,
Business Unit Director
(India & SAARC countries),
ROCKWOOL Technical
Insulation Pvt. Ltd.



In its refined state, stone wool proves to be a highly versatile material, serving dual roles as an effective insulation solution and a growth medium. The article talks about 5 ways in which it can be the next sustainable insulation solution, as suggested by **VINAY PRATAP SINGH**, Business Unit Director (India & SAARC countries), ROCKWOOL Technical Insulation Pvt. Ltd.

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Stone wool from the family of mineral wool insulation, is derived from basalt—a fusion of solidified lava ejected from the deepest layers of the Earth. In its refined state, stone wool proves to be a highly versatile material, serving dual roles as an effective insulation solution and a growth medium. The manufacturing process entails the melting of these raw materials at elevated temperatures, followed by the spinning of the molten material into fibres. The resulting wool-like substance undergoes further processing to take on diverse forms, including pipe sections, rolls, boards, or loose-fill insulation.

1. Natural Origins and Abundant Resources: The widespread availability of basalt rock positions stone wool as a sustainable preference for insulation in construction practices. According to the U.S. Department of Energy, fibreglass insulation, more

commonly used, generally comprises 40 to 60 per cent recycled content, whereas stone wool boasts an average of 75 per cent.

2. Energy Efficiency: Despite the high-temperature manufacturing process, stone wool stands out for its exceptional energy efficiency. The material's impressive thermal resistance (R-value) offsets the initial energy input, contributing to consistent indoor temperatures and reducing the need for extensive heating or cooling. This efficiency not only lowers overall energy consumption in buildings but also aligns with broader initiatives to mitigate greenhouse gas emissions linked to traditional insulation materials. In Anatolia, Italy, the F. Socciarelli School achieved an A4 energy



performance rating, signifying nearly zero-energy efficiency and significantly reduced energy consumption with the ROCKWOOL stone wool insulation.

3. Recyclability and Circular Economy: Stone wool distinguishes itself through its recyclability. At the end of its lifecycle in a building, stone wool can be gathered, processed, and repurposed into new insulation products. This embodies a circular economy approach, reducing waste and lessening the demand for fresh raw materials. Furthermore, stone wool scraps are neither soiled nor hazardous. Their sorting, collection, and transportation do not necessitate any special conditions, simplifying waste management processes. This is crucial, considering that construction and demolition waste compete with municipal solid waste for disposal space in landfills. In some countries, such as India, it is common to dispose of both in the same disposal facilities.

4. Lower Carbon Footprint: In comparison to conventional insulation materials, the production of stone wool typically

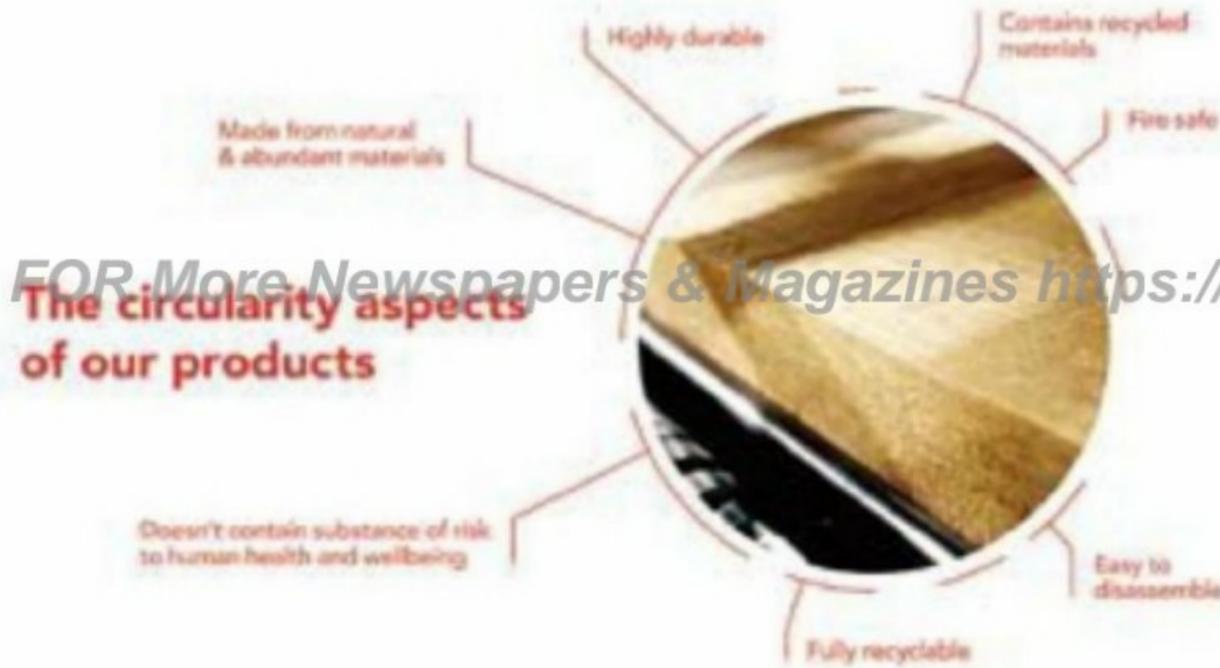


alternative insulation materials. The insulation effectiveness of its products remains constant throughout the entire life of a building. This extended durability results in less frequent replacements, leading to a decrease in the overall environmental impact associated with the production and disposal of insulation materials.

The Hong Kong–Zhuhai–Macau Bridge, holding the title of the world’s longest sea bridge, opted for one of the high quality products from the stable of ROCKWOOL brand in all its inspection buildings. Constructed from stone wool, this material retains its shape and structure, guaranteeing consistent and predictable low energy costs over numerous decades. Its robust durability ensures optimal performance for more than 60 years, even in China’s challenging hot and humid climate, where frequent storms, rainfall, and temperature fluctuations could adversely affect other insulation materials.

The transformation of ROCKWOOL stone wool from basalt rock into a sustainable insulation material underscores a commitment to environmental responsibility. Its sustainable features, along with the potential to substantially contribute to climate change mitigation through reduced energy consumption and a diminished carbon footprint, position stone wool as a promising choice for the future of construction. In the quest for innovative solutions to address climate challenges, stone wool emerges as a beacon of sustainable progress in the realm of building materials.

**Bigger version of the article was published in World Economic Forum (WEF) Agenda. URL: <https://www.weforum.org/agenda/2024/03/stone-wool-lava-based-material-insulation/>*



leads to a lower carbon footprint. The open structure of stone wool, characterised by air and no gases between the fibres, contributes to this environmental advantage. The combination of energy efficiency in the manufacturing process and the utilisation of natural and abundant resources positions stone wool as a more environmentally friendly alternative. Global stone wool manufacturers ROCKWOOL emphasises the importance of reducing carbon intensity as a fundamental step towards meeting science-based absolute emission reduction targets.

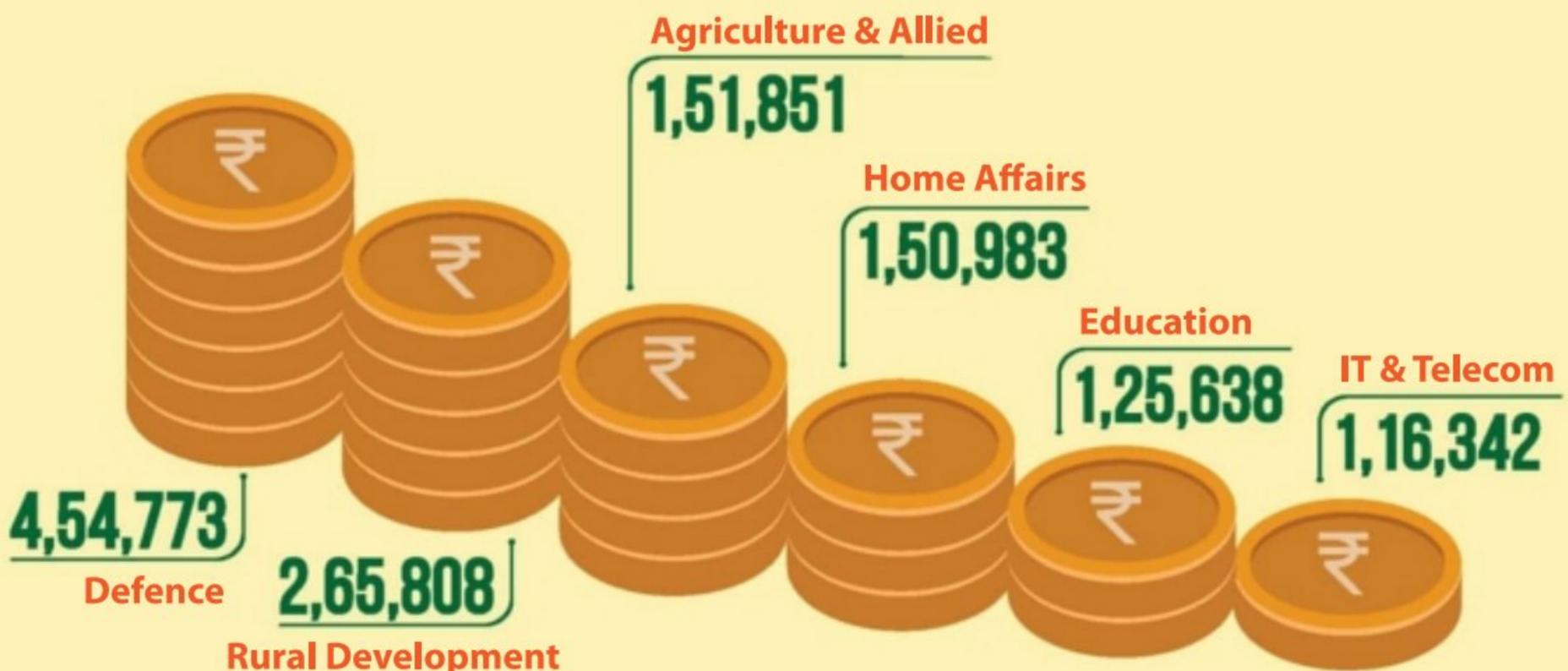
5. Long Lifespan and Durability: The durability of stone wool ensures an extended lifespan when compared to

BUDGET AT A GLANCE

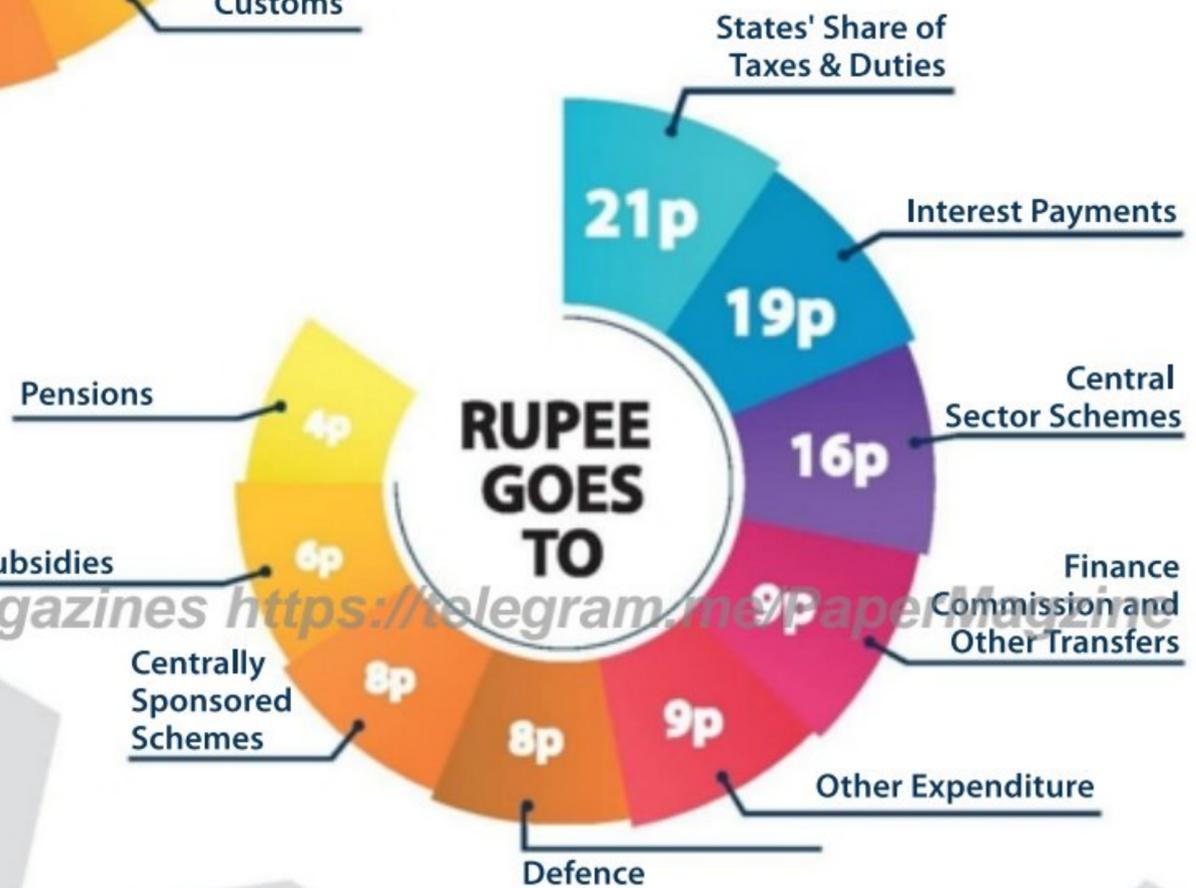
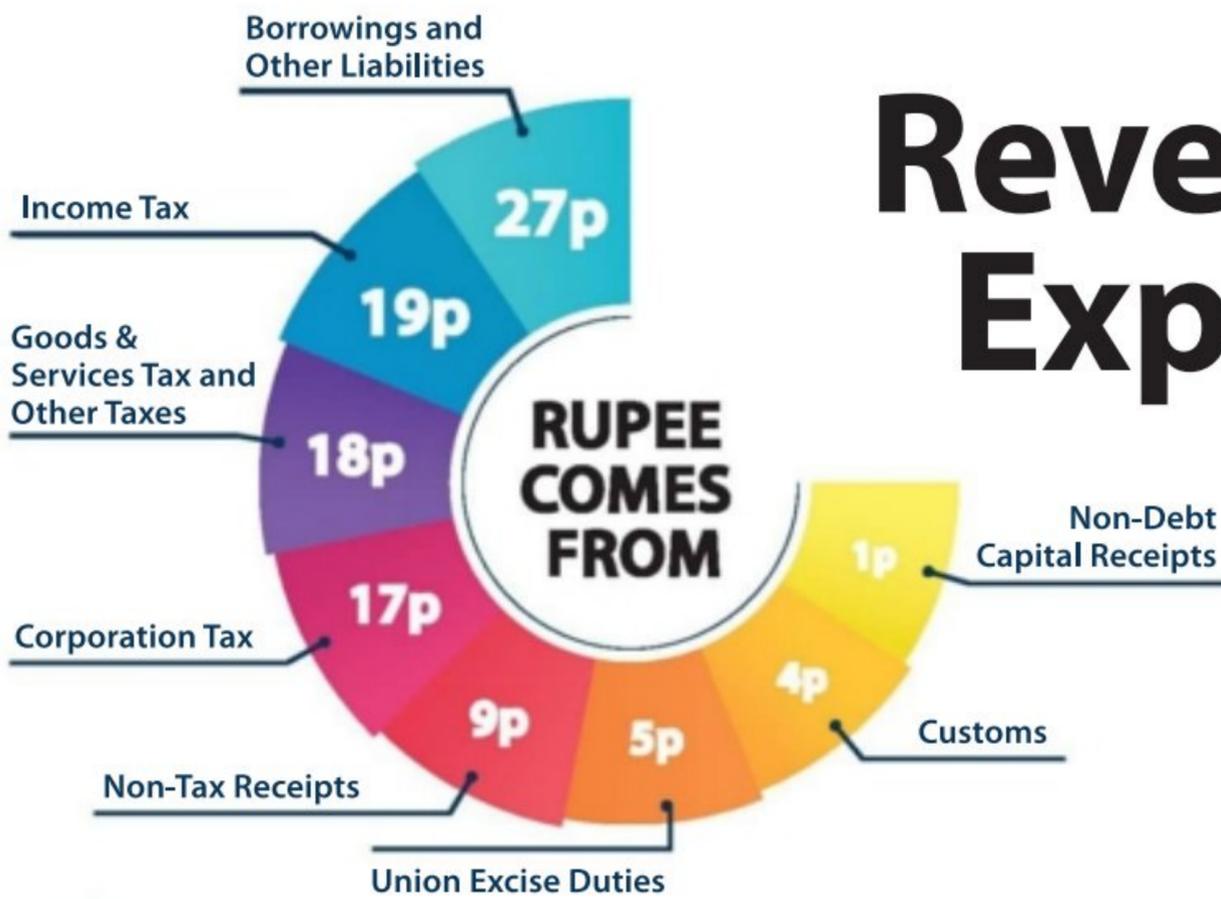


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Expenditure Of Major Items (In Rs Cr)



Central Revenue and Expenditure



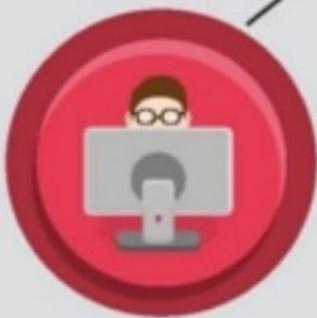
Rs 2.66 lakh crore

for rural development including rural infrastructure



Mudra Loans limit enhanced to

Rs 20 lakh



Rs 2 lakh crore

to facilitate employment, skilling and other opportunities for 4.1 crore youth in 5 years



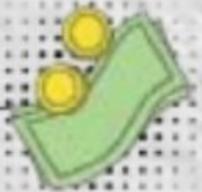
Rs 1.52 lakh crore

for agriculture and allied sector



More than **Rs 3 lakh crore**

for schemes benefitting women and girls



SANJIV PURI, CII President

The maiden budget of the new government has unraveled a comprehensive roadmap for sustainable and equitable growth while retaining the focus on creation of jobs. Budget 2025-26 provides an extensive roadmap for each segment of the society so that every Indian becomes an equity holder in the growth aspirations of the new and progressive India.

The nine key priorities unveiled in the Budget for Viksit Bharat provides an all-encompassing blueprint for an inclusive resilient, prosperous, environmentally sustainable and technologically advanced India, which would be a crucial milestone in our journey for a developed India @2047.

The pivot of the budget on employment, skilling, MSMEs, and the middle-class along with focused measures on agriculture, urban development, incentivising states to carry out NextGen reforms, taking steps for promoting a virtuous cycle of consumption, investment and demand, support to start-ups and women, among others is timely and would contribute significantly towards empowering people, and making growth inclusive while providing an impetus to consumption and growth.

In doing so, the finance minister deserves credit for displaying astute financial management by bettering the fiscal deficit target at better than expected 4.9 per cent of GDP for the current fiscal while retaining the focus on capital expenditure which is no mean achievement considering the daunting external milieu and its impact on India.



Photograph courtesy: CII

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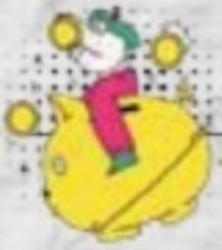
B.K. KARAD, Member of Parliament (Rajya Sabha - BJP) and Former Minister of State, Ministry of Finance, GoI

The Union Budget 2024-25 encapsulates the transformative vision of a Viksit Bharat (Developed India), setting the stage for future years focused on social equity. This focus on the underserved, women, youth and farmers is a vital step in the Amrit Kaal, reaffirming the government's commitment to people-centric and inclusive development. The Budget's robust capital expenditure aims to propel Bharat towards a \$4 trillion economy by 2025. The potential for cooperative federalism is bolstered with a significant investment in rural and state development. This future-oriented budget will serve to foster enhanced technological independence, bolster green energy initiatives, enhance education opportunities and healthcare provisions. Social welfare strides have lifted millions out of poverty, evidenced by substantial DBT transfers, farmer support, and expanded social safety nets. The Budget successfully balances social justice with economic growth. This holistic approach underpins Bharat's journey towards inclusive prosperity, embodying principles of Saptarishi articulated in the Union Budget 2023-24. The impassioned support for the aforementioned vulnerable groups is ratified by the budget prioritising agriculture, employment, skilling, and social justice, among others.



Photograph by Ritesh Sharma





2024

TARUN BAJAJ, Former Secretary, Economic Affairs & Revenue, GoI

Budget 2024 focuses on supporting the youth and middle class, creating jobs, boosting MSMEs and manufacturing. It rides on the wave of strong economic growth and robust revenues, aiming to drive the nation towards greater prosperity and development. India's growing economy, despite a difficult international climate, is indicative of the country's rising economic prowess. The nine priorities of the government including focus on employment, inclusive human resources development and infrastructure, will go a long way in navigating India to its goal of becoming 'Viksit Bharat'. The Budget has ensured robust support for education, agriculture, employment and healthcare initiatives, fostering a more inclusive and sustainable future. The budget has also ensured that the fiscal deficit at 4.9% of GDP is kept even below the figure of 5.1% mentioned in the interim budget in February. The focus on Capital expenditure has also been maintained, along with the capital gains tax system which has also been rationalized by changing the rates and duration of holding for financial assets. Changes in the customs and direct taxation laws will strengthen India's economic ties with other countries and increase business accessibility, rationalize transaction costs, and streamline tax rates and tariffs. The carefully drafted changes to tax policies, including the changes in the capital tax regime are going to have a positive impact on the economy, notwithstanding a slight increase in capital gains tax in certain areas.



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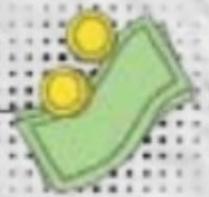
TRIBHUWAN ADHIKARI,

MD & CEO, LIC Housing Finance

The Union Budget has put comprehensive focus on housing and rural development alongside the economic growth narrative.

The allocation of 2.66 lakh crore for rural infrastructure and the construction of 3 crore additional houses under the PM Awas Yojana in both rural and urban areas are complementary and would significantly boost housing demand. Rental housing has received the attention and will improve the housing stock. Other positives are digitization of land records, PM Surya Ghar Muft Bijli Yojana, encouraging states on moderation of high stamp duty rates and considering lower stamp duty on properties purchased by women. These measures will stimulate the housing market, driving demand and fostering socio-economic growth.



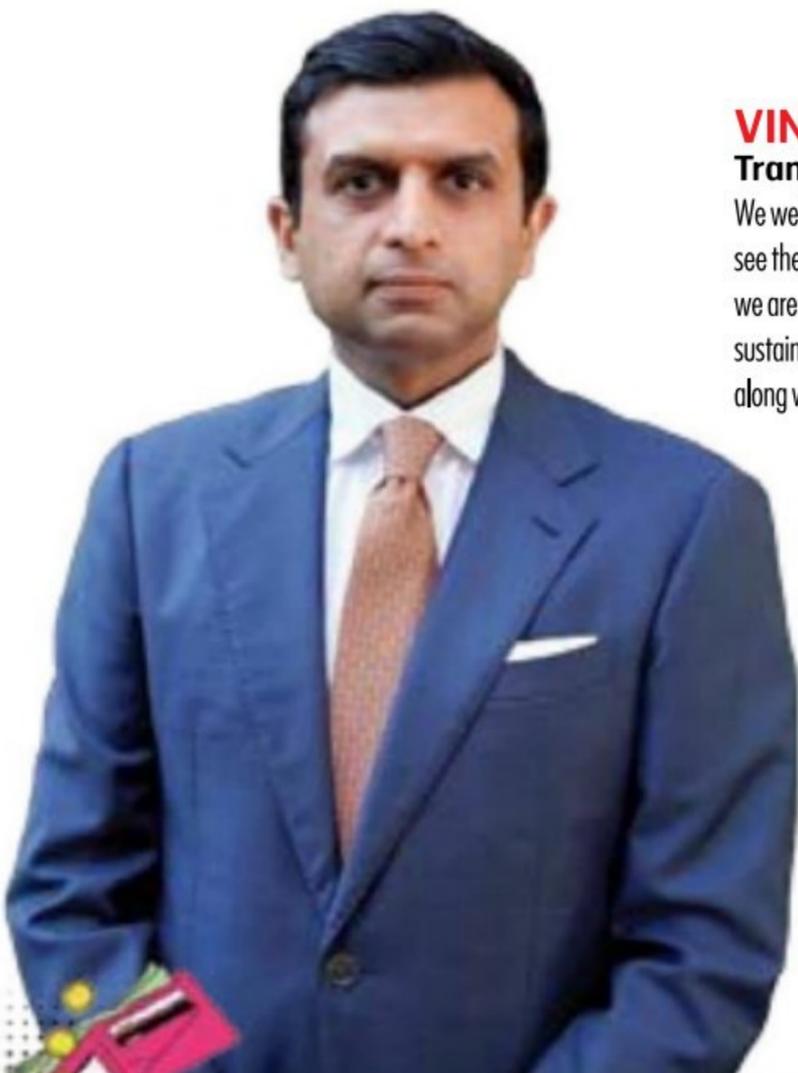


SHASHI KIRAN SHETTY, Founder and Chairman, Allcargo Group

By maintaining capital expenditure momentum in infrastructure development, focusing on education, employment, and skill development, and charting the roadmap for energy transition and security pathway, the budget has further strengthened the foundation for Viksit Bharat @2047 whilst staying on the strong fiscal glide path. The budget reinforces the government's vision for transformative reforms and inclusive growth while maintaining a sharp focus on economic stability. The improved infrastructure will give the logistics industry the edge in the global landscape in terms of efficiency to contain the cost within 8% of GDP. The government's initiative to develop 'plug and play' industrial parks in or near 100 cities is a significant leap towards boosting India's industrial growth. By providing comprehensive infrastructure and fostering collaboration between states and the private sector, this plan will attract investments, create jobs, and spur economic activity. Additionally, the sanctioning of twelve industrial parks under the National Industrial Corridor Development Programme will enhance our manufacturing capabilities and export potential. These forward-thinking policies position India as a global leader in industrial development, driving us towards a technologically advanced and economically.



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VINEET AGARWAL, Managing Director Transport Corporation of India/Past President ASSOCHAM

We welcome the Union Budget 2024's comprehensive focus on infrastructure development and fiscal prudence. We see the CAPEX allocation continue to provide the multiplier effect to the economy. At Transport Corporation of India, we are particularly encouraged by the government's commitment to improving rural infrastructure and promoting sustainable practices. Enhanced rural critical infrastructure will enable us to boost our cold supply chain footprint along with general warehousing & transportation network, further optimizing our operations to provide more reliable, efficient services to our customers.

Provisions for ease-of-doing-business for the MSMEs and the potential impact of the 5 schemes targeted at youth through a 2 lakh crore allocation will further foster upskilling, employment and private investment -strengthening the overall manufacturing ecosystem. Similarly, setting up of the E-Commerce Export Hubs will also increase our global competitiveness and boost exports. We expect this to provide a significant spill-over effect to multiple facets of the economy, increasing formalization and a more skilled workforce, which are vital for the logistics industry as we continue to innovate and expand our services.

The emphasis on fiscal deficit reduction to 4.9% of GDP is a positive step towards maintaining economic stability, which is essential for long-term business planning and investment. The budget announcement aligns well with our vision of creating a robust and sustainable logistics network that supports India's growth trajectory. We look forward to leveraging these opportunities to enhance our operations and contribute to the nation's development.





2024



ANISH SHAH, President, FICCI/ Group CEO & MD, Mahindra Group

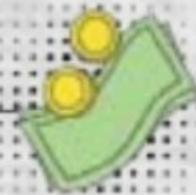
FICCI congratulates the Hon'ble Finance Minister for delivering a growth-oriented budget that has delivered both short term demand stimulus and actions focused on medium to long term growth imperatives, while maintaining fiscal discipline. The budget is inclusive, with a strong thrust on quality job creation and skilling. It also strikes a balance between agriculture and manufacturing, with elements of services. There is continuity in policy announcements. The focus on simplification and ease of doing business, boost to manufacturing, focus on research and innovation, thrust on public capex, use of technology, support to women, farmers and MSMEs, and promoting sustainability are the key themes that resonate once again in this Union Budget proposals. The focus areas of budget are very much in line with the FICCI's key priorities for the industry and we are happy to note that many of FICCI's suggestions have been considered in this budget, as seen in the proposals for accelerating agriculture research, enhancing participation of women workforce in manufacturing, factor market reforms for improving manufacturing competitiveness as well as measures to promote green economy. The Finance Minister's growth-oriented budget is impressive, with a perfect balance of short-term demand stimulus and long-term growth strategies. It promotes fiscal consolidation while prioritizing agriculture, manufacturing, and services. Job creation is at the heart of this year's proposals.

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NIRANJAN HIRANANDANI – Chairman, Hiranandani Group and NAREDCO

The budget's strategic emphasis on skilling through private sector internships, salary support, and CSR-funded training demonstrates a vital commitment to enhancing youth employability, positioning them as the primary growth engines of our economy. The monumental allocation of Rs 10 lakh crore under the PMAY Urban Scheme, aiming for 3 crore houses, alongside the focus on rental housing through dormitories in industrial parks via the PPP model, and the sanctioning of 12 new industrial parks, underscores a robust vision for urban development. With sustained infrastructure impetus, reflected in the Rs 11.11 lakh crore Capex allocation, we anticipate a significant boost in affordable rental housing for industrial labourers. Innovative initiatives such as the digitization of land records, GIS mapping, and urban housing for the middle class, combined with workforce skilling, are expected to have a profound multiplier effect on the burgeoning real estate sector, currently experiencing double-digit growth. Moreover, the budget's focus on sustainable development through solar and renewable energy, water and solid waste management aligns perfectly with the goal of climate-resilient real estate development. While the reduction in long-term capital gain tax to 12.5 per cent without indexation benefits will be closely monitored for its practical impact. However, aligning the holding period for long-term capital gains with that of equity shares by reducing it to 24 months will significantly boost much-needed investment and enhance competitiveness within the sector. The emphasis on encouraging state governments to reduce stamp duty and other development premiums is a decisive step. This will not only bolster urban housing growth but also make affordable housing more accessible, optimize development costs, and invigorate the demand curve





WELL THOUGHT OUT BUDGET. Fiscal discipline maintained. Right focus on employment and MSME. Capital gains tax smartly simplified, leaning in favour of revenue. STT increase is necessary sand in the wheels of high derivative volumes. Paradigm shift of saver to investor continues.

Uday Kotak, Founder & Director, Kotak Mahindra Bank



Photograph by Ashish Chawla



EXCITING TO SEE the Union Budget 2024-25 prioritizing DPI, critical minerals, and job creation. The focus on developing DPI applications in agriculture and other areas lays the data foundation for making India the AI hub of the world. The Critical Mineral Mission will be a game changer of India's energy transition journey. Great to see emphasis on women's employment too. This budget sets a strong foundation for India's tech-driven future.

Bhavish Aggarwal, Co-founder & CEO, Ola

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GLAD TO SEE the Union budget's commitment to fiscal discipline and infrastructure development. A fiscal deficit of 4.9%, with a target of 4.5% next year, shows our economic prudence. Prioritizing employment, skilling, MSMEs, and the middle class is crucial for building a strong, resilient economy.

Sajjan Jindal, Chairman & MD, JSW Group



Photograph by Umesh Goswami

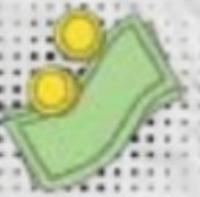


Photograph by Ritesh Sharma

THE FOCUS ON JOB creation with three innovative employment-linked schemes is timely. The abolition of angel tax will give a big boost to our startups and young entrepreneurs who are the job creators of the future. The commitment to speed up IBC resolution will lead to 12000 businesses restarting operations and many more jobs. I am also delighted to see the announcement related to Critical Minerals Mission. India must explore, mine and process these metals of the future domestically.

Anil Aggarwal, Chairman, Vedanta Group





TOWARDS 'VIKSIT BHARAT'

The budget proposals are filled with initiatives and measures that are intended to make India a developed economy. Right implementation holds the key

By Ashish Sinha & Arjun Yadav

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EMPLOYMENT

THE UNION Budget 2024-25 presented by Finance Minister Nirmala Sitharaman is focused on an all-round growth and development of the Indian economy with employment, skilling, MSMEs, and the middle class as its key priority areas. In her initial comments, Sitharaman said India's economic growth will be a shining exception. "We are determined that all Indians regardless of religion and age achieve life goals and aspirations," Sitharaman said. The FM presented the first Union Budget of the Modi 3.0 government on 23rd July. This was her seventh consecutive budget.

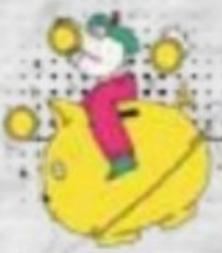
Major Allocations

Acknowledging rural and farm distress, the FM announced an allocation of Rs 1.52 lakh crore for boosting agriculture. A significant incentive has been outlined to natural farming involving 10 million farmers and the facilitation of Digital Public Infrastructure (DPI) through digital crop surveys, land registry digitisation, and kisan credit cards in the budget speech.

Sitharaman also underlined an urgent need for boosting employment and skilling. The three employment-linked incentive schemes announced in the budget include one-month wage reimbursement for first-time workers up to Rs 15,000 and EPF reimburse-

EDUCATION





2024

SKILLING

Photograph by Pixelstudio91

MSMES

MIDDLE-CLASS FOCUS

ments for both employers and employees in the manufacturing sector for four years. Additionally, EPF reimbursements for all sectors will be up to Rs 3,000 per month for two years, and 1,000 industrial training institutes will be upgraded alongside the launch of women skilling programmes, she said in her speech.

The Model Skill Loan Scheme has also been revised to offer up to Rs 7.5 lakh, while higher education loans in India will be supported up to Rs 10 lakh with a three per cent interest subvention.

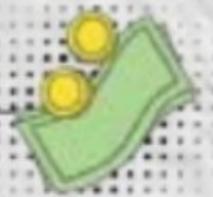
Inclusive human resource development is addressed through the Purvodyaya initiative, which supports five eastern states (Bihar, Jharkhand, Bengal, Odisha, and Andhra Pradesh) by developing essential infrastructure, industrial corridors, and expressways. In addition, over 100 branches of the Indian Post Payments Bank will be established in the north-east region.

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BUDGET ESTIMATES 2024-25

- **Total receipts other than borrowings:** Rs 32.07 lakh crore
- **Total expenditure:** Rs 48.21 lakh crore
- **Net tax receipt:** Rs 25.83 lakh crore
- **Fiscal deficit:** 4.9 per cent of GDP





Fiscal Deficit

Expected to decline to **4.9%** of GDP in FY25 from **5.1%**.
Aim to reach below **4.5%** by FY26

RBI Policy Rates

Kept unchanged at **6.5%** since February 2023

CPI Inflation

Moderated to **5.4%** in FY24 from **6.7%** in FY23.

Could further moderate to **4.5%** in FY25 and **4.1%** in FY26



Exports

Merchandise exports declined **2.3%** in FY24. Services exports increased **4.8%**

GDP Growth

Grew **8.2%** in FY24.

Expected to grow **6.5–7%** in FY25

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The manufacturing and services sectors will benefit from a new credit assessment model for MSMEs based on their digital footprint, with the turnover threshold for on-boarding on TReDS (an online electronic platform and an institutional mechanism for factoring of trade receivables of MSME sellers) reduced to Rs 250 crore.

Internship allowances have also been introduced in this budget, with training costs and 10 per cent of the internship allowance permitted to be used from com-

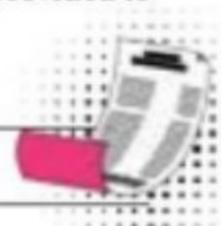
panies' CSR funds. Which means the private sector is being prodded to share the burden of skilling and potential employment for eligible unemployed youth.

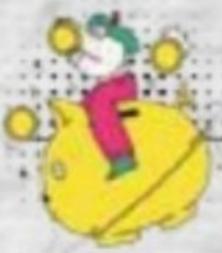
Infra & Energy Focus

Through the budget proposals, the FM has outlined the government's continued push for urban development. Sitharaman said this will be encouraged by states lowering stamp duties for all property purchases, with further reductions for women-purchased property. The budget

also includes rural and urban land digitisation involving GIS mapping, cadastral maps, and land registry, alongside the establishment of 100 weekly haats for street food hubs and Rs 10 lakh crore allocated under the Pradhan Mantri Awas Yojana Urban 2.0.

Infrastructure development has received significant attention with an allocation of Rs 11.11 lakh crore, representing 3.4 per cent of GDP. A market-based financing framework will be introduced, and Rs 1.5 lakh crore will be provided to





FDI INFLOWS

Gross FDI inflows at \$70.9 billion in FY24. FDI inflows double in infrastructure, power sectors



FOREX RESERVES

Record high at \$652 billion in June 2024; Equal to 11 months of import cover; \$645.6 billion in FY24



STOCK MARKET

Market capitalisation to GDP ratio ranked fifth globally; NSE's investor base tripled to 92 million in four years



RUPEE PERFORMANCE

Least volatile currency among emerging market peers; Depreciated 3% in FY24, standing at 83.4 to the US dollar



INDUSTRIAL GROWTH

Accelerated 9.5% in FY24; Led by manufacturing and construction sectors

technology in thermal power plants. A joint venture between NTPC and BHEL will set up a full scale 800 MW commercial thermal power plant using this technology. This technology in thermal power plants will yield plant efficiency of 46 per cent compared to 38 per cent and 42 per cent of subcritical and supercritical sets respectively. It also reduces coal consumption/CO2 emissions by about 11 per cent as compared to super-critical plants.

In another bid to diversify India's energy mix, nuclear energy found a special mention with focus on research and development of small and modular reactors and newer technologies. Most importantly, the government will collaborate with the private sector towards these developments.

"The budget focuses on all elements of the energy value chain – managing and reducing demand, encouraging resource efficiency, enhancing energy security at a national and citizen level, driving energy transition, and indigenising technologies like nuclear reactors. Most importantly, it focuses on streamlining climate finance and stimulating carbon markets," said Sambitosh Mohapatra, Partner & Leader - ESG, Climate and Energy, PwC India.

Another noteworthy mention was about the hard-to-abate sectors such as steel and cement. A roadmap will be formulated for these sectors for their transition from 'Perform, Achieve and Trade' mode to 'Indian Carbon Market' mode.

"The cement industry is in alignment with the government of India's net zero goals. The transition roadmap for 'hard to abate' industries to move from the 'Perform, Achieve and Trade' mode to the 'Indian Carbon Market' mode is a welcome step. The roadmap will further boost India's energy infrastructure and encourage renewable energy adoption," said Neeraj Akhoury, Managing Director,

states as a long-term interest-free loan, along with financial aid to select states for flood management and tourism development.

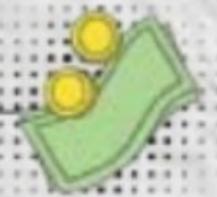
The Finance Minister's speech stressed on energy security, making a slew of announcements related to the sector. The announcements captured the fine balance between energy security and its climate commitments as India targets net-zero emissions by 2070.

As India's renewable energy grows in the overall mix, tackling its intermitten-

cy has become a growing concern, so as to provide round-the-clock power. The budget laid out provisions for a separate policy to boost electricity storage arising out of renewable sources through pumped storage. This would help in diversifying the storage mix as well, given that battery storage still remains expensive.

With coal-fired thermal power remaining the base of India's energy mix, the government also laid its thrust on using the Advanced Ultra Super Critical (AUSC)





AMIT JAIN,
CEO and Country
Manager,
ENGIE India

“The budget has further boosted the energy transition journey by expanding the list of exempted capital goods for manufacturing domestic solar cells and panels”

Shree Cement.

On the indirect taxation front, the budget provided for exemption of basic custom duty (BCD) on capital equipment for solar manufacturing and the removal of the exemption on solar glass. The move is expected to give further impetus to domestic manufacturing.

“The budget has further strengthened the energy transition journey by expanding the list of exempted capital goods for manufacturing domestic solar cells and panels. This will boost domestic manufacturing of solar cells and panels, further secure supply chain and help India achieve its target of 280 GW of solar power by 2030,” said Amit Jain, CEO and Country

Manager, ENGIE India.

Boost for Employment

The budget announced a comprehensive strategy to boost employment through the ‘Employment Linked Incentive’ initiative encompassing three distinct schemes designed to enhance job creation and support both first-time employees and employers in the manufacturing sector. Collectively, these schemes represent a significant financial commitment by the government, with an overall outlay of Rs 107,000 crore, aimed at stimulating employment growth and fostering a more dynamic workforce.

Scheme A: First Timers aims to provide

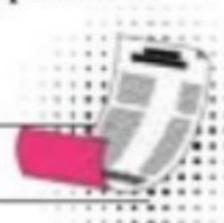
direct financial assistance to first-time employees registered with the Employees’ Provident Fund Organisation (EPFO). Under this scheme, eligible employees will receive a direct benefit transfer equivalent to one month’s salary, up to Rs 15,000. The eligibility criteria include a salary limit of Rs 1 lakh per month. The total budget allocated for this scheme is Rs 23,000 crore.

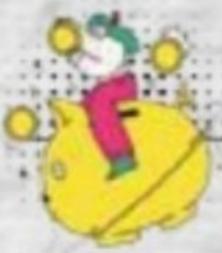
Scheme B: Job Creation in Manufacturing targets employers with a proven track record of EPFO contributions over the past three years. To qualify for the incentive, employers must hire at least 50 employees or 25 per cent of the previous year’s workforce, whichever is lower, and ensure that all new hires are fresh to the workforce. This incentive will be shared with employees over a four-year period. The scheme has been allocated a total outlay of Rs 52,000 crore.

Scheme C: Support to Employers focuses on reimbursing employers for their EPFO contributions. Employers will receive Rs 3,000 per month for two years for each additional employee earning up to Rs 1 lakh per month. These reimbursements will be provided quarterly, contingent on job creation exceeding 1,000 jobs. The total budget for this scheme is Rs 32,000 crore.

Strong Economic Indicators

The Indian economy is on the right growth path, as evidenced by a remarkable 8.2 per cent GDP growth in FY24. Looking ahead, the economy is projected to sustain robust growth of 6.5–7 per cent in FY25. Additionally, the fiscal deficit is expected to decline to 4.9 per cent of GDP in FY25, down from the previous estimate of 5.1 per cent, with a target to reach below 4.5 per cent by FY26. This fiscal prudence is accompanied by a moderation in CPI inflation, which dropped to 5.4 per cent in





FY24 from 6.7 per cent in FY23. Forecasts suggest it could further ease to 4.5 per cent in FY25 and 4.1 per cent in FY26.

“Balancing fiscal consolidation with the need to increase expenditures is another critical aspect of the budget. Over the past three years, increased fiscal space from buoyant tax revenues has allowed for higher allocations to various spending programmes. This budget continues that trend, using additional resources for both fiscal consolidation and increased spending,” said Mehul Pandya, Managing Director and Group CEO, CareEdge.

Foreign investors have increasingly viewed the Indian economy as a lucrative destination, attracted by its strong growth prospects and stable financial environment. The Reserve Bank of India has maintained policy rates at a steady 6.5 per cent since February 2023, providing stability to the financial system. Despite a 2.3 per cent decline in merchandise exports, the economy saw a compensatory 4.8 per cent increase in services exports in FY24. This positive trade performance contributed to narrowing the current account deficit to 0.7 per cent of GDP.

Foreign Direct Investment (FDI) remained a strong pillar of support, with gross inflows amounting to \$70.9 billion in FY24, a slight decrease from the previous year. Notably, FDI inflows into the infrastructure and power sectors doubled, reflecting investor confidence in these

critical areas. Moreover, India emerged as a top destination for AI-related FDI, attracting 122 projects in 2022.

The nation's forex reserves hit a record high of \$652 billion in June 2024, equivalent to 11 months of import cover, closing at \$645.6 billion in FY24. India's stock market capitalisation to GDP ratio achieved the fifth position globally, and

of India's economic resurgence, paving the way for sustained growth and development in the years ahead.

Tax Rationalisation Measures

The FM proposed steps to streamline the tax architecture. A comprehensive review of the Income Tax Act is planned within six months, aiming to make it

more concise and easier to understand. While there is no change in the corporate tax rate for domestic companies, the base corporate tax rate for foreign companies will be reduced from 40 per cent to 35 per cent. For individuals opting for the new regime, tax slabs will be revised, resulting in overall savings of Rs 17,500, and the standard deduction will be increased to Rs 75,000.

The equalisation levy of 2 per cent will be withdrawn from 1 August 2024. From 1 October 2024, the consideration on the buy-back of shares will be taxable in the hands of shareholders. The holding period

for the classification of assets as long-term or short-term capital gains will be streamlined, with a new capital gains tax rate prescribed from 23 July 2024. TDS rates for specified payments will be rationalised, and prosecution for TDS defaults will be relaxed if payment is made within the specified timeline. ■

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NEERAJ AKHURY,
MD, Shree
Cement

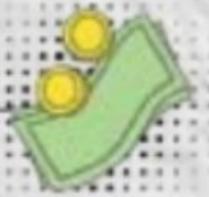
“The transition roadmap for ‘hard to abate’ industries to move from the ‘Perform, Achieve and Trade’ mode to the ‘Indian Carbon Market’ mode is a welcome step”

the National Stock Exchange's investor base tripled to 92 million over the past four years. The Indian rupee demonstrated resilience, being the least volatile currency among its emerging market peers, depreciating just 3 per cent in FY24.

Industrial growth surged by 9.5 per cent in FY24, with significant contributions from the manufacturing and construction sectors. This impressive performance underscores the strong foundation

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ON 23 JULY, draped in a light-purple silk saree, Finance Minister Nirmala Sitharaman announced a raft of measures aimed at bolstering the micro, small and medium enterprises (MSME) sector as she presented the Union Budget 2024-25. "This budget provides special attention to MSMEs and manufacturing, particularly labour-intensive manufacturing," she said. In fact, the Centre has formulated a package covering financing, regulatory changes and technology support for the MSMEs to help them grow and also compete globally.

A bulk of the announcements relating to the MSMEs sought to address their funding needs. To begin with, the FM enhanced the limit of Mudra loans to Rs 20 lakh from the current Rs 10 lakh for entrepreneurs who have successfully repaid previous loans under the 'Tarun' category. "The increase in the Mudra loan limit for beneficiaries who have successfully repaid their previous loans will support micro and small enterprises in scaling up their businesses. Additionally, it will promote a more transparent and trustworthy business environment in the country by incentivising responsible borrowing and repayment practices," said Vijay Kalantri, Chairman, WTC Mumbai and President, All India Association of Industries.

Credit Schemes Galore

Another key announcement was a new credit guarantee scheme to facilitate term loans for MSMEs to purchase machinery and equipment without collateral. A self-financing guarantee fund will provide each applicant with a guarantee covering up to Rs 100 crore, while the loan amount may be larger. The borrower will need to provide an upfront guarantee fee and an annual guarantee



Photograph by Amatoliyacherkas

THE BIG CREDIT BOOST

fee on reducing loan balance.

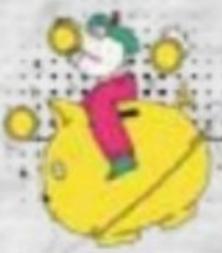
Tanmay Kumar, Chief Financial Officer (CFO), Shiprocket told BW that the introduction of a credit guarantee scheme and a self-financing guarantee fund providing coverage up to Rs 100 crore per MSME is expected to greatly improve access to affordable and timely finance, thereby enhancing the global competitiveness of MSMEs.

According to Kinara Capital, over 89

Budget 2024 seeks to address the funding needs of the MSME sector through a raft of measures including a credit guarantee scheme, enhanced credit assessment models and support during financial stress

By Abhishek Sharma & Navneet Singh





per cent of MSMEs seek business loans for growth initiatives, with optimism evident across manufacturing, trading, and services sectors. The manufacturing sector significantly drives GDP growth, with MSMEs contributing over 45 per cent to the country's output.

In India, the manufacturing sector requires significant investment in machinery, necessitating higher ticket loans. "This will empower businesses to expand production, undertake larger projects, and boost competitiveness. The updated Mudra loan criteria, rewarding responsible borrowers, is a positive move for fostering a healthier lending ecosystem," said Hardika Shah, Founder and CEO,



Photograph by Bivash Banerjee



HARDIKA SHAH, Founder & CEO, Kinara Capital

"The updated Mudra loan criteria, rewarding responsible borrowers, is a positive move for fostering a healthier lending ecosystem"

Kinara Capital.

In her budget speech, Sitharaman also stated that Small Industries Development Bank of India (SIDBI) will open new branches to serve major MSME clusters, expanding coverage to 168 out of 242 clusters within three years. This year 24 new branches will be established to provide direct credit to MSMEs.

In addition, the budget also introduced a plan for MSMEs facing financial difficulties to stop them from turning into non-performing assets, or NPA.

Experts noted that the expansion of

SIDBI's presence will improve accessibility for formal credit for MSME.

"Integrating advanced technology systems into the IBC will streamline resolution processes, making it easier for MSMEs to navigate financial difficulties. SIDBI's plan to open 24 new branches will enhance the accessibility of financial services, providing crucial support for MSMEs across the country," added Shiprocket's Kumar.

"One good measure is to give stressed loans a chance at revival before they become NPAs. Every such small step

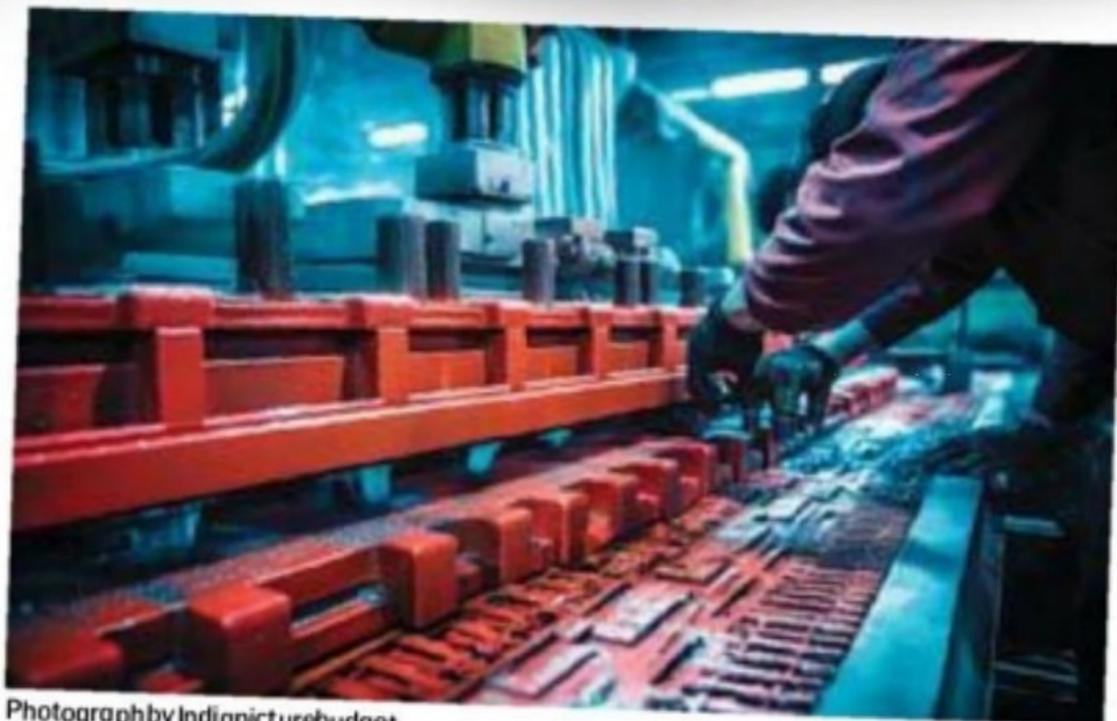
counts. Because earlier it seemed that once you are out of favour or out of step of what is seen as normal, you were left to fend for yourself," noted Amit Prasad, Founder and CEO, Sat-Nav Technologies.

Prasad noted that individuals creating intellectual property for hardware or software should be treated separately, as these revenues can scale exponentially, allowing for global sales and higher margins. While businesses requiring more labour need support, those focused on IP development could also receive future assistance.

The MSME sector continues to face a significant credit gap of Rs 39.24 lakh crore, according to a FICCI report. Of the total 6.4 crore MSMEs, only 14 per cent have access to formal credit. As of September 30, 2022, credit outstanding to the sector was Rs 20.7 lakh crore, according to the RBI.

Besides, an estimated Rs 10.7 lakh crore, or 5.9 per cent of the GVA of Indian businesses, is locked up annually due to delayed payments from buyers to MSME suppliers, as reported by D&B and Game.





Photograph by Indiapicturebudget

**AMIT PRASAD,
Founder & CEO, SatNav
Technologies**

“One good measure is to give stressed loans a chance at revival before they become NPAs. Every such small step counts”



Challenges Remain

The budget highlighted the importance of MSMEs by offering easier access to credit, tax relief, and digitalisation incentives. However, these measures do not fully address the systemic challenges faced by the cash-strapped sector. While the budget mentions digitalisation, it fails to address the need for better infrastructure, technology support and expertise. There is a recurring need for a robust framework to integrate MSMEs into the digital economy through investments in

digital infrastructure and training.

According to a paper by Nasscom and Meta, about 65 per cent of tech MSMEs struggle due to limited awareness of available tools and resources. Additionally, 59 per cent of these enterprises cite financial constraints as a barrier to investing in AI technologies. The sector is further hindered by complex regulations and taxes, which impose significant compliance costs and bureaucratic obstacles. While the budget offers some relief, more action is needed to streamline the regula-

tory environment.

“Despite a significant reduction in import duties for various sectors, the semiconductor sector, which is expanding in the country, did not see similar relief. The budget also did not address the addition of any new sectors into the PLI scheme nor the extension of the sunset clause of the existing PLI system,” Kalantri asserted, while talking about missed points in the budget with regard to the MSME sector.

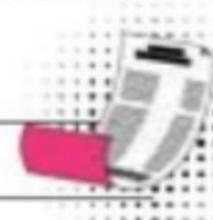
The budget emphasises generating employment through enhanced skilling initiatives, yet skill deficiencies remain a major barrier. Kalantri noted that financial support for higher education loans and investments in vocational training are crucial for developing a skilled workforce. Additionally, a Nasscom and Meta paper revealed that about 72 per cent of respondents stressed the need for AI training programmes, highlighting the importance of skill development for technology adoption.

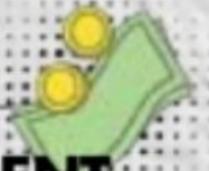
Controversial Payment Rule

Despite concerns expressed by MSME associations about potential contract cancellations and tax burdens, the government has decided to keep the 45-day payment deadline unchanged. Effective since April 1, this rule requires buyers to settle payments with MSMEs within 45 days of receiving goods or services or face taxation on the outstanding amount.

“Extending the timeline would provide MSMEs with much-needed relief, as customer payments often arrive within this period. Maintaining a good credit record is crucial for accessing formal funding and pursuing growth opportunities, making an extension a valuable move to help MSMEs avoid the NPA tag,” Shah said. 

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Photography by ShotStudio

FAST-FORWARD ON EMPLOYMENT

Sitharaman includes research & development, skilling and employment among the nine key priorities, but doesn't delve deep into the building blocks of primary education

By Meha Mathur & Barkha Rawat

UNION BUDGET 2024-25 took up the cause of the youth of the country in a big way with its emphasis on higher education, skilling and employment generation. The nine priorities that Finance Minister Nirmala Sitharaman listed have distinct bearing on skilling and employability. She allocated Rs 1.48 lakh crore to prioritise employment, skilling, MSMEs and the middle class, benefiting 4.1 crore youth over five years.

The allocation for budget for the Department of School Education and Literacy was Rs 73,498 crore this year, compared to 68,804.85 crore the previous year, while for the Department of Higher Education it was Rs 47,619.77 crore, up from Rs 44,094.62 crore last year. The funding for UGC was reduced from Rs 6,409 crore (last year's revised estimate) to Rs 2,500 crore this year, whereas the outlay for Central universities was increased from Rs 11,612 crore in the pre-

vious budget to Rs 15,928 crore now.

Some path-breaking announcements had the nation cheering. These included:

- **Scheme A - First Timers:** One-month salary of up to Rs15,000 to be provided in three instalments to first-time employees, as registered in the EPFO.

- **Scheme B - Job Creation in manufacturing:** Incentive to be provided at specified scale directly, both employee and employer, with respect to their EPFO

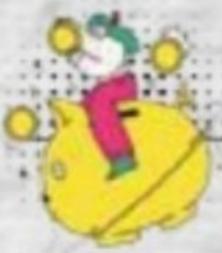
contribution in the first 4 years of employment.

- **Scheme C - Support to employers:** Government to reimburse up to Rs 3,000 per month for 2 years towards EPFO contribution of employers, for each additional employee.

- **New centrally sponsored scheme for skilling**

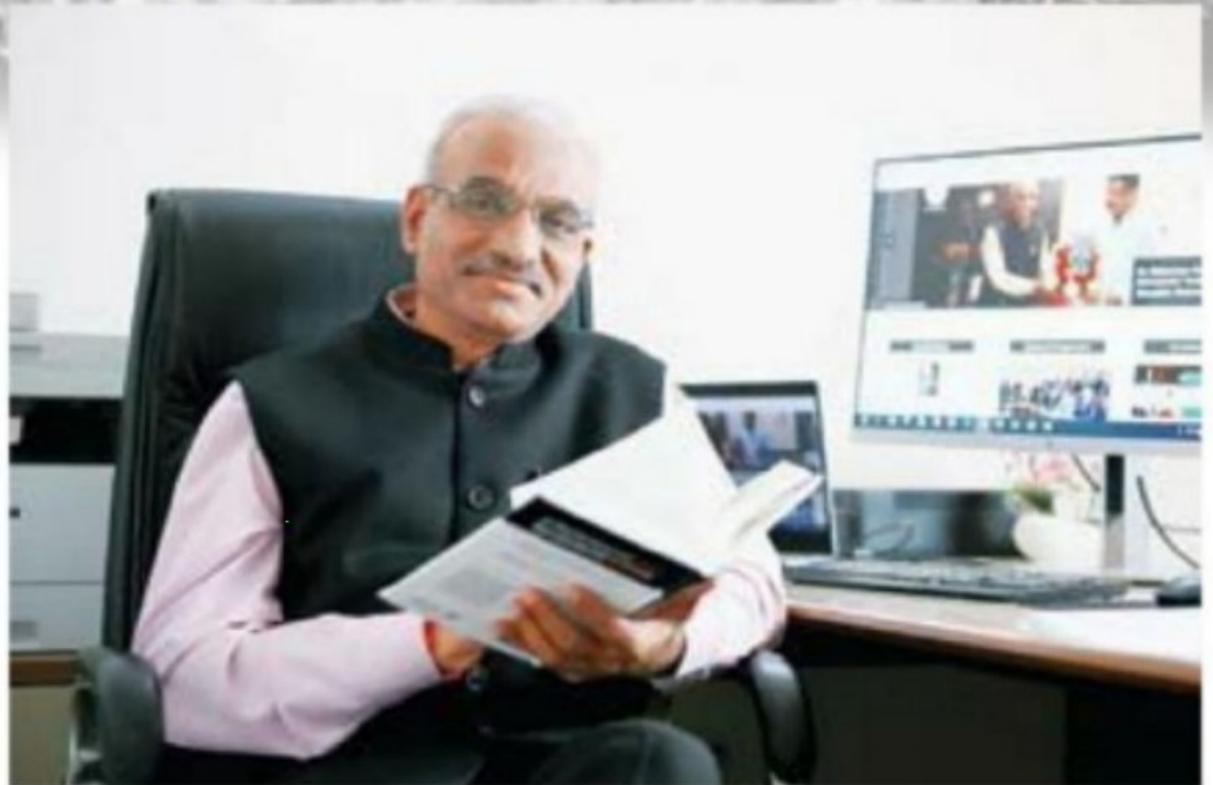
- A new centrally sponsored scheme under the Prime Minister's package, in





**BHIMARAYA METRI,
Director, IIM Nagpur**

“The focus is now on raising the bar for central universities and aligning education with the National Credit Framework, emphasising theory, practice and experiential learning”



collaboration with state governments and industry to skill 20 lakh youth over five years and upgrade 1,000 Industrial Training Institutes (ITIs)

— The Model Skill Loan Scheme will be revised to facilitate loans up to Rs 7.5 lakh with government-backed guarantees, benefiting 25,000 students annually.

• Internship to one crore youth in 500 corporates, with stipend of 5,000 and one-time assistance of Rs 6,000

• Financial support for loans up to Rs10 lakh for higher education in domes-

tic institutions to be provided to youth who have not been eligible for any benefit under government schemes and policies

• Working women hostels and crèches to be established with industrial collaboration, and women-specific skilling programmes to be organised.

Skilling & Quality Workforce

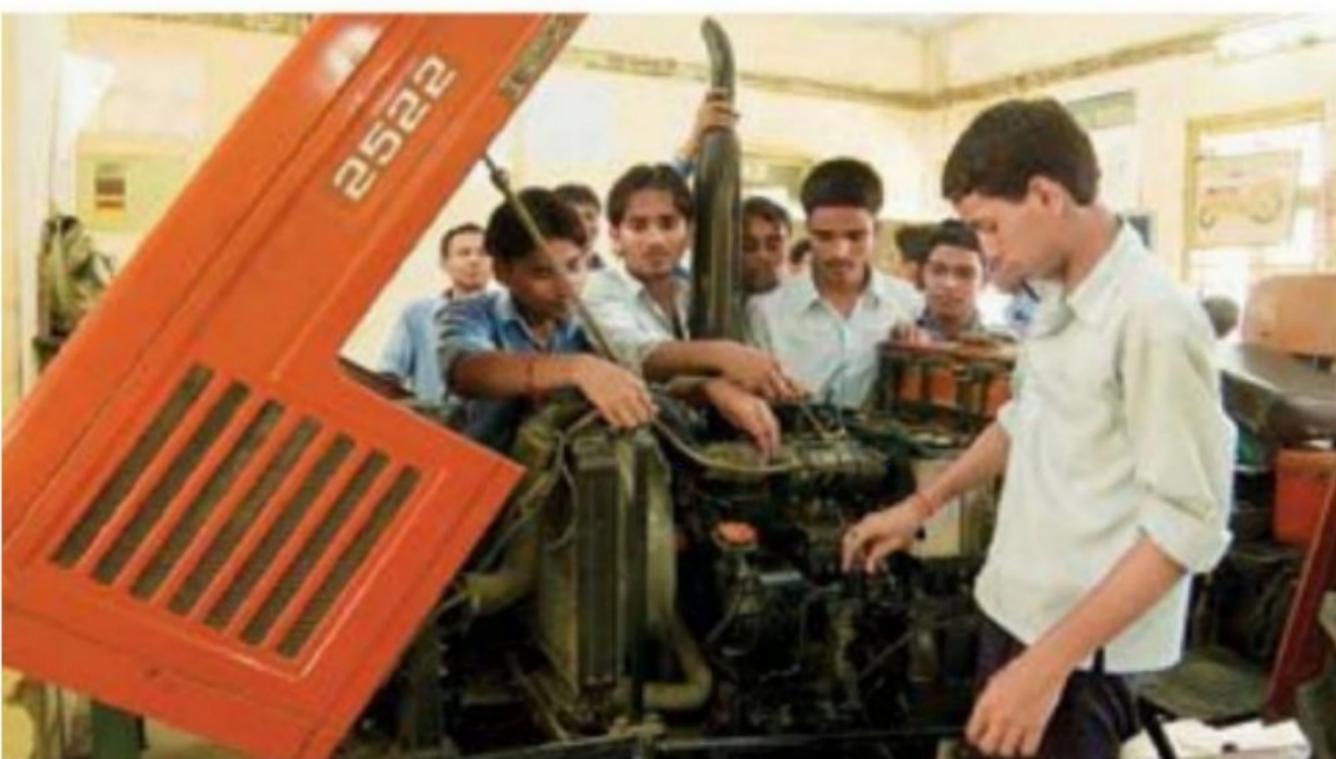
The other provisions like schemes for eastern states, for MSME, agriculture sector and infrastructure all have a bearing on skills enhancement and job generation. Industry leaders and education-

ists were largely in agreement about this being a path-breaking Budget and that the emphasis on skilling will improve the quality of manpower that the industry needs.

Ajay Bhatt, General manager (HR & Administration) BL Agro, calls it “the first skill development-oriented one in 35 years”. He points out, “This budget aims to bridge the skill gap by promoting internships and enhancing candidate employability. By aligning with industry needs, the initiative promises to boost employment opportunities and improve the overall job market in India.”

Deepak Khare, Dean, Finance & Planning, IIT Roorkee, also believes the internship scheme will enhance industry-academia connect and put the CSR component of industry to fruitful use.

Successive governments in the last 15 years have introduced several skilling initiatives, but Arindam Lahiri, CEO, Automotive Skills Development Council, describes, “The government’s Skill India Mission, launched in 2015, initially focused on training funding rather than employment outcomes. By incentivising industries, especially the automotive sector, to employ apprentices, the initiative makes skill training more aspirational. With funding and



Photograph by Bivash Banerjee





ARINDAM LAHIRI,
CEO, Automotive Skills
Development Council

“By incentivising industries, especially the auto sector, to employ apprentices, the initiative makes skill training more aspirational”

programmes targeting challenges like women’s workforce inclusion, India aims to build a robust, skilled workforce for economic growth.”

Misses on Education

The Budget also raises a few concerns, especially in primary and school education.

Vinesh Menon, Co-Chair, CII National Education Committee & CEO, Ampersand Group, says, “There’s a need for clearer separation of education and employment funding. Education is a very complex area. As many as 250 million children are studying. To not go deeper into this area is concerning.”

He also expresses concern about the implementation of NEP not being taken up in the Budget. Similarly, the PM Shri Schools which are supposed to be

model government schools were not mentioned. He emphasised the need to reach out to the last child through technology, achieve an alignment between public and private sectors; bridge the gap between early childhood learning and mainstream education and for education to get a special status.

As regards R&D funding, Sunita Rattan, Dean, Faculty of science & Technology and Director, Amity Institute of applied science, says, “While it’s promising for industry and education partnerships, underutilisation remains an issue. Nota-



VINESH MENON,
Co-Chair, CII National
Education Committee

“There’s a need for clearer separation of education and employment funding. Education is a very complex area. To not go deeper into this area is concerning”

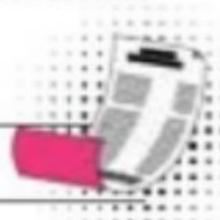
bly, the quantum mission has received its first major allocation. Despite an increase in central university funding, other educational priorities remain unclear. The focus must shift to efficient utilisation and clear allocations to truly advance research and educational development across sectors.”

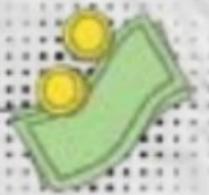
Bhimaraya Metri, Director, IIM Nagpur, believes that the Budget provides the right direction. “The focus is now on raising the bar for central universities and aligning education with the National Credit Framework, emphasising theory, practice and experiential learning. There’s a push for increased R&D funding across universities, especially in central institutions. Despite progress, systemic challenges remain, requiring detailed implementation and monitoring. The goal is to elevate educational standards to support India’s emergence as a leading global economy, surpassing nations like Japan and Germany,” he said.

Systemic Solutions Needed

Experts believe the government has made significant strides in addressing employability, unemployment and underemployment through skill development, sector-specific incentives and support for MSMEs and agro-based industries. It has also targeted sectors affected by the pandemic, such as hospitality and agriculture, benefiting both job seekers and employers. Rajiv Bhaduria, Managing Partner Ebullient Consultancy says, “Despite these efforts, the scale of the problem is vast and demands systemic solutions beyond annual budgets, as implementation bottlenecks persist.”

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ON THE EVE of the Union Budget 2024 presentation, I sat down for a chat with Mike Cannon-Brookes, Co-CEO of the \$45-billion market cap enterprise software company Atlassian. Right from the get-go, he made it clear that his enterprise was in India to create and do R&D from India for the world. He also said that his company was clearly in the country to tap into its immense talent pool, which continued to grow despite the global economic pressures and cycles affecting the corporate world everywhere.

The Nasdaq-listed company recently launched an AI-powered product, its first in some time, with a major contribution from its Indian team. These stories of building tech from India are no longer a rarity for global companies as many are setting up Global Capability Centres (GCCs) in India and inducting thousands of Indians in their workforce. The skilled workforce in the country can be categorised into three groups: 'skilled and employed', 'skilled and heading abroad' in search of greener pastures (aka brain drain), and the 'unskilled and unemployed'.

Atlassian addresses the first bucket of 'skilled and employed' in India. "We are expanding our AI initiatives, and much of this growth is driven by the exceptional talent, hunger for learning and high skill levels found in India. These attributes are quite unique for us, making India a critical priority as we look to the future," Brookes tells BW Businessworld.

Meanwhile, last bucket of the 'unskilled and unemployable' population was highlighted in the Economic Survey 2023-2022, which found that 65

SKILLS, JOBS AHOY!

Union Budget 2024 places a heavy emphasis on skills, jobs and employment like never before. But questions over the feasibility of the plans remain
By Rohit Chintapali



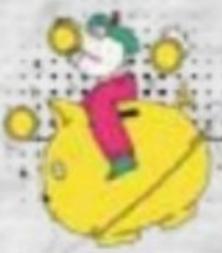
Photograph by Violka08

per cent of India's growing population is currently under 35 and most of them lack the skills needed by a modern economy. Although the employability rate of the youth has improved from 34 per cent to 51.3 per cent over the last decade, it still means that 1 out of 2 young Indians are unemployable.

The findings of this survey became the bedrock of the Union Budget 2024, which placed a heavy emphasis on skills, jobs and employment like

never before. During the budget presentation, Finance Minister Nirmala Sitharaman announced a comprehensive package comprising five schemes and initiatives aimed at facilitating employment, skilling and other opportunities for 4.1 crore youth over a five-year period. The central outlay for these schemes was set at Rs 2 lakh crore, with an overall budget provision of 1.48 lakh crore specifically allocated for education, employment





BUDGET OF SKILLS, EMPLOYMENT AND INTERNSHIPS

Scheme A: First Timers

- Financial support for first-time employees.
- One month's salary in three installments, capped at Rs 15,000 per employee.
- Benefiting 210 lakh youths.

Scheme B: Job Creation in Manufacturing

- Incentives for hiring first-time employees.
- EPFO contribution incentives for first four years of employment.
- Benefiting 30 lakh youths and employers.

Scheme C: Support to Employers

- Reimbursement of Rs 3,000 per month for two years for each additional employee.
- Covering additional employment in all sectors.
- Incentivising employment of 50 lakh additional persons.

Women's Participation in the Workforce

- Working women hostels and crèches.
- Women-specific skill programmes.
- Promotion of market access for Women SHG Enterprises.

Skilling Programme

- New centrally sponsored scheme for skilling in collaboration with state governments and industry.
- Skilling 20 lakh youth over five years.
- Upgrading 1,000 industrial training institutes.

Skilling Loans

- Revised "Model Skill Loan Scheme."
- Loans up to Rs 7.5 lakh, guaranteed by a government-promoted fund.
- Benefiting 25,000 students annually.

and skilling for the year.

The detailed plan includes internships, incentives for employers, involvement of EPFO, incentives for first-time employees and women, skilling programmes and even skilling loans. Quite comprehensive, to say the least, and India Inc has largely reacted positively to this aspect of the budget and the Centre's acknowledgment of the gap.

However, the feasibility of these plans is quite questionable. For example, let's look at the internships. A significant concern is that, despite the incentives, companies would be reluctant to onboard interns when they lack the necessary skills. The presence of an incentive alone will not be enough to address the underlying issue of skill gaps, potentially rendering

APARNA C. IYER,
CFO, Wipro

"The budget is certainly a step in the right direction and this is something that will encourage more and more people to join the workforce. It will also give an additional push to companies to invest in it..."





the initiative less effective.

Swati Vaidya, Assistant Professor and Head, Department of Economics at B. M. Ruia Girl's College in her tweet on 24 July 2024 rightfully critiqued the budget's plan to create one crore (10 million) internships over five years across the top 500 companies. She noted that the proposal would require each company to provide about 4,000 internships annually. This would mean that interns could constitute over 27 per cent of the current workforce in each company, which she argued is impractical and could strain company operations. She also pointed out that companies would need to use their CSR funds for intern training, potentially diverting resources from other important CSR activities.

Answering The Obvious

Employment can often be viewed through the lens of individuals seeking jobs, but on a macroeconomic scale, its impact is far broader and more significant. Now, it's obvious that there is a given, current need to reduce the fiscal deficit and India faces limitations on increasing public spending or providing stimulus. During the pandemic, fiscal and monetary policies played a huge role, but now the focus must shift to minimising the economic contraction caused by reduced expenditure.

With the fiscal space constrained, the burden of driving investment falls more on the private sector, which faces challenges due to global competition and low demand visibility. Of course, this is further exacerbated by the influx of excess capacity from China, which impacts local businesses and reduces their ability to invest.

To address these challenges, boosting domestic consumption and ex-



MIKE CANNON-BROOKES, Co-CEO, Atlassian

“The maturity and talent progression here are impressive. Specifically, the drive within the broader technical community to learn AI is as strong, if not stronger, than in any other country. This will help fill future gaps as well”

ports is crucial. Improved employment quality is essential to increase incomes and drive consumption, which can then stimulate investment. Additionally, the growing capital intensity in manufacturing needs to be addressed by rebalancing incentives between capital and labour. This requires a comprehensive approach, including enhancing education, skilling and employability to improve labour quality and create a more favourable

environment for both consumption and investment. But this is a long-term endeavour.

This idea strikes a chord with Aparna C Iyer, Chief Financial Officer at Wipro as well, who lauded the government's initiatives. In addition to fiscal prudence, Iyer pointed out the budget's special focus on enhancing employability, skilling and job generation, alongside a focus on energy security and infrastructure development. “If you're able to spend in all the right directions, your capex spends are far more powerful, that can give impetus to growth,” she says.

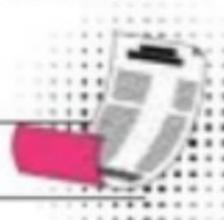
Workforce Will Grow

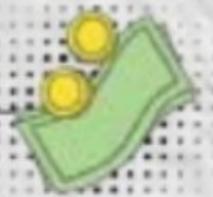
Jobs are a global problem and it is a pervasive issue across many countries. Anybody looking at the growth of jobs in India and the charts related would concur that they will be on the uptick, albeit gradually, in the years to come.

If we look only at the GCCs, reports indicate that these units will increase their workforce from the current 16.6 lakh to 45 lakh by just 2030. While this represents only a portion of India's population, it points to substantial growth. Government support, alongside private sector contributions, will further support this expansion over the long term with the gap in skills, hopefully, reducing over time. Companies such as Atlassian are likely to continue their expansion in the country too, owing to its already strong talent landscape.

With the initiatives in place via the budget, it is now imperative for the Centre to double down on implementation to ensure that there's RoI from the schemes introduced. 

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ADIEU ANGEL TAX

India's startup ecosystem celebrates a 'dream budget' as the wings of the Angel Tax are clipped and capital gains parity is achieved. Experts warn, though, that key sectors remain overlooked. Will Budget 2025 finally tick all the boxes for sectors longing for attention? **By Resham Suhail**

IN A MOVE THAT HAS LEFT startup ecosystem stakeholders delighted, Prime Minister Modi's third term and Finance Minister Nirmala Sitharaman's seventh budget have finally delivered what many had long hoped for. For investors and entrepreneurs alike, this budget is not just balanced – it is a game-changer.

Gopal Srinivasan of TVS Capital aptly captures the mood of the startup ecosystem, declaring that it is as if Diwali had come early for startups, dubbing it a "red-letter day" in the industry's calendar.

Big Bold Breakthrough

There is a collective sigh of relief with the Finance Minister proposing to abolish the long-despised angel tax. Introduced in 2012 to combat money laundering and curtail the influx of unaccounted funds, the angel tax regime is now to rest in peace.

Karan Mohla, General Partner, B Capital, emphasises the positive macro implications of this move. "It will also attract a lot of non-resident investors, bringing diverse capital pools to this asset class." However, Mohla indicates that the true impact will hinge on the finer details of the policy change.

Applauding the forward-looking budget, Ashley Menezes, Partner and COO, ChrysCapital and Chairperson, IVCA states, "It (Abolition of Angel Tax) is a monumental reform. This decisive



KARAN MOHLA, General Partner, B Capital

"Removal of angel tax will attract non-resident investors, bringing diverse capital pools to this asset class"

move ensures that our unlisted companies can thrive and scale from within India."

However, concerns about potential money laundering and irregularities remain. Industry experts caution that while there may be some bad actors exploiting loopholes, the primary intention behind the move is to bolster the business environment for early-stage founders and investors.

The Indian Venture and Alternate

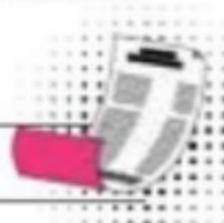
Capital Association (IVCA) has long demanded equal tax treatment between listed and unlisted securities. With Sitharaman proposing a uniform long-term capital gains (LTCG) tax of 12.5 per cent for unlisted securities, domestic investors finally see their plea answered.

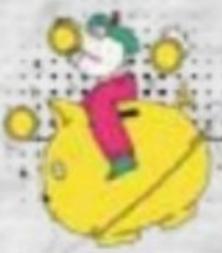
The new tax structure, applying 12.5 per cent LTCG tax and 20 per cent short-term capital gains (STCG) tax, is expected to invigorate investments from wealthy individuals and boost India's venture capital and startup ecosystem.

Long-due Parity

Vikram Gupta, Founder and Managing Partner, IvyCap Ventures opines, "This adjustment is poised to boost the domestic pools of capital in the startup ecosystem, increasing from the current 15 per cent to over 25 per cent in the next three to five years. This shift means the growth rate of domestic capital will be higher than that of foreign capital." This progressive announcement demonstrates the government's commitment to advancing and supporting a key asset class and encourage employment creation as well.

Ankit Kedia, Founder and Lead Investor, Capital A asserts, "The budget's focus on simplifying and rationalising the GST structure is a welcome development. Measures to offer collateral-free loans, explore alternative MSME loan eligibility methods, raise the Mudra loan threshold and expand financial insti-





Photograph by Denisismagilov

tutions' reach directly address the critical issue of credit access, essential for MSMEs' growth and sustainability."

Moreover, the government will establish 'plug and play' industrial parks in 100 cities, collaborating with states and private firms. Also, 12 industrial parks will be sanctioned under the National Industrial Corridor Development Programme.

Mahankali Srinivas Rao, CEO, T-Hub opines that the introduction of the Anusandhan National Research Fund and a financing pool of Rs 1 lakh crore to spur private sector-driven research and innovation is a game-changer.

Deeptech Innovations

A Rs 1,000 crore venture capital fund will inject momentum into India's booming space economy. The fund is expected to attract both domestic and international capital. "We strongly believe that a Rs 1000 crore fund for space economy will catalyse India's dominance in the global space market," says Vishesh Rajaram, Managing Partner, Speciale Invest.

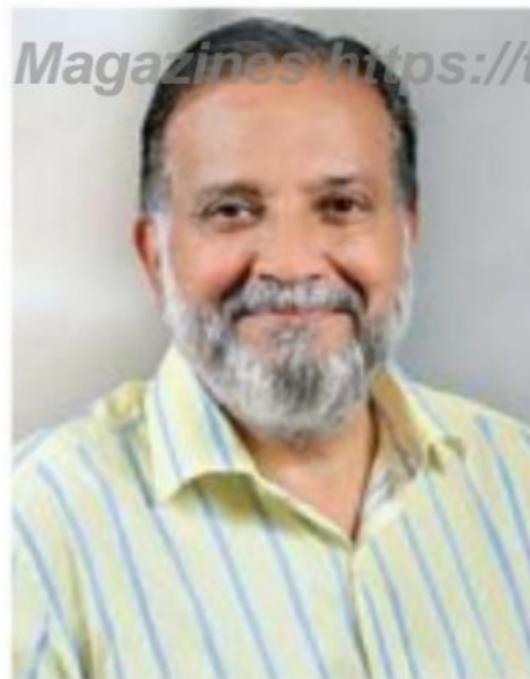
A suggestion that emerges from the industry is that the allocation could have been more substantial. As Sudhir Rao, Senior Partner, Celesta Capital points out, a "Rs 1000 crore fund is a small but good start, we could do much more."

The angel tax provision has been abolished for the fiscal 2024-25, but past premium infusions are still open to scrutiny by tax authorities. Social media lit up with celebratory reactions from investors, VCs, PEs and founders. However, the collective demand now is for the government to withdraw all pending cases and appeals, to provide a fresh start.

Sushma Kaushik, Founding Partner, 108 Capital, shares her concern about the complexities surrounding reverse flipping. "Some clarity on reverse flipping in the budget would have been great," she emphasises. Kedia highlights the areas where the budget falls short of expectations, particularly for the electric vehicle (EV) and climate tech sectors. The lack of specific financial incentives and detailed policies for these critical areas is a missed opportunity.

As we approach the presentation of the Union Budget 2025-26, the perennial wishlist from various sectors continues to grow longer. While some areas feel overlooked, all eyes are now on the next budget.

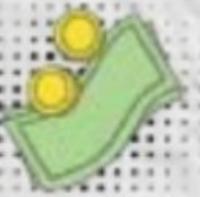
What stands out is the government's sensitivity to recognise the nation's entrepreneurial and investment potential. This budget future-proofs and lays a solid foundation for 'Viksit Bharat', paving the way towards India becoming a developed nation by 2047. 🇮🇳



SUDHIR RAO,
Senior Partner, Celesta
Capital

"Rs 1,000 crore fund is a small but good start, we could do much more"





INFRASTRUCTURE, manufacturing and housing—critical engines driving the nation's long-term economic development—have remained key focus areas in Union Budget 2024. In infrastructure, the budget has directed most of the increased expenditure towards asset creation, such as housing and roads. By continuing its focus on capital expenditure, the budget aims to stimulate economic growth, create jobs, and build a solid foundation for future development.

Several schemes for Bihar, under the “Purvodaya” plan, aim at all-round development, including expressways, power projects, new airports, medical colleges, and sports infrastructure. Similarly, Andhra Pradesh will receive support for industrial development and basic infrastructure enhancements under the AP Reorganisation Act.

The government has continued to prioritise substantial capital investments in the infrastructure sector to elevate the nation's GDP and spur job creation. Budget proposals are forward-looking with strategic initiatives aimed at balancing public and private investment in infrastructure including viability gap funding and framework for market financing, tax reforms aimed to attract foreign investment in India's infrastructure growth.

Further, the government's commitment to introduce reforms pertaining to the ownership, leasing, and flagging of ships to a great extent shall help in increasing India's share in the global shipping industry. Steps being undertaken for digitisation of land records in urban areas with potential of further reduction in higher stamp duty levied by state governments will encourage faster deployment of funds for development. Further, putting together a mechanism to track demand for infrastructure, utilisation



BUDGETING FOR GROWTH

By prioritising infrastructure, manufacturing and housing, Sitharaman stresses on asset creation to drive economic growth, job creation and development
By Ashish Sinha

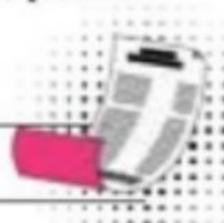
of facilities and collecting financial data under a single access point will help in optimal allocation of scarce resources and prioritisation of infrastructure projects based on sub-sectors and regions.

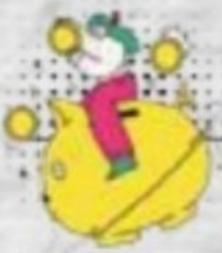
Setting the Agenda

Experts believe this budget sets the stage for the next five years of the Modi 3.0 government with structural growth in focus and would be positive for consumption and infrastructure-oriented sectors.

Budget 2024-25, core to the vision of Viksit Bharat, maintains the same amount of allocation of Rs 11.11 lakh crore for the infrastructure sector (as announced in the interim budget).

As per the Economic Survey for 2024, the private sector's investment between 2019 to 2023 has remained less than a quarter of the total contribution. To encourage higher private participation and to optimise the working capital requirements, the government has proposed to





Photograph by Dj Tong108

**RS 11,11,111
CRORE** provided for
capital expenditure

**RS 1.5 LAKH
CRORE** provision as
long-term interest-
free loans to states

PMGSY: IV phase
to provide all-
weather connectivity
to **25,000** rural
habitations

**RS 11,500
CRORE** for flood
management to Bihar

Assistance promised
to **4 STATES** for
floods, landslides

fostering a conducive environment for sustained economic progress.

The launch of phase IV of the PM Gram Sadak Yojana (PMGSY) is set to revolutionise rural connectivity by providing all-weather road access to 25,000 rural habitations. This ambitious initiative will not only enhance mobility and access to essential services for rural communities but also stimulate local economies by integrating them more closely with broader market networks.

Housing development is another cornerstone of the government's economic strategy. An impressive target of constructing 3 crore additional houses under the PM Awas Yojana has been set for both rural and urban areas, aiming to provide affordable housing solutions to millions of Indians. In a novel approach to address-



**NEETU VINAYEK,
EY India**

“Announcements for development of plug-and-play industrial parks, industrial corridors, roads, etc. are expected to create opportunities for generating employment...”

promote viability gap funding.

On similar lines for an all-round development of state infrastructure, long-term interest-free loans are proposed for state governments, says Neetu Vinayek, Partner & Leader, Infrastructure, Tax & Regulatory Services, EY India. “Announcements for development of plug-and-play industrial parks, industrial corridors, roads, etc. are expected to create opportunities for generating employment, improving connectivity, and promoting tourism which shall further boost the Indian economy,” she adds.

Infrastructure & Housing

The government is poised to unleash a

wave of economic growth through a robust capital expenditure programme over the next five years, commencing with a substantial allocation of Rs 11.11 lakh crore for the current fiscal year, which constitutes approximately 3.4 per cent of the GDP. This significant investment underscores the government's commitment to bolstering infrastructure and fuelling long-term economic development. In a bid to empower states and enhance their resource allocation for infrastructure projects, a provision of Rs 1.5 lakh crore has been earmarked for long-term interest-free loans. This strategic financial support is designed to enable states to meet their infrastructure needs more effectively,





ing housing for industrial workers, rental housing will be facilitated through a public-private partnership (PPP) model, ensuring that industrial workers have access to quality living conditions close to their workplaces.

Furthermore, the housing needs of 1 crore urban poor and middle-class families will be comprehensively addressed through an unprecedented investment of Rs 10 lakh crore. This monumental investment will cater to the diverse housing requirements of these segments, ensuring that urbanisation progresses in an inclusive and sustainable manner. Welcoming the move, Anshuman Magazine, Chairman & CEO - India, South-East Asia, Middle East & Africa, CBRE says, "We anticipate that the rental housing market will become more organised, with new policies and regulations enhancing safety, transparency, and availability. Many cities are poised to benefit from these changes. Lastly, transit-oriented development will not just facilitate the development of cities but also generate employment across ancillary industries."

Allocation of Rs 26,000 crore for highway development in Bihar, including the construction of a two-lane bridge over the Ganga and the development of highways like the Patna-Purnea Expressway and Buxar-Bhagalpur Expressway. Three crore additional houses in rural and urban areas under the Pradhan Mantri Awas Yojana have been announced, along with central assistance of Rs 2.2 lakh crore for urban housing over the next five years.

Sitharaman also proposed an interest subsidy scheme to facilitate loans at affordable rates for urban housing works. The focus on infrastructure has accelerated with increased outlays for railways, promise for more airports to accommodate the growth appetite of airlines, metros, dedicated commodity corridors for



ANSHUMAN MAGAZINE, CBRE

"We anticipate that the rental housing market will become more organised, with new policies and regulations, enhancing safety, transparency, availability"

cement, freight, and sea ports as well as continued focus on housing-for-all shall further boost demand for cement.

Boosting Telecom Infra

The telecom sector has always been strategically relevant for the growth story of the Indian economy and hence, in the recent past, we have seen a slew of reforms announced by the government to enhance transparency and ease of regulatory burden on the industry players.

The continuous reforms in this sector have resulted in the increase of overall

teledensity (number of telephones per 100 population) from 75.2 per cent in March 2014 to 85.7 per cent in March 2024. Further, the internet subscribers jumped from 25.1 crore in March 2014 to 95.4 crore in March 2024. The same is on account of data cost being reduced substantially over the past decade.

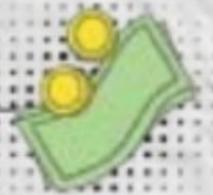
The government's next ambition is to indigenise telecom equipment as it is a strategic sector from a national security and growth perspective. In the recent past, we have seen concentrated efforts towards promoting 'Make-in-India'. The PLI scheme introduced for promoting domestic manufacturing of the telecom and networking gear has been able to garner an investment of Rs 3,402 crore.

However, since the development of technology (R&D) requires huge investment, certain key high-value components (such as chips) are still imported from outside India. To address this, the government has decided to allocate 5 per cent of the annual collections from USOF towards R&D in the telecom sector. The increase in allocation towards Bharatnet and technology upgradation of BSNL has attracted the attention of the industry as the government is a key customer for telecom equipment manufacturers.

The strengthening of PMI framework coupled with the PLI scheme and increase in import duties can help realise the vision of Make-in-India for the world. The increase in custom duties on PCBA may result in higher cost for the telecom service providers who are in the process of rolling out of 5G networks, says Kunal Chaudhary, Partner & Telecom Tax Leader, EY India. "The vision of the government is to increase the participation of India in global value chain, thereby promoting domestic manufacturing," he adds. 

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AS FINANCE Minister Nirmala Sitharaman unveiled the Union Budget for 2024-25, the Indian automotive industry found itself in a peculiar position - neither elated nor entirely disappointed. The budget, while addressing broader economic concerns, left the auto sector yearning for more targeted support, especially in the realms of electric vehicles (EV) and hybrid technology.

The industry's reaction to the budget was akin to a driver navigating through rush hour traffic -- moving forward, but not quite at the desired pace. Whilst the budget introduced measures to support Micro, Small & Medium Enterprises (MSME) and skill development, it fell short of the auto sector's expectations, particularly in the EV and hybrid segments.

Kunal Arya, Co-founder & MD, ZELIO, resonated this sentiment, stating "While the budget's focus on job creation in the manufacturing sector is commendable, the lack of targeted measures for the EV sector is disappointing. More funding for EV charging infrastructure is essential for building consumer confidence and accelerating EV adoption."

The decision to increase allocation for the Production Linked Incentive (PLI) scheme for automobiles and auto components from Rs 604 crore in FY24 to Rs 3,500 crore in FY25 was a silver lining. However, this came alongside a cut in the allocation for the FAME (Faster Adoption and Manufacturing of Hybrid & Electric Vehicles) scheme, from Rs 5,171.97 crore in FY24 to Rs 2,671.33 crore in FY25.

Optimism Amidst Concerns

Vinod Agarwal, President, SIAM and MD & CEO, VECV, found reasons to be optimistic. He said, "The liberal allocation

AUTOMOTIVE DREAMS HIT SPEED BUMP

The Union Budget 2024 leaves India's automotive industry in a state of muted anticipation **By Sahil Mohan Gupta**



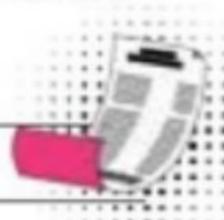
Photograph by Sanjay Sakaria

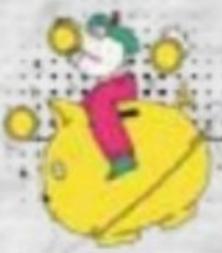
for rural development and infrastructure of Rs 2.66 lakh crore is a welcome step that will boost the rural economy." He also praised the budget's measures for skilling, upskilling, and support to MSME.

The industry's mixed feelings were echoed by Santosh Iyer, MD & CEO, Mercedes-Benz India. "We were expecting the announcement of the long-term continuation of reduced GST for Battery Electric Vehicles (BEV)," Iyer noted, adding, "However, developing a climate

finance taxonomy to aid capital for climate adaptation and mitigating climate change is a step in the right direction for achieving climate commitments."

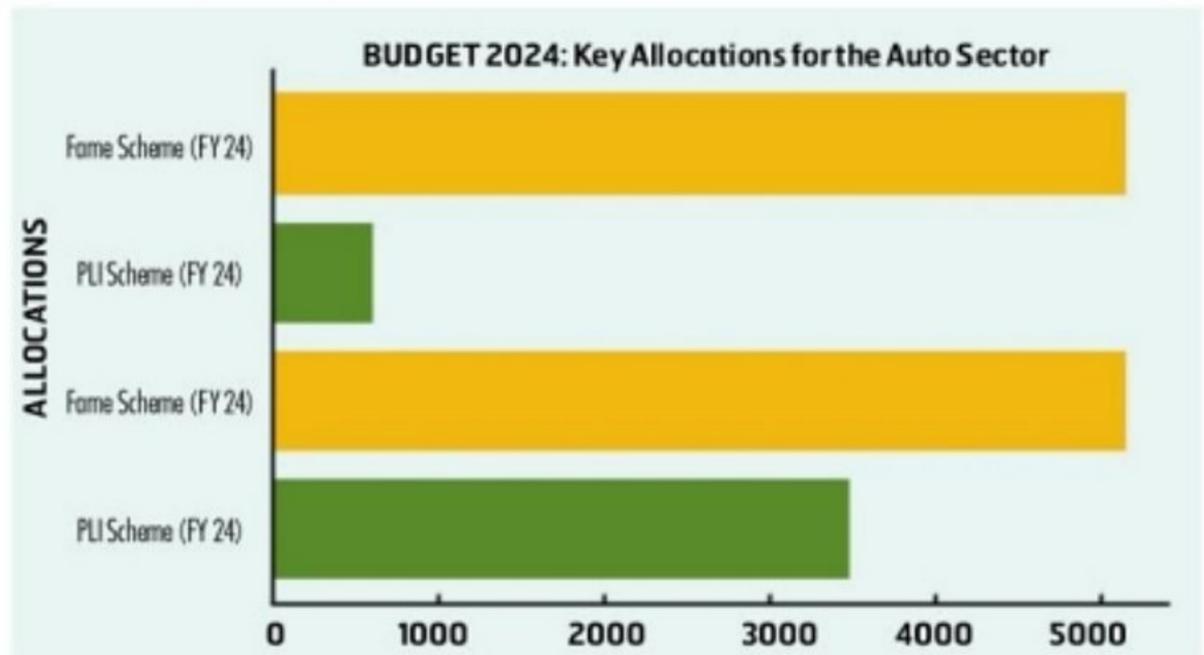
One of the budget's most welcomed aspects was the exemption of customs duty on critical minerals like lithium, copper, and cobalt. Rajeev Chaba, CEO Emeritus, JSW MG Motor India, saw this as a positive step. "This move will reduce battery manufacturing costs, making EV more affordable and attractive. It will also en-





VINOD AGARWAL,
President, SIAM

“The liberal allocation for rural development & infrastructure of Rs 2.66 lakh crore is a welcome step that will boost the rural economy”



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SANTOSHIYER,
MD & CEO,

Mercedes-Benz India

“We were expecting the announcement of the long-term continuation of reduced GST for Battery Electric Vehicles (BEV)”

hance lithium-ion battery production in India, supporting localisation efforts and advancing the sector's growth,” he said.

Missed Opportunities

However, industry analysts pointed out that the budget missed opportunities to provide clearer support for both the EV and hybrid vehicle transition. Soumen Mandal, senior analyst at Counterpoint Research, observed, “There's no mention of the FAME3 scheme, which the industry

had anticipated. Besides, there's allocation for crucial areas like charging infrastructure and battery recycling. The lack of incentives for hybrid vehicles is also a concern, given their potential as a stepping stone towards full electrification.”

Given the government's ambitious target of making 30 per cent of total vehicle sales electric by 2030, the industry had hoped for increased subsidies for EV and hybrid vehicle buyers, encouragement for battery manufacturing plants, and a comprehensive battery swapping policy. Moreover, the continued high taxation of hybrid vehicles at 43 per cent, just below the 48 per cent for internal combustion engine vehicles, was seen as a missed opportunity to promote this transitional technology.

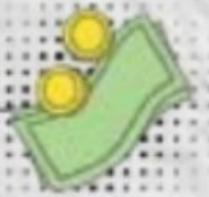
Despite these shortcomings, some industry leaders found reason for optimism in the budget's broader economic focus.

Pawan Munjal, Executive Chairman, Hero MotoCorp, welcomed “the Union Budget 2024-25 with its forward-looking initiatives to boost job creation with focus on urban infrastructure and strengthening the manufacturing sector”.

As the dust settles on the Union Budget 2024, the Indian automotive industry finds itself at a crossroads. Whilst the budget has laid groundwork for overall economic growth, the sector's journey towards an electric and hybrid future seems to have hit a speed bump. The coming months will reveal whether this budget's indirect benefits will be enough to keep India's automotive dreams on track, or if additional policy support will be needed to accelerate the industry's transformation across all alternative fuel technologies.

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BUDGET AND YOUR PERSONAL FINANCES

In the budget we can see a clear push of the government to discourage short-term investors, promote the new tax regime, and tax capital gains **By Anagh Pal**

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WHEN OUR Finance Minister Nirmala Sitharaman presented the budget, everybody had some expectations. While the common man expected more money in their pockets, different industries hoped that certain budget provisions would make their lives easier. There were some announcements for the common man, which may not be in line with what they expected, but it is important to know what they are and understand how they will affect our lives. Let us take a look.

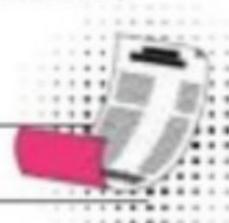
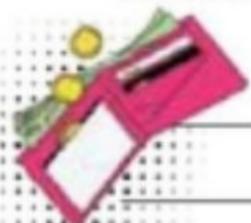
Batting For The New Tax Regime

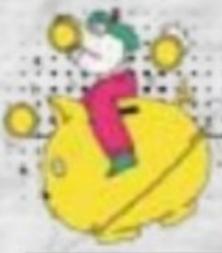
The Finance Minister has made two significant announce-

ments for those opting for the new tax regime. "First, the government has made the new tax regime even more attractive by increasing the standard deduction from Rs 50,000 to Rs 75,000," says Abhishek Soni, CEO, Tax2Win, an income tax portal. Second, she has tweaked the tax slabs a bit under the new tax regime, leading to tax savings of Rs 17,500.

Let us see how that is arrived at. The increase in the 5 per cent tax slab from Rs 6 lakh to Rs 7 lakh results in a net benefit of Rs 5,000, as Rs 1 lakh that was previously taxable at 10 per cent is now taxable at 5 per cent. Similarly, the increase in the 10 per cent income slab from Rs 9 lakh to Rs 10 lakh brings a net benefit of Rs 5,000, since Rs 1 lakh that was previously taxable at 15 per cent is now taxable at 10 per cent. The total benefit from these slab adjustments is Rs 10,000.

Additionally, the standard deduction has increased by Rs 25,000. The net benefit from this increase, at the maxi-





2024



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Photograph by Indiapicturebudget

maximum tax rate of 30 per cent, is Rs 7,500 ($25,000 \times 30$ per cent). Combining the benefits, the total savings amount to Rs 17,500 ($10,000 + 7,500$).

“Budget 2020 introduced the new tax regime. Under this new regime, the taxpayers have the option to pay concessional tax rates. However, major deductions and exemptions are not allowed under this new regime,” says Manikandan S, Tax Expert, ClearTax, a tax filing portal. This includes deductions under Section 80C, under 80D and also for house rent allowance (HRA). In budget 2023, the new tax regime was made the default tax regime.

Does it make sense for you to opt for the old tax regime or the new tax regime? “If a taxpayer claims the maximum allowable deductions under Sections 80C and 80D, the tax payable will be the same under both regimes at an income level of Rs 7,75,000. For any income above Rs 7,75,000, the

new regime is more beneficial; otherwise, the old regime is preferable,” says Rahul Singh, Senior Manager, Taxmann, a tax and corporate advisor.

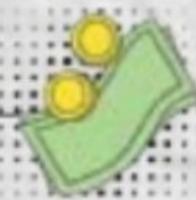
Individuals choosing the old tax regime will not benefit from the changes in tax slabs and the standard deduction, as these apply only under the new tax regime under Section 115BAC. This is expected, as the government’s primary goal is to encourage people to switch to the new tax regime.

“Due to significant changes in the slab rates, the new tax regime will always be beneficial for an employee who only claims Section 80C deduction. However, if there are other deductions, it is necessary to calculate taxes under both regimes to determine which is more advantageous,” adds Singh

Property ‘indexation’ Puzzle Solved

Budget 2024 also removed the indexation for property sales





CHANGES IN TAX RATES UNDER THE NEW TAX REGIME

New Tax Regime (FY 2023-24)		New Tax Regime (FY 2024-25)	
Range of Income (Rs)	Tax Rate	Range of Income (Rs)	Tax Rate
Upto 3,00,000	Nil	Upto 3,00,000	Nil
3,00,000 - 6,00,000	5%	3,00,000 - 7,00,000	5%
6,00,000 - 9,00,000	10%	7,00,000 - 10,00,000	10%
9,00,000 - 12,00,000	15%	10,00,000 - 12,00,000	15%
12,00,000 - 15,00,000	20%	12,00,000 - 15,00,000	20%
Above 15,00,000	30%	Above 15,00,000	30%

Source: Tax2Win

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and at the same time reduced long-term capital gains (LTCG) taxes on sale of property. "In an effort to simplify the tax process, the Finance Minister has eliminated the indexation clause for real estate assets and reduced the long-term capital gains (LTCG) tax rate from 20 per cent to 12.5 per cent," says Samantak Das, Chief Economist and Head of Research and REIS - India, JLL, a real estate services company.

"Investors with higher returns from their investments will likely benefit from the lower tax rate under the new rule, while those with lower returns will face higher tax liabilities," says Sunil Dewali, Co-CEO of Andromeda Sales and Distribution, parent company of Andromeda Realty Advisors.

Dewali says that in most cases, investors who have bought property in the last few years will benefit from the new tax rules, as property prices across the country have increased by over 10 per cent, and in some cases even above 20 per cent per annum in the last three to four years.

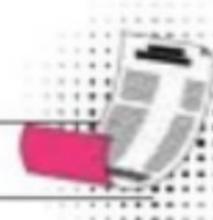
However, in the long-term, say 10, 15, or 20 years, most real estate prices have increased by around 10 per cent or less per annum. Therefore, very-long-term investors may end up paying higher taxes under the new rules.

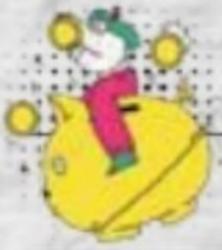
Additionally, higher capital gains under the new rules will present another challenge for sellers, especially those looking to reinvest the LTCGs in residential property or capital gain bonds to claim tax exemptions. "This is because there are upper limits on how much LTCG can be reinvested in properties (a maximum of Rs 2 crore) and capital gains bonds, also known as 54EC bonds, which have a limit of only Rs 50 lakh," says Dewali.

All That Glitters

The Finance Minister has made a big announcement regarding the reduction in gold and silver customs duty from 15 per cent to 6 per cent. "Basic Customs Duty (BCD) is reduced from 10 per cent to 5 per cent and Agriculture Infrastructure and Development Cess (AIDC) is reduced from 5 per cent to one per cent. Indian consumers would be able to buy now at a 9 per cent cheaper rate, so it will boost physical demand," says Sachin Kothari, Director of Augmont - Gold For All, an app to buy, sell, or store gold or silver.

MCX Gold prices have fallen by Rs 4,000 from Rs 7,3000 to Rs 69,000 as a knee-jerk reaction after this announcement and are expected to fall more up to around Rs 67,000/10 gm as per international pegged price.





2024

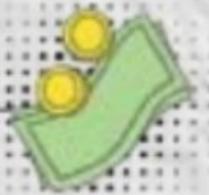
CHOOSING BETWEEN THE OLD TAX REGIME AND THE NEW TAX REGIME

The table below displays the tax liability for a resident employee under both the old and new tax regimes, claiming deductions under Sections 80C and 80D, following the proposals made in the Finance (No. 2) Bill 2024.

Particulars	Salary income of Rs 10 lakh		Salary income of Rs 15 lakh		Salary income of Rs 20 lakh	
	Old Tax Regime	New Tax Regime	Old Tax Regime	New Tax Regime	Old Tax Regime	New Tax Regime
Salary Income [A]	10,00,000	10,00,000	15,00,000	15,00,000	20,00,000	20,00,000
Deductions						
- Standard Deduction	50,000	75,000	50,000	75,000	50,000	75,000
- Section 80C	1,50,000	Not available	1,50,000	Not available	1,50,000	Not available
- Section 80D	75,000	Not available	75,000	Not available	75,000	Not available
Total Deduction [B]	2,75,000	75,000	2,75,000	75,000	2,75,000	75,000
Net taxable income after deductions [C = A - B]	7,25,000	9,25,000	12,25,000	14,25,000	17,25,000	19,25,000
	Up to 2,50,000 = Nil	Up to 3,00,000 = Nil	Up to 2,50,000 = Nil	Up to 3,00,000 = Nil	Up to 2,50,000 = Nil	Up to 3,00,000 = Nil
Computation of tax**	5% of 2,50,000 = 12,500	5% of 4,00,000 = 20,000	5% of 2,50,000 = 12,500	5% of 4,00,000 = 20,000	5% of 2,50,000 = 12,500	5% of 4,00,000 = 20,000
	20% of 2,25,000 = 45,000	10% of 3,00,000 = 30,000	20% of 5,00,000 = 1,00,000	10% of 3,00,000 = 30,000	20% of 5,00,000 = 1,00,000	10% of 3,00,000 = 30,000
		15% of 2,00,000 = 30,000	30% of 2,25,000 = 67,500	15% of 2,00,000 = 30,000	30% of 7,25,000 = 2,17,500	15% of 2,00,000 = 30,000
		20% of 25,000 = 5,000		20% of 2,25,000 = 45,000		20% of 3,00,000 = 45,000
						30% of 4,25,000 = 1,27,500
Tax Payable [D]	57,500	85,000	1,80,000	1,25,000	3,30,000	2,67,500
Add: Health and Education Cess (4%) [E = D*4%]	2,300	3,400	7,200	5,000	13,200	10,700
Total tax liability [F = D+E]	59,800	88,400	1,87,200	1,30,000	3,43,200	2,78,200
Beneficial Scheme	Old Tax Regime is better		New Tax Regime is better		New Tax Regime is better	

Source: Taxmann





TAXES ON SALE OF PROPERTY: DECODED

Scenario 1: Property Bought in 2018-19 for Rs 50 lakh and Sold in 2024-25 for Rs 1 crore

Details	Earlier Tax Rules	New Tax Rules
Year of Purchase	2018-19	2018-19
Year of Sale	2024-25	2024-25
Indexed Cost of Acquisition	Rs 64,82,143	Rs 50,00,000
Long-Term Capital Gain (LTCG)	Rs 35,17,857	Rs 50,00,000
Tax Rate	20%	12.50%
Tax Liability	Rs 7,03,571	Rs 6,25,000
Difference in Tax Liability		Rs 78,571 less under new tax rules

Source: Andromeda Sales & Distribution; Note that these calculations do not include surcharges and cess, which will be added to the LTCG tax amount depending on the total taxable income.



SUNIL DEWALI,
Co-CEO, Andromeda
Sales & Distribution

“The new rule taxing LTCG from real estate at 12.5 per cent without indexation may benefit many investors, while others may end up paying more tax”

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“It will create a level-playing field for honest industry stakeholders. Gold prices will also correct locally, thereby giving a boost to retail gold demand – another incentive to the Indian gold industry,” says Sachin Jain, Regional CEO - India, World Gold Council.

However, while you can buy physical gold at lower prices, for the purpose of investment you should explore other options like investing in gold through gold exchange traded funds (ETFs).

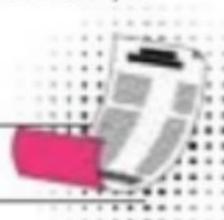
For investors who have yet to allocate to gold, this provides them with an opportunity to allocate at much lower gold prices due to the reduction in duties. Another important

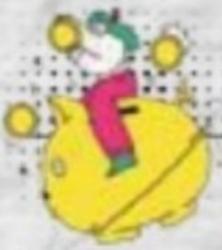
thing to note is that Gold ETFs will now attract 12.5 per cent LTCG for a holding period of 12 months. However, if you are investing in physical gold, the holding period for it to get the LTCG benefit is 24 months.

“This is a significant advantage from a tax perspective as compared to physical gold,” says Chirag Mehta, CIO, Quantum Asset Management Company.

To Sum Up

For the common investor, the budget may not have many immediate implications but there is definitely a message. According to Vivek Banka, Co-founder of GoalTeller, a





TAXES ON SALE OF PROPERTY: DECODED

Scenario 2: Property Bought in 2018-19 for Rs 50 lakh and Sold in 2024-25 for Rs 80 lakh

Details	Earlier Tax Rules	New Tax Rules
Year of Purchase	2018-19	2018-19
Year of Sale	2024-25	2024-25
Indexed Cost of Acquisition	Rs 64,82,143	Rs 50,00,000
Long-Term Capital Gain (LTCG)	Rs 15,17,857	Rs 30,00,000
Tax Rate	20%	12.50%
Tax Liability	Rs 3,03,571	Rs 3,75,000
Difference in Tax Liability		Rs 71,429 more under new tax rules

Source: Andromeda Sales & Distribution; Note that these calculations do not include surcharges and cess, which will be added to the LTCG tax amount depending on the total taxable income.



RAHUL SINGH, Senior Manager, Taxmann

“Individuals choosing the old tax regime will not benefit from the changes in tax slabs and the standard deduction, as these apply only under the new tax regime under Section 115BAC”

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financial planning firm, in the budget we can see a clear push of the government to (a) reduce short-term trading and kill short-term investors, (b) promote the new tax regime and c) tax capital gains.

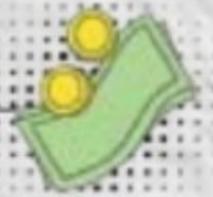
So, if you are investing for the long-term, there is not much you should do in view of the budget. Following the basic tenets of investing regularly in equity through mutual funds SIPs should not change. Also, as is evident, the Government is encouraging people to shift to the new tax regime. So, going ahead it would be wise to plan your investments based entirely on the time to your goals, your risk appetite and tax aspects, and not necessarily on whether you can save taxes

under Section 80C.

“Equity continues to remain the best asset class in the medium to long term. Non-equity investments seem only as an asset allocation and would hardly beat inflation. Avoid thematic plays, though infrastructure pockets would continue to do well, pharma could be a dark horse and energy is a great theme for next five years for a small exposure. Real estate is best used for end use (tax benefits in the new regime would occur if your returns are in double-digits),” adds Banka. Now that the budget is over, life goes on.

anagh.pal@businessworld.in





By **ADITI NAYAR**, Chief Economist & Head - Research & Outreach, ICRA

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PAUSE TO EXTEND FURTHER

Fiscal Conservatism

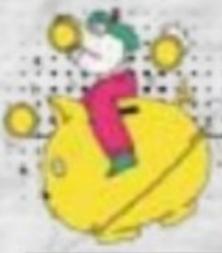
Clearly, the biggest development since the last MPC meeting held in June 2024 is the Union Budget, which reinforced the government's focus on fiscal conservatism. The budget math was based on reasonable assumptions for nominal GDP and tax revenues. Moreover, the government prudently used a part of the additional headroom on account of the RBI dividend transfer to cut back its fiscal deficit target for FY2025 to 4.9 per cent of GDP versus 5.1 per cent indicated in the interim budget in February 2024. Additionally, it reiterated that it would comply with the target fiscal deficit of sub-4.5 per cent of GDP in FY2026.

Since the last MPC meeting, the CPI inflation print expectedly rose to 5.1 per cent in June 2024 from 4.8 per cent in May 2024, amid an uptick in the food and beverages print. ICRA expects the headline CPI print to dip to around 3.5 per cent in July 2024, aided by the base effect, and despite the sequential rise in vegetable prices and telecom tariffs. The reading for Q2 FY2025 is expected to average at 4.0 per cent, slightly higher than the MPC's projection of 3.8 per cent for that quarter. While the rapid kharif sowing augurs favourably for the food inflation outlook, concentrated periods of excess rainfall in the second half of the monsoon season could pose risks to crop output.

ICRA believes that the sustained dip in the core prints over the past 16 months has partly been driven by the

WITH THE Union Budget for FY2025 behind us, the focus now shifts to the upcoming monetary policy meeting on August 8, 2024. The continued fiscal correction is likely to provide comfort to the Monetary Policy Committee (MPC) members. However, the trajectory of the growth-inflation dynamics and other developments since the last policy meeting suggest that the committee is likely to opt for another status quo in the upcoming meeting and that monetary easing remains distant.





Inflationary expectations of households appear to be more keenly driven by prices of food items, which are purchased on a regular basis. The transmission of a sustained rise in food prices into rentals and other components of the core inflation cannot be ruled out

deflation in input prices, as reflected in the WPI. A reversal in the latter, to an inflation, would exert some pressure on the core readings. As of now, ICRA expects the CPI inflation to average at 4.6 per cent in FY2025, marginally higher than the MPC's projection of 4.5 per cent for the fiscal.

Inflation Targeting

The Economic Survey 2023-24 has reignited the idea of pursuing inflation targeting while excluding food, highlighting that higher food prices are largely supply induced whereas monetary policy tools are designed to counter pressures arising from excess demand. We remain circumspect of this suggestion and assessment on two accounts.

First, the core-CPI basket also has linkages to items whose prices are driven by supply-side dynamics or global factors, such as gold. Removing all of these to come to the basket of items whose prices purely reflect domestic demand conditions will shrink the index relative to items that are actually purchased by consumers. For instance, prices of automobiles will reflect both global commodity prices, as well as domestic demand.

Secondly, inflationary expectations of households appear to be more keenly driven by prices of food items, which are purchased on a regular basis. The transmission of a sustained rise in food prices into rentals and other components of the core inflation cannot be ruled out.

On the growth front, the YoY expansion in a majority of high frequency indicators has eased in Q1 FY2025 vis-à-vis Q4 FY2024. Additionally, the dissipation of the benefit of deflation in global commodity prices, uneven rainfall in June 2024, and a slowdown in project execu-



tion and capital spending by the government owing to the general elections, suggest a slowdown in the GDP growth in that quarter. Subsequently, we expect the GDP growth to exceed -7 per cent in H2 FY2025, aided by back-ended government capex, a likely pick-up in private capex, and improved rural demand, if the rest of the monsoon season turns out to be favourable. Overall, we project the GDP expansion at 6.8 per cent in FY2025, lower than the MPC's forecast of 7.2 per cent.

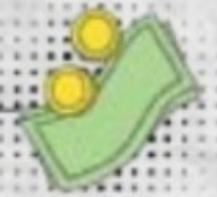
The RBI had released the much-awaited study on the revised natural rate in its July 2024 bulletin. With the headline GDP growth rates trending higher after the pandemic, the natural rate is estimated at a higher 1.4-1.9 per cent for Q4 FY2024 vis-à-vis the earlier estimate of 0.8-1.0 per cent for Q3 FY2022. Given the updated estimates, our expected average CPI inflation rate of 4.6 per cent for FY2025 implies a repo rate in the range of 6.0-6.5 per cent.

Based on our assessment for India's medium-term potential GDP growth of 6.5-7.0 per cent, we believe that the appropriate natural rate is closer to the lower end of the estimated band; this, we believe, would provide space for aggregate rate cuts of 50 bps. However, a cut is unlikely in the immediate future, as the MPC is likely to wait to assess the turnout of the monsoon season.

If the food inflation outlook turns favourable on the back of a normal distribution of monsoon, and in the absence of global or domestic shocks, a stance change is possible in October 2024 followed by a 25 bps rate cut each in December 2024 and February 2025, with an extended pause thereafter. ■

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By **MEHUL PANDYA** – MD Group
CEO, CareEdge Ratings

IN ITS THIRD straight term, PM Modi's government presents clear objectives: fiscal consolidation and medium-term economic interventions, focusing on employment, skilling, MSME, and the middle class.

The budget's showcases its firm commitment to fiscal consolidation. The Finance Minister set the fiscal deficit target for 2024-25 at 4.9 per cent of GDP, moving closer to the 4.5 per cent goal for 2025-26. Fiscal discipline is crucial for maintaining long-term economic stability and investor confidence. Increased fiscal space from buoyant tax revenues has allowed for higher allocations to various programmes. This budget continues that trend, using additional resources for both fiscal consolidation and increased spending.

Addressing global concerns over increasing inequality, the budget adjusts direct taxes, particularly on capital gains. It raises taxes on both short-term and long-term capital gains while providing some relief to retail investors through an increased exemption limit of Rs 1.25 lakh. This initiative, along with an enhanced securities transaction tax on futures and options transactions,

aims to temper the fervour in the capital markets and bring more stability in the medium term.

Focus on Agriculture

A strong focus on agriculture recognises its key role in driving economic growth. Provisions for releasing climate-resilient crop varieties and establishing bio-research centres highlight the government's commitment to long-term sustainability in agriculture. In infrastructure, the budget directs most of the increased expenditure towards asset creation, such as housing and roads, aiming to stimulate growth, create more jobs, and build a solid foundation for future development.

The budget introduces three new employment-linked incentive schemes as part of the Prime Minister's package, aligning with enrolment in the Employee Provident Fund Organisation and focusing on first-time employees. Additionally, students who have not yet benefited from any government schemes will receive support loans of up to Rs 10 lakh for education in domestic institutions, with e-vouchers for interest subvention provided to 1 lakh students each year.

Several schemes for Bihar, under the "Purvodaya" plan, aim at all-round development, including expressways, power projects, new airports, medical colleges, and sports infrastructure. Similarly, Andhra Pradesh will receive support for industrial development and basic infrastructure enhancements under the AP Reorganisation Act. Promoting women-

led development, the budget allocates over Rs 3 lakh crore for schemes benefiting women and girls, reflecting a strong commitment to gender inclusivity.

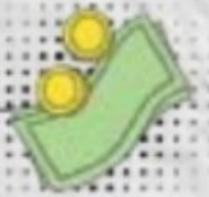
Special attention is given to MSME and labour-intensive manufacturing. The budget introduces a new assessment model for MSME credit by public sector banks based on digital footprints rather than only on assets and turnover criteria. The credit guarantee scheme envisaging pooling of credit risks of MSME is a welcome step. The Finance Minister also revised the tax slabs under the new regime, allowing salaried employees to save up to Rs 17,500 in income taxes. The

slabs have been expanded, providing relief while maintaining the existing rate of taxation.

In conclusion, the first budget of the NDA government's third term strikes a balance between fiscal consolidation and necessary expenditures. ■

Blueprint for Fiscal Consolidation & Economic Growth





By **SACHCHIDANAND SHUKLA,**
Group Chief Economist, L&T

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STEADFAST ON KEY PRIORITIES

man resources and the demographic dividend. There is a new ELI scheme (employment linked scheme) that will complement the PLI (production linked scheme). The government will provide one month's wage to new entrants in all formal sectors and is expected to benefit over two crore people. The government will also reimburse EPFO contributions of employers. There are also measures to address the skilling gap i.e. there is a plan to provide skilling to over 20 lakh youth and for this 1,000 ITIs are to be upgraded. The budget has proposed rental housing for industrial workers in public-private-partnership (PPP) mode. There are also steps to facilitate higher participation of women via women friendly measures. All of these measures, backed with an allocation of Rs 1.48 lakh crore, will help alleviate the problem of lack of skilled labour for India Inc. It will create an employable workforce and also indirectly help spur consumption demand via income augmentation. It will help address, to an extent, the skew towards capital intensive nature of employment by creating more jobs and will also spur formalisation of the labour force. The abolition of the angel tax will give a fillip to startup activity and also help augment job creation. Reinforcing the softer infrastructure theme, the health ministry's allocation has also been upped 13 per cent year-over-year.

Infrastructure Remains the Growth Driver

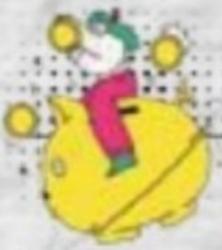
Secondly, the emphasis on hard infrastructure remains. Given that FY25 is going to be a truncated year i.e. the first

THIS BEING the first budget of the NDA 3.0, a coalition government, there was a lingering fear of a tilt towards populism by the Centre especially in the wake of recent populist announcements by some state governments. With this budget, the risk of exaggerated pivot to high welfare spending has been allayed.

The budget reiterates its intense focus on key medium-term priorities. The priorities include boosting job creation, advancing skilling, rural economy, a laser sharp focus on fiscal consolidation and remaining steadfast on capital expenditure-led growth with a promise to maintain strong fiscal support for infrastructure over the next five years.

One of the biggest standout features of this budget is its focus on soft infrastructure by harnessing the power of hu-





One of the biggest standout features of this budget is its focus on soft infrastructure by harnessing the power of human resources and the demographic dividend

quarter being impacted by election and government formation, the allocation of Rs 11.1 lakh crore seems prudent and, more importantly, shows the faith in the capital expenditure-led growth strategy. The budget also announced investment-ready “plug and play” industrial parks with complete infrastructure in or near 100 cities, in partnership with the states and private sector, by better using town planning schemes. Twelve industrial parks under the National Industrial Corridor Development Programme are also envisaged. Importantly, phase IV of PMGSY will be launched to provide all-weather connectivity to 25,000 rural habitations.

Succour for Salaried

Third, there is also an attempt to put some money into the pockets of the middle class by way of lower standard deduction in the new tax regime for salaried employees and also some rejig in the income tax slabs. The deduction limit was also raised for employers' contributions to the National Pension Scheme. Also, there are measures to spur simplification of taxation as well as rationalisation of the capital gains tax regime via changes in tax rate and the holding periods along with a hike in STT for the F&O segment — somethings that did not go down well with the equity markets.

No Let-up in Fiscal Consolidation

Finally, the commitment to fiscal consolidation and greater marksmanship remains one of the biggest standout stories of the budget under the current finance minister. While rolling targets for next two years have not been provided, the govern-

ment remains on the broad glide path to reach a fiscal deficit to GDP level below 4.5 per cent by FY26. More importantly, the one-off RBI dividend bonanza and the revenue buoyancy has been used to lower the fiscal deficit aggressively to 4.9 per cent from the earlier target of 5.1 per cent -- meaning a reduction of 90 bps in just one year. The revenue and primary deficits will also see a reduction of 100 and 70 bps, respectively, during the

same period, which is commendable. Total revenue expenditure is expected to grow 4.8 per cent over revised estimate (RE) of FY24 with major subsidies (food, fertiliser and petroleum) seeing a decline of 8 per cent YoY in FY25.

The fiscal deficit, which is the gap between total expenditure and total revenues of the government, will now come down from a post-pandemic peak of 9.2 per cent in FY21 to 4.9 per cent in FY25. The revenue deficit that accounted for 70 per cent of the fiscal deficit in FY19 will reduce to 46 per cent of the fiscal deficit showing a better and more productive use of borrowings. In continuing relief to

bond markets, the gross and net borrowings are slated to be lower YoY. Importantly, the nominal growth rate assumption has been maintained at 10.5 per cent and hence leaves room for some positive surprise on the revenue side.

Thus, by continuing its commitment to capex, fiscal consolidation and adding the dimension of harnessing softer infrastructure, the budget will help solidify resilience and help sustain India's economic growth outperformance amid global economic and geopolitical uncertainties.

(Views are personal)



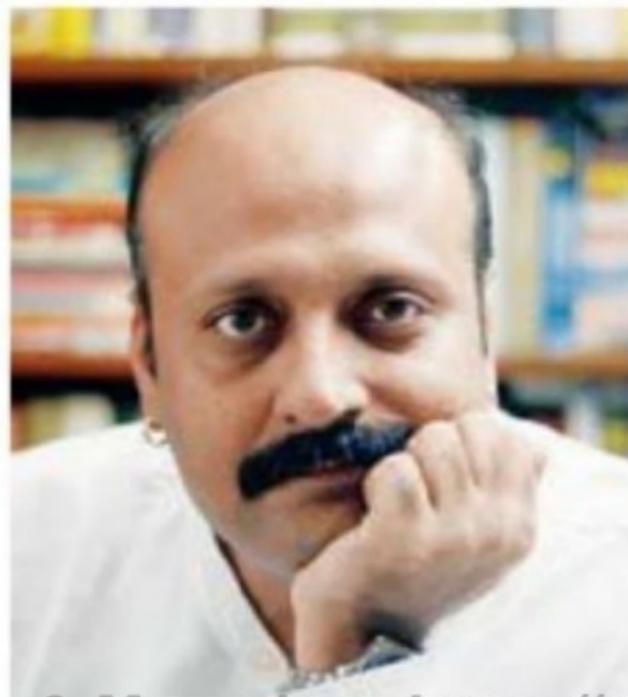
Photograph by Yayimage



A STEP TOWARDS ENHANCING INDIA'S COMPETITIVENESS



Clockwise from the left:
Amit Kapoor & Shivani Kowadkar



THE UNION BUDGET 2024 stands out by addressing critical challenges directly, placing them at the forefront of its agenda. The Indian economy is being perceived as a bright spot. The *Economic Survey* projects a real GDP growth of 6.5–7 per cent for India. India's economic performance should be seen in the context of certain global developments. According to the International Monetary Fund's (IMF) *World Economic Outlook* (WEO) from April 2024, the global economy grew by 3.2 per cent in 2023, which is somewhat lower than the growth rate in 2022. Global inflationary pressures have lingered on the higher end, geopolitical tensions and changes in monetary policy in some countries have dampened trade and FDI flows to some extent. India's gross value added (GVA) registered an increase by 7.2 per cent in FY24 (at 2011-12 prices). Retail inflation witnessed a dip from 6.7 per cent in FY23 to 5.4 per cent in FY24. The country fared better on the Current Account Deficit (CAD) front, with an improvement from 2.0 per cent of GDP in FY23 to 0.7 per cent of the GDP during FY24. Beyond optimistic projections of a bright economic future, it was crucial for the budget to address real concerns, and the Union Budget 2024 has laid a clear emphasis on the same. It focuses on key challenges that India is faced with at the current critical juncture.

The budget set out nine priority areas to provide ample opportunities for all viz., productivity and resilience in agriculture, employment and skilling, inclusive human resource development and social justice, manufacturing and services, urban development, energy security, infrastructure, innovation R&D, and next-generation reforms. India's employment challenge is of colossal proportions. The *Economic Survey 2023-24* highlights the need for an average of nearly 78.5 lakh jobs to be generated annually until 2030 in the non-farm sector to absorb the burgeoning workforce. India's employment challenge is multifaceted, shaped by structural shifts due to AI and digitalisation, the expanding gig economy, the rise of green jobs, and the commensurate transformation required in workforce skills.

Low female labour force participation further adds to the challenge. In this context, the three schemes focusing on incentivising employment for first time entrants, creating jobs manufacturing and supporting employers, come at an opportune moment. Moreover, emphasis was also laid on boosting female labour force participation by establishing working women hostels and crèches. A lot has been said about skilling in recent years and the dire need to have an able workforce. The significance of skilling reflects in the announcement of a new centrally sponsored scheme aiming to skill 20 lakh youth during a five-year period and upgrade 1000 Industrial Training Institutes. Additionally, the Model Skill Loan Scheme set for a revision to offer loans up to 7.5 lakh and the provision of internship opportunities to about one crore youth show that enhancing employment as well as employability is the key priority. While the need to match skilling with emerging industry needs is indeed integral to employment growth, it is important to design targeted skill development programmes in a way that promotes greater participation in high-skilled categories.

Photograph by Xyz Fotos



Beyond employment, the budget has placed a significant emphasis on micro, small and medium enterprises (MSMEs), recognising their vital role in driving India's economic growth and employment. The total employment reported by MSMEs on the Udyam Registration Portal from 2020 to 2024 is 20.39 crore

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Beyond employment, the budget has placed a significant emphasis on micro, small and medium enterprises (MSMEs), recognising their vital role in driving India's economic growth and employment. The total employment reported by MSMEs on the Udyam Registration Portal from 2020 to 2024 is 20.39 crore, and the share of MSME gross value added in all-India GDP stands at 30.1 per cent in 2022-23. This segment accounted for about 35 per cent share in all-India manufacturing output during the year FY22. There is no doubt that this segment holds the key to propel the economy's competitiveness. Provisions including a credit guarantee scheme for facilitating term loans to MSMEs for purchase of machinery and equipment without requiring collateral or third-party guarantee, development of a new assessment model for credit, and an increased limit of Mudra loans under 'Tarun' category from 10 lakh to 20

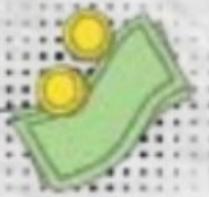
lakh for borrowers who have successfully repaid previous loans, are some of the key developments in this arena. Over the years, there has been a clear emphasis on strengthening MSMEs' export capabilities. The percentage share of export of MSME related products in All India Exports has declined from 49.75 per cent in 2019-20 to 45.79 per cent in 2024-25 (up to May 2024). In this context, the plan to establish E-Commerce Export Hubs to foster enhanced participation of MSMEs and traditional artisans in international markets is a welcome move.

Yet another area of emphasis that stood out strongly is energy security. Fuelling various endeavours, literally and figuratively, calls for available, accessible, and affordable energy. To put it simply, energy security underpins economic development. It is estimated that over the next two decades, India is expected to contribute to about 25 per cent of global energy demand growth.

The country's energy requirements are estimated to grow two to 2.5 times by 2047. On one hand, transitioning to greener and cleaner sources of energy, and on the other, meeting development needs and aspirations of an emerging economy, requires a fine balance to be struck. Both, the *Economic Survey* and the Union Budget, underscore the significance of balancing economic and employment growth, and environmental sustainability. What was particularly notable, is the aim to develop a climate finance taxonomy with the objective of increasing the availability of funds for climate adaptation and mitigation. An emphasis on both these aspects reflects the centrality of common but differentiated responsibilities and respective national capabilities to energy transition and tackling climate change.

The budget outlines our goals and plans; the key focus now is on effectively implementing these strategies. By not focusing on targeted appeals but rather addressing systemic challenges and India's pressing concerns, the budget seems to be a step in the right direction. 

Amit Kapoor is honorary chairman at the Institute for Competitiveness and a lecturer at Stanford University. Shivani Kowadkar is development policy lead at the Institute for Competitiveness



A Strategic Boost to Agriculture

THE SEED INDUSTRY welcomes the budget for 2024-2025, which has allocated Rs 1.52 lakh crore to agriculture and allied sectors, marking a significant increase from the Rs 1.25 lakh crore allocated in 2023. This budget underlines the government's commitment to prioritising farmers, placing agriculture and its allied sectors at the forefront of the nine key priorities. The emphasis on productivity and resilience in agriculture signals a strategic direction to bolster the sector.

A critical concern for the seed industry has been the need for enhanced agricultural research in India. Addressing this, the Honourable Finance Minister announced a comprehensive review of the agricultural research setup. This review will ensure high productivity and development of climate-resilient varieties, which is a crucial step forward for our industry.

Additionally, the announcement of 109 high-yielding and climate-resilient varieties of 32 field and horticultural crops is a monumental step. This landmark initiative aims to mitigate the adverse effects of droughts and floods on agriculture, protecting farmers from crop losses and ensuring food security and stable incomes. Introducing these resilient crop varieties will support farmers through innovative agricultural practices.

The recent emphasis on achieving self-sufficiency in oilseeds and pulses is another critical focus for India's agriculture sector. In 2022-23, the country imported 165 million metric tonnes of edible oils. The announcement of a mission for pulses and oilseeds is a strategic move towards achieving self-reliance (*Atmanirbharta*), potentially saving India substantial amounts in import costs and bolstering domestic production.

Strengthening the sector indirectly, the launch of the fourth phase of the Pradhan Mantri Gram Sadak



By **AJAI RANA**, Chairman,
Federation of Seed Industry of India
and CEO & MD, Savannah Seeds

Yojana will significantly boost rural connectivity, ensuring rural prosperity and attracting substantial capital, particularly foreign direct investment (FDI) in the agriculture sector.

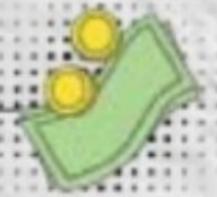
The government's steadfast commitment to implementing Digital Public Infrastructure (DPI) in agriculture, in collaboration with states, will modernise the sector and enhance its efficiency. Integrating the details of six crore farmers and their lands into centralised farmer and land registries will streamline agricultural management and support systems.

However, the budget overlooks some critical areas. The inclusion of cotton in the mission is vital to address the challenges faced by the cotton sector. Additionally, the budget missed providing tax benefits for the seed industry on research investments. Restoring the 200 per cent IT deduction that the industry has been advocating for would have been beneficial and is a miss in the budget.

The budget for 2024-2025 reflects a comprehensive and progressive approach to strengthening India's agriculture sector. The Federation of Seed Industry of India applauds these initiatives and looks forward to contributing to the nation's agricultural advancement. 

The seed industry applauds Union Budget 2024-2025. It underlines the government's commitment to prioritising farmers





By **REHAN YARKHAN** — Managing Partner, Orios Venture Partners

A Welcome Parity

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BACK IN 2015, at the India Venture Capital Association (IVCA), we highlighted to the government that there was a significant disparity in capital gains taxes, especially between listed and unlisted exits on the sale of shares. It took a decade and multiple representations to finance ministers, but now this disparity has been fixed in Budget 2024.

The equalisation of long term capital gains (LTCG) for listed and unlisted sales of shares at 12.5 per cent (plus cess and surcharge) is a significant and positive development for the startup and venture capital industry. This change not only eliminates a long-standing disparity but also ushers in a new era of optimism and potential growth for the industry.

The LTCG for unlisted shares was 20 per cent minus indexation (plus cess and surcharge), while that for listed shares was 10 per cent with no indexation benefit. Indexation usually did not play a significant role for unlisted shares, as the gains would often be much higher. This thus created a non-market-linked incentive for investors to participate

Indexation usually did not play a significant role for unlisted shares, as the gains would often be much higher. This thus created a non-market-linked incentive for investors to participate in listed stocks and mutual funds

in listed stocks and mutual funds. Further, given that unlisted stocks are less liquid, there was disproportionate favour towards listed equities and mutual funds.

Better Money Flow Seen

With the disparity having been dissolved, it is reasonable to expect a greater flow of money towards startups and venture capital funds. The impact of this cannot be overstated enough. The Indian startup ecosystem is nascent yet deeply undercapitalised and heavily dependent on foreign investors, known to be fickle, who depart India

when times are tough or other markets are more attractive. With the disparity having gone away, domestic investors will likely bring in significant flows and create an industry built on domestic capital that has proven to be stable.

Yet another benefit of dissolving this tax disparity is that it should help tame valuations in the listed space, which is trading with price-to-earnings ratios at the richest levels compared to those in other major markets. While this is not linked directly to the startup ecosystem, a healthy listed market is required and is in the overall interest of our nation's economy.

The other good news was about angel tax, which targeted startups' funding from angel investors. Intended to curb money laundering, it inadvertently hampered genuine startups, taxing the excess over the fair market value of shares. This led to valuation discrepancies, tax scrutiny, cash flow issues, and investor reluctance, ultimately stifling the startup ecosystem.

The government's dissolution of the angel tax in budget 2024 is a strategic move that brings significant benefits. It revitalises the startup landscape, encourages more investments, attracts increased foreign capital, and enhances the ease of doing business.

These changes, addressing tax disparity and removing the angel tax, clearly demonstrate the government's commitment to nurturing a vibrant startup environment, which is crucial for India's economic development. 



INTERVIEW

In conversation with BW Businessworld, SUMIT JOSHI, CEO & MD, Signify Greater India talks about the brand, innovations and transformation
By Tarannum Manjul

Tell us about your journey in Signify so far. How has the brand grown?

I have always believed that 'passion can do miracles', if you have the right mindset, willingness to develop the required skill set, work hard, and with genuine intentions at heart you will always succeed in life. My journey with Signify has been an enriching and fulfilling one. I started my career in different industries, ranging from food companies to personal care and consumer durables, and now IoT lighting. Each role has provided me with unique learning experiences and growth opportunities. When I joined Philips Lighting, which is now known as Signify, I was given the chance to

“OUR MISSION EXTENDS BEYOND ILLUMINATION”

contribute to an industry that significantly impacts people's lives. Over the years, we have transformed from an innovation-driven technology product company to a value-added Internet of Things (IoT) service provider. Today, Signify is the world leader in lighting committed to unlocking the extraordinary potential of light for brighter lives and a better world.

How does Signify prioritise and manage its innovation pipeline to stay ahead in the rapidly evolving lighting industry?

Innovation is at the core of everything we do at Signify. Our journey has been remarkable, ranging from traditional incandescent lighting to cutting-edge LED products, and now, smart, and connected lighting. We have always been pioneers in smart lighting solutions, leading the transformation from incandescent lights to LED to connected

lights. Our commitment to LED innovation is demonstrated through our Interact and WiZ propositions.

We invest 5 per cent of our sales in research and development globally, targeting key strategic technologies to bring the best of innovations to our customers. Our teams set the benchmark for excellence in lighting solutions, and along our journey transitioning from a product-centric approach to a focus on value-added services, we emerged as the go-to lighting company for the IoT.

Our mission extends beyond illumination; it encompasses innovation, safety, productivity, and sustainability across cities, offices, and homes. One example of how our investments in innovation and R&D have led to market success is our Interact City solution. This is an intelligent street lighting system that uses connected LED lights and sensors to improve public safety, reduce energy consumption, and enhance city services. During Covid-19, we introduced UV-C lighting solutions to neutralise pathogens and combat the spread of viruses. Additionally, our introduction of 3D printed luminaires under the 'Make in India' initiative echoes our dedication to pushing boundaries and shaping the future of lighting.

In what ways is Signify integrating sustainable practices with cutting-edge technology to address environmental concerns?

Being a pioneer in the lighting space and in line with our #BrighterLivesBetterWorld goal, at Signify we integrate sustainable practices with cutting-edge technology to address environmental concerns in several impactful ways every day. For us leadership means showing the way—and in terms of sustainability action, we've done just that. For example, we've been



using 100 per cent renewable electricity in our operations since 2020. We are recognised as one of the most sustainable companies globally, with sustainable offices and plastic-free packaging in consumer lighting products both worldwide and in India. Our efforts have resulted in Brighter Lives revenues standing at 31 per cent and circular revenues at 33 per cent, progressing at twice the pace needed to meet the Paris Agreement's 1.5° scenario goals.

We recently rolled out our Climate Transition Plan that targets the entire value chain to eliminate 90 per cent full-scope GHG emissions and reach net-zero by 2040. Completing the switch to energy-efficient LED lighting would reduce total global GHG emissions by 1 per cent, equivalent to half the emissions caused by aviation, more than enough electricity to charge every electric car currently on the road, or power over 100 million heat pumps. For this, we will work closely with customers, partners, and public decision-makers to accelerate the sustainable energy transition.

Can you discuss the role of user-centric design in Signify's product development process and how it impacts the end-user experience?

Customer centricity and technological development go hand-in-hand when it comes to enhancing user experience at Signify. We leverage over 130 years of leadership in lighting to create dynamic, innovative, and human-centric projects that enhance people's lives, making spaces safer, smarter, and more sustainable. Our connected lighting offerings bring light and the data they collect to devices, places, and people - redefining what light can do and how people use it. We recently launched an industry first innovation - NatureConnect Lighting in India, which is a groundbreaking product designed to bring the benefits of natural light indoors, enhancing the well-being of its users. It follows biophilic design principles, imitating the natural sunlight cycle to boost circadian rhythm, mood, focus, and sleep quality.

How does Signify approach collaboration with technology partners and other industries to drive innovation in lighting solutions?

At Signify, we believe in the power of partner-



"We recently rolled out our Climate Transition Plan that targets the entire value chain to eliminate 90 per cent full-scope GHG emissions and reach net-zero by 2040"

ships and collaboration to drive innovation that brings in the best of industry lighting solutions for customers across India, working closely with our technology partners, integrating their platforms securely into our solutions. Recently, we have announced our global partnership with Mercedes-AMG PETRONAS Formula 1 Team to drive responsible innovation in line with their vision to become one of the world's most sustainable professional sports teams. As a part of this partnership, we will enhance the well-being and performance of drivers, and engineers creating the perfect viewing experience for fans. Our collaborations extend beyond technology partners, as we also engage with regulatory bodies, adhering strictly to their guidelines and standards to guarantee our products meet and exceed industry norms. 📄

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Cultivating Market-ready Lawyers

Law schools of India have an uphill task of nurturing excellence in the legal profession while keeping up with the dynamic realities of today **By Kaustubh Mehta**

Law is an ever-evolving profession. A lawyer has to develop overall growth with exceptional communication skills. The debate, on whether law schools must cultivate a breed of lawyers who can perform tasks with expertise from day one as a practitioner, is gathering steam. With Artificial Intelligence on the horizon, technological advancements in the legal profession also require that lawyers develop a sense of understanding and ease to operate in a multidimensional scenario.

Law graduates have diverse career options, including corporate law, in-house roles, legal journalism, policy, and research. This variety makes the legal profession attractive to those seeking high growth opportunities.

In 2024, 68,000 students took the Common Law Admission Test, highlighting the increasing popularity of law. With around 1,800 law colleges in India—over 1,000 private, 300 government, and 100 semi-government—new schools are rapidly emerging. One of the major challenges for law schools is providing practical training while maintaining essential theoretical education.

According to the Bar Council of India, about 70,000 law graduates join the profession annually. With India's rapid economic growth, the service industry is booming. Lawyers are now involved in court litigations and business operations like mergers, acquisi-

Photograph by Andrew Lozovyi



tions, taxation, dispute resolution, contract management, and negotiations. The role of a lawyer is evolving, with new fields and the in-house counsel role gaining traction.

The fast pace of today's law firms leaves little room for comprehensive mentoring, increasing law schools' responsibility to ensure graduates have a solid grasp of basic legal concepts. Experts stress the importance of reading law commentaries to understand the law's application and evolution.

Additionally, career opportunities within law firms are diversifying, with a growing demand for professionals in law firm management, focusing on business operations and strategic planning.

Educators emphasise a balanced approach integrating theoretical knowledge with practical skills. However, they maintain that universities' ef-



“The fast pace of today’s law firms leaves little room for comprehensive mentoring, increasing law schools’ responsibility to ensure graduates have a solid grasp of basic legal concepts”

Co-Chair: Seema Jhingan, Partner, LexCounsel, Law Offices; Anurag Batra, Chairman and Editor-in-Chief, BW Businessworld and Founder, exchange4media; Pinky Anand, Senior Advocate, Supreme Court of India; Pavan Duggal, Cyber Law Expert; Sudhir Mishra, Founder & Managing Partner, Trust Legal; Harvannsh Chawla, Founder

& Managing Partner, K. R. Chawla & Co. Advocates; Mukul Shastry, General Counsel, Cube Highways; Priyanka Walesha, Head Legal, Yum! Brands; Divyam Agarwal, Partner, JSA; Vaibhav Kakkar, Senior Partner, Saraf and Partners; Siddharth Batra, Advocate on Record, Supreme Court of India; Kritika Krishnamurthy, Founding Partner, AK & Partners and Visiting Faculty to Diploma Courses at NALSAR; Pallavi Pratap, Advocate on Record, Supreme Court of India; Noor Fathima Warsia, Group Editorial Director, BW Businessworld; and Ashima Ohri, Managing Editor, BW Legal World.

Methodology

The BW ranking methodology is a comprehensive approach that balances historical data from our previous editions, objective rankings from national rankings, and lays a strong emphasis on industry outlook evaluated by an eminent jury of practitioners many of whom are adjunct professors/visiting faculties in various colleges across all categories of government and private colleges.

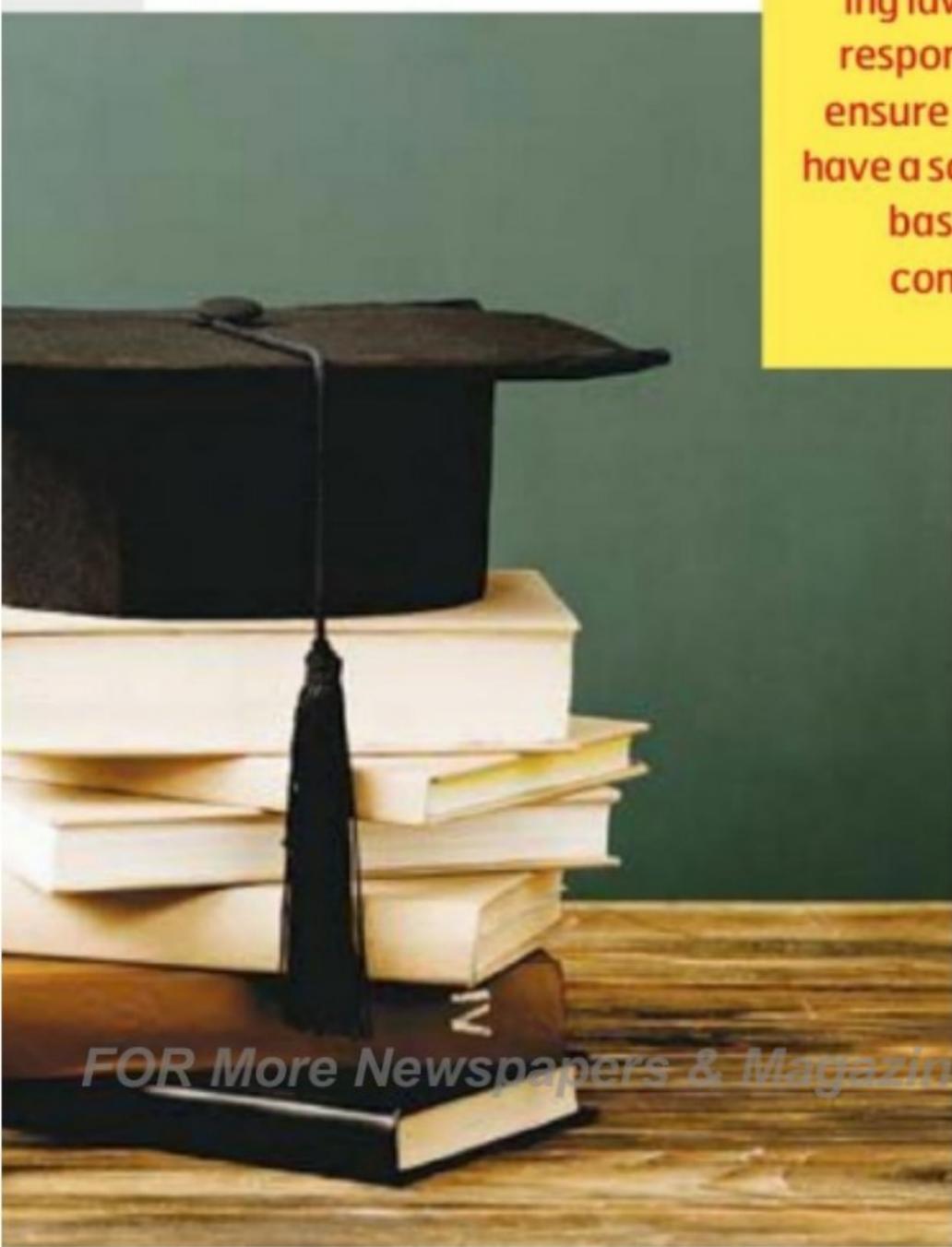
Here is the breakup on which institutes were assessed for the BW Legal World ranking:

Infrastructure: Whether an institute made provisions for quality facilities, dedicated rooms for co-curricular activities, and comprehensive libraries to ensure effective teaching and student development.

Placement & Pedigree: Whether institutions provided on-campus placements to help law graduates demonstrate their abilities and kick-start their careers.

Academic Excellence: Whether institutions produced notable research publications and academic results, supported by well-trained and responsive faculty.

Industry Perception: Whether the industry’s perception of graduates reflects the quality of education provided by the law school. 📖



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forts to balance theory and practice cannot replace professional training.

At the BW Legal World Law School Rankings 2024, India’s top law schools were honoured for their excellence, with the selection board evaluating them on several key criteria. The editorial process is jury-led and based on research conducted through a combination of sources, including information submitted directly by colleges and universities, as well as publicly available data and information on college websites where direct submissions were not received.

The Jury

The eminent jury for the Law School Rankings 2024 comprised Jury Chair: Amar Kumar Sundram, General Counsel - Sr. Vice President (Legal) & Chief Compliance Officer, NEC Corporation India; Jury



“Law Schools Must Prepare Students For Diverse Career Paths”

SUDHIR KRISHNASWAMY, Vice-Chancellor and Professor of Law at NLSIU, discusses the institute’s initiative to digitally transform India’s Consumer Grievance Redressal System using generative AI. He also highlights that while law schools provide a strong foundation, they do not fully substitute for hands-on professional training, with some skills best honed in practice **By Ashima Ohri**

Could you share your remarkable journey in academia that began as a student at NLSIU?

I joined the National Law School of India University (NLSIU) in 1993. At that point, I was unsure of my chosen career but enjoyed the five years of the integrated BA LLB programme at the law school.

When I graduated in 1998 as the sixth batch of the University, and had the opportunity to read at the Oxford University as a Rhodes Scholar, the Rhodes Scholarship opportunity allowed me to pursue a 2-year Bachelor of Civil Laws degree, which gave me an immersion into the highest level of academic and philosophical enquiry into law. This experience motivated me to explore an academic career by returning to NLS as a young faculty member in 2000.

Over the next three years, I taught several courses at NLS and was reasonably confident that through that rigorous effort, I had developed the basic skills and temperament to be a good law teacher. I returned to





Oxford in 2003 to pursue a DPhil in law, and completed that degree in due course. After teaching at Oxford for a short while, I returned to NLSIU as a faculty member in 2006. After my PhD, I have stayed with academic research, teaching, and policy interventions for nearly two decades.

In your opinion, what is the primary goal of a law school?

Indian law schools offer two kinds of law degrees, an undergraduate 5-year law degree and a graduate 3-year law degree. A legal education is above all, a rigorous professional training to be a lawyer, but these skills and abilities can equally apply across a range of careers: as leaders in business, politics, and public affairs. Hence, a law school must educate its students in a manner that allows them to pursue a diversity of careers.

We must equip our students with a fundamental understanding of law and the ability and skills to work through large bodies of documents, carefully and quickly.

While we expose our students to the requirements of the profession, the University is not a substitute for professional training. In that sense, the law school can train a student to be eight-tenths of a lawyer and leave the rest to the profession.

As a Rhodes Scholar with postgraduate and doctoral degrees from Oxford University, how do you think Indian pedagogy compares to global teaching methods?

British legal education is split into two parts: the academic stage at the university, and the professional stage at vocational schools for solicitors and barristers. Hence, British university law schools emphasise more on theoretical and foundational understanding of the law.

The American law school combines both academic and professional learning into a 3-year postgraduate law degree, namely the JD. In America, law schools offer a wide range of clinical programmes and externships that expose students to live cases, enabling them to be ready for the profession upon graduation.

Indian law schools have traditionally been shaped along the UK university law school model. The creation of NLSIU in 1987 shifted Indian legal education away from the UK model and towards the American model.

Today, the National Law School offers a wide range of clinics, the most extensive internship programme, as well as externships with law offices during the academic

term. Nevertheless, NLS is deeply committed to an academic and philosophical approach to legal education. And we do not sacrifice theoretical rigour in our programmes. As a result, the University is the most prolific educator of legal academics in India and has had an outsize impact on Indian legal education, and our graduates are leading scholars across the world.

What do you believe constitutes an ideal industry-institute collaboration in today's context? Could you share some of your pain points that you would like the industry to address?

As a first step, the University engages with legal profes-



sionals who are organised as law firms or as law offices across the world and in India. The ability of professional lawyers to engage with the University on a continuous basis, both by contributing their time to address students in the classroom and beyond, and to make opportunities available for internships and careers, is the primary level of engagement with the legal profession.

The University also engages with various businesses and consulting firms who recruit our students for in-house roles at these entities. It is important that our external stakeholders engage in continuous and mutually beneficial relationships with the University.

For a public university, these relationships will be asymmetric. We are dependent on external stakeholders to provide resources to sustain these partnerships, and feel that our students and faculty will make enduring contributions to these stakeholders over the long term.

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"Our graduates have created the most exciting startups on digital legal learning, digital platforms for accessing legal services across India, legal databases, as well as generative AI law services"

legal profession, government and academic institutions in India and beyond.

The University will aim to contribute to India's national development by contributing and shaping the future of law and public policy in India and beyond.

What to your mind is the best use case of Gen AI in legal education that students and faculty should leverage while also ensuring ethical use and optimum adoption for a better learning experience?

The NLSIU has benefitted from being at the cutting-edge of the adoption of technology for legal education and teaching, as well as with the generation of new knowledge on the design of technological models for legal services.

Our graduates have created the most exciting startups on digital legal learning, digital platforms for accessing legal services across India, legal databases, as well as generative

AI law services.

The University is committed to being at the cutting-edge of research and development of these new technologies and is currently engaged with the deployment of large language models to address consumer disputes in collaboration with the Department of Consumer Affairs (DoCA) and IIT Bombay.

Our current research extends to the regulation of breakthrough technologies in Artificial Intelligence and biomedical services.

What one piece of advice would you give to law students entering law schools this year?

Access to legal education is highly competitive with tens of thousands of very qualified school students chasing fewer high quality law university admission spots. I would advise students to not limit themselves to a single university or a city as the only avenue through which they may secure a good legal education and professional career opportunities.

The democratisation of access to legal educational materials and professional opportunities will allow all interested and hardworking students to prosper in the profession. ■

Hence, the University is currently engaged in building upwards of 300 long-term partnerships with external stakeholders along these lines.

How do you foresee the legal profession evolving over the next five years? What is your vision for NLSIU?

The legal practice will change significantly with the adoption of technology by the Courts, and by the profession. Hence, it is imperative that students keep up with these new technologies, including generative AI, as users and as potential designers of these processes.

In terms of the vision, the University has begun developing a new strategic plan for the period 2025-2030. In this plan the University will focus on developing strong partnerships with our key stakeholders: the Courts, the



“Legal Education Must Evolve To Meet The Changing Demands Of The Legal Profession”

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G. S. BAJPAI, Vice Chancellor & Senior Professor, National Law University Delhi talks about balancing theoretical knowledge with practical skills to equip students for a dynamic future **By Krishnendra Joshi**

How can industry be integrated into digital education to make students future-ready?

Legal education should adopt a holistic approach that integrates theoretical knowledge, practical skills, and professional values. This ensures that students are well-prepared for the complexities of real practice. But for that, you need to design your curriculum in a manner so that insights from the industry are well factored into the curriculum by incorporating real-world case studies, internships, and workshops, etc. that can bridge this gap between theory and practice. And it also depends to what extent we can bring experiential learning by way of organising legal clinics and moot courts. These things can go a long way in promoting this interaction between academia and industry. Lastly, law schools need to offer industry driven electives keeping industry needs in mind, such as prioritising subjects like technol-

ogy law, environmental law, corporate governance, and intellectual property law. There is also a need to have a system of continuous feedback wherein law schools can invite people from the industry to seek their inputs on legal pedagogy.

What role do you see deep learning playing in the future of legal education in India?

As we all understand, AI is coming in a big way as far as legal education is concerned. There are three or four sectors where we can probably see the arrival of AI. First is automating routine tasks. In typical legal practice, there are several tasks like document review, legal research, data analysis, and these processes can well be assisted by AI systems. This can mitigate a lot of hard work that lawyers are already doing. Second, AI-powered legal research tools are becoming very popular and can provide



“The task of framing the new criminal laws was entrusted to NLU Delhi. This shows our commitment to research development and our relevance to governance by contributing significantly to various issues”

efficient access to vast legal databases, enabling students to find relevant case laws and statutes. Third, which is very important from the viewpoint of legal profession, is predictive analytics. AI algorithms can predict legal outcomes based on historical data, aiding decision-making. These tools can benefit lawyers in multiple ways to be able to prepare their cases much better because these algorithms will provide them with all the possibilities and potential outcomes of their cases.

Additionally, the introduction of courses on legal technology, covering topics like e-discovery, contract analysis, and blockchain applications, will be vital from the point of AI. This is the age where we must keep certain ethical considerations also in mind. I am sure the legal profession is going to be revolutionised, but there will also be legal issues emerging from AI disputes, for which the technology lawyers must be ready.

What is the importance of industry partnerships and collaborations in shaping the future of legal education in India?

These partnerships are very, very important because, as I mentioned, real-world exposure through partnerships can provide students with much-needed practical insights and an understanding of real challenges. Collaborations with law firms, corporations, and NGOs can enrich the learning process significantly. These partnerships can also be intensified by inviting guest lecturers and workshops from industry experts, which is already happening but can be adopted in a more structured way like at NLU Delhi, we have introduced schemes called Eklavya and Abhyasa. The Abhyasa scheme is done in collaboration with industry experts to develop internship opportunities and joint research projects, which are based around complex issues, can be great learning opportunities, and facilitate skill development through industry partnerships. It will enhance student employability by aligning their skills with market demand.

What strategies can legal institutions employ to balance theoretical knowledge with practical skills and make

students future-ready?

There is a great need to balance theoretical knowledge with practical skills. The first way to do that is by integrating the curriculum. You have to design a curriculum that seamlessly integrates theory, skills, and values. This should ensure that students learn both theoretical concepts and their practical application. Experiential learning should be prioritised where clinical programmes,

court internships, and legal writing skills become very important. Communication skills are also vital.

The whole aspect of clinical legal education can become extremely important because this can really bridge the gap between theory and practice. Various assessment methods should be used, including practical exercises, oral presentations, and mock simulations. This is the time when students should be allowed to work with the industry in different ways, bringing a lot of practical knowledge to classroom discussions. For example, NLU Delhi, has introduced a programme under which they invite experts and devote the afternoons to industry-academia partnerships. This pedagogy is now helping students in a great way. Practical insights make the theoretical aspects more relevant. Legal education must evolve to meet the changing demands of the legal profession and equip students for a dynamic future.

What is your vision for NLU Delhi?

NLU Delhi's vision is already part of the Acts that we are following. Apart from being a teaching institution, it is a very research-intensive university with 23 research centres. We emphasise significant policy research in various cutting-edge areas.

This research has become so impactful in the last couple of years that it has been recognised by state and central governments, the Supreme Court, and various High Courts. For instance, the task of framing the new criminal laws was entrusted to National Law University Delhi. This shows our commitment to research development and our relevance to governance by contributing significantly to various issues which interface with legal requirements and legal aspects. 📖



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**What motivated you to pursue academics in law?
How has your journey been?**

Human beings are not immortal. It is their work and contributions to the society that make us immortalise them. According to me, teaching profession is one of those rare professions in which one can be immortal through her work and contribution. May be that's why we owe teachers or gurus the most. After our parents, we worship our teachers.

In academics, one needs make an everlasting impact. A teacher cannot win the attention of students and make them understand the content in class just because the topic has merit. Students appreciate the importance of a given topic when they have a curiosity for it. The contents that make up the topic and the body language of the presenter aid in developing curiosity amongst students.

I did litigation, worked at an MNC, then served at state human rights commission too. After getting fellowship from the Indian Council of Social Science Research (ICSSR) for my PhD and completing it at a very young age, I chose academics so that I

“Theory And Practical Exposure Require Synchronisation”

In conversation with BW Businessworld, **RASHMI SALPEKAR**, Dean, Vivekananda School of Law, Vivekananda Institute of Professional Studies talks about her experience as an academician, need for law students to polish their soft skills and generative AI's use **By Kaustubh Mehta**



could keep progress of the students ahead of my own progress.

Students are evaluated at the end of the semester based on the exams. However, a teacher is evaluated every day in the class. This evaluation makes teaching a challenging job.

I am fortunate that my institute, Vivekananda Institute of Professional Studies-TC (VIPS-TC), Delhi gave me a major break in academics and gave me the opportunity to teach a diverse group of students in a conducive academic atmosphere.

S. C. Vats, an educationist and philanthropist, is the founder Chairman of the VIPS who always encourages us to excel in all aspects. Suneet Vats, Vice-Chairman supports and guides us consistently. Chairperson T. V. Subba Rao (former Professor NLSIU, Bengaluru) helps us in this academic journey and ensures that we, the VIPS-TC faculty and the staff, are putting in our best efforts for the all-round development of law students.

As a teacher, I have taught nearly almost all students at VIPS, since joining. As a Dean, I am connected with almost all the law students of VIPS.

I feel proud and encouraged whenever alumni visit or contact me as a legal professional, and share their experiences, efforts and success.

VIPS has produced many judicial officers, AoRs, JAGs, General Counsels, law firm partners/owners, etc. VIPS Law School has secured many gold medals in academics, as also in moots, debates etc.

According to me a law teacher needs to be a researcher as well. Therefore, I conduct research too. For example, I have done empirical research projects. I met more than 1000 tribals residing in tribal villages, recently, along with my team in a project sponsored by the National Human Rights Commission (NHRC) as Principal Investigator. Before that, I and my team met farmers (Project Director, sponsored by ICSSR) and nearly 500 refugees (as a researcher) for empirical research.

What innovations and reforms are required in

legal education to make students future-ready?

Lots of efforts are going on to make students future-ready. The Bar Council of India (BCI), and other relevant stakeholders are working on the reforms in legal education. Recently, one of such notifications was issued on May 20, 2024 by the BCI and it called for implementation of various reforms.

At Law School of VIPS, we are conducting innumerable activities for students to polish their soft skills in addition to regular theory classes. We are using more than a dozen types of teaching pedagogies suitable to the subjects at our institute.

The library is updated with a variety of books and literature which includes not only the latest books, journals and provides online resources, but also has reading materials on ancient Indian literature like

Vedas, Upanishads. VIPS also invites legal luminaries regularly to interact with students.

One should note that "Change is the only constant thing in the world". Hence, there is a consistent and continuous need to improve legal education.

The Bharatiya Nyaya Sanhita (BNS), Bharatiya Nagarik Suraksha Sanhita (BNSS) and Bharatiya Sakshya Adhinyam (BSA) are good examples of how law has evolved. This implies that theory and practical exposure require more synchronisation.

The course curriculum should give opportunity to students to have enough exposure. Few of our students have participated in national and international moot court competitions.

Internship in a form of community service is also required in addition to internships at courts, chambers, firms, industries etc. Students should have the exposure of ground realities. For example, at VIPS, we encourage students to visit police stations and jails. We also encourage students to work in empirical research projects, visit various libraries, etc. The interface between society and law students needs to be enhanced as law students should be able to serve the society in future.

Our law programme is a five-year degree programme. Therefore, it follows naturally that the course curriculum should make all students

"Internship in a form of community service is also required in addition to internships at courts, chambers, firms, industries etc. Students should have the exposure of ground realities"

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responsible, knowledgeable, skilled and confident legal professionals.

Is Generative AI (GenAI) a threat to academic writing and integrity? What are your observations? What are the ethical concerns that it raises?

According to me, GenAI is not a threat to academic writing and integrity. It is a new phase of development. Thus, no one should isolate themselves from this development. I see academic writing on any topic is one of the primary steps of various policies.

Academic writings act as a mirror for diverse issues. Thus, GenAI can assist in academic endeavours, but it is not expected to compromise on integrity.

GenAI is expected to make academic writing more analytical and data-driven in nature. Thus, policy makers can also take note of academic writings. And the value of academic writings will be more due to GenAI.

What is your one piece of advice for students stepping into the legal institutes this year and for lawyers who are entering the profession?

Students need to imbibe three characteristics – “Tejaswita, Tapaswita and Tatparta”. Students should be ready for the process of learning. Law is inherently interdisciplinary in nature. Thus, a student starting legal studies should start taking interest in each and every thing, from past to present, from national to international, and from known to unknown.

My advice to students who are joining the legal profession is - give respect to the legal profession. Enhance the value and dignity of the legal profession by your contribution. Be bold, determined, firm but always humble.

In the ever-evolving legal landscape, it is quite a challenge to keep pace with the legal developments for students and educators alike. In these circumstances, what is your vision for training and nurturing legal talent? And how can our law firms and practitioners contribute to this effort?

Today's youth is very curious and inquisitive in nature. Knowing legal developments is convenient in today's information technology era. Students keep themselves updated in most of the cases. Thereby all have information about “what”. But the question of “why it is happening” is equally important. It is the responsibility of the educators to make youngsters think critically about “why”.

It is a shared responsibility of all to prepare students. The law firms and all legal practitioners should come forward to train the legal minds by sharing their knowledge and experiences. Suggestions from all stakeholders are always welcome. 📩

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**What is the vision and mission of UPES School of Law?**

Our vision at UPES School of Law is to be a 'new-age law school' of global standing, contributing significantly to the evolving legal ecosystem in both society and industry. Our mission is multifaceted: develop industry-focused legal professionals with an international outlook; foster an effective outcome-based education system to bridge the gap between legal research, education, and practice; offer novel specialisations that align with emerging areas of law, including disruptive technologies and sustainability; cultivate a sense of responsibility toward upholding justice and equity; promote high standards of professional ethics and a harmonious relationship between law and society; and provide an ecosystem that supports the development of world-class teaching and research faculty.

What kind of curriculum does the School of Law offer and how does it address the needs of contemporary legal education?

Our curriculum is designed to address the dynamic and evolving nature of the legal profession in today's digital age. We offer a range of undergraduate and postgraduate programmes with core specialisations in Constitutional Law, Criminal Law, Corporate Law, Taxation Law, Intellectual Property Rights, Energy and Environmental Law, Banking and Insolvency Laws, Investment and Trade Law, Disruptive Technologies Law, and Industrial Relations Law. Our programmes emphasise outcome-based learning, integrating new-age learning technologies, and providing international exposure through global partnerships. At UPES School of Law,

we recognise the pivotal role of disruptive technologies and energy law in shaping the future legal landscape. Our specialisations in these areas prepare students to handle complex legal issues related to technology, sustainability, and energy.

How does UPES School of Law bridge the gap between academia and industry?

Bridging the gap between academia and industry is a core focus for us. We achieve this through several initiatives:

- Professors of Practice from top law firms, the judiciary, and corporations bring real-world insights into the classroom
- Strong industry-academic collaborations, provide students with hands-on experience through internships, moot courts, and legal aid clinics
- Innovative programmes like our business incubator, Runway, encourage student-led startups, fostering a culture of entrepreneurship and innovation
- Global exposure initiatives and partnerships with prestigious international institutions, such as the University of California, Berkeley, and the University of Queensland, among others.

“Our Curriculum Is Designed To Address The Dynamic Nature Of The Legal Profession”

ABHISHEK SINHA, Dean & Professor, School of Law, UPES; Head, Department of Internationality, UPES; former Equity Partner, Khaitan & Co and former Partner, Shardul Amarchand Mangaldas shares his vision for innovative courses and modules for disruptive technologies law, environmental and energy law; academic exchanges, collaborative research and immersion programmes at the institute

By Ashima Ohri

Can you name the top 10 Professors of Practice at the UPES School of Law?

Certainly, our esteemed Professors of Practice include: Justice V. K. Maheshwari, Former Registrar General, High Court of Uttarakhand; Sharad Abhyankar, Senior Partner, Khaitan & Co; Tullika Jesrani, General Counsel - Legal, Secretarial & Compliance, Member of the Board; Kimberly Clark; Anil Raturi, Former DGP, Uttarakhand; Soumava



“We recognise the pivotal role of disruptive technologies and energy law in shaping the future legal landscape. Our specialisations in these areas prepare students to handle complex legal issues related to technology, sustainability, and energy”

Chatterjee, Director and Assistant General Counsel, Bank of America; Amitabh Sharma, Managing Partner at North Excel Associates; Gauhar Mirza, Partner, Cyril Amarchand Mangaldas; Aakanksha Joshi, Partner, Economic Laws Practice; Vineet Shingal, Partner, Khaitan & Co.; Yogesh Bhattarai, Partner, Trilegal and many more.

How does UPES School of Law ensure a robust industry and academic connect?

We ensure a robust industry-academic connect through hosting regular industry-led seminars, workshops, and guest lectures; encouraging participation in internships and practical training sessions; collaborating with industry leaders to continuously update our curriculum; providing opportunities for students to work on real-life projects and case studies; and maintaining an extensive network of recruiters and industry partners, which facilitates placements and career opportunities for our graduates.

What global opportunities are available to students at UPES School of Law?

At UPES we have more than 70 international collaborations with top universities across all the jurisdictions. We offer several global opportunities for our students, including: semester abroad programmes at institutions like the University of California, Berkeley; ULaw, London; HSE University, Russia; partnerships with international universities (such as the Ohio State University, Maurer School of Law) for academic exchanges and collaborative research, immersion programmes, articulation and master's progression arrangements; access to global internships and placements through our international network of partners.

How does UPES School of Law prepare students for the future legal landscape?

We prepare our students for the future legal landscape by integrating technology and digital resources into our teaching methodology; offering specialisations in cutting-edge areas of law such as disruptive technologies and energy law; emphasising outcome-based learning

and practical skills; providing international exposure and opportunities for global learning; and fostering a culture of continuous learning and professional development.

What are the future plans for the UPES School of Law?

Our plans include expanding our digital learning initiatives, strengthening

our global partnerships, and continually evolving our curriculum to meet the needs of the legal profession. 

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“Over-reliance On AI Tools Can Diminish Critical Thinking”

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In an exclusive interaction with BW Businessworld, **KARUNA AKSHAY MALVIYA**, Director, School of Law, DY Patil, Deemed to be University shares her thoughts on how a law student should embrace her professional journey with dedication and curiosity **By Kaustubh Mehta**

What motivated you to pursue academics in law? How has your journey been?

My motivation to pursue academics in law stems from a deep seated belief in the power of legal education to drive social change and uphold justice. From an early age, I was fascinated by the role of law in society and how it serves as a cornerstone for order and equity. This fascination turned into a passion for teaching and mentoring the next generation of legal professionals. My journey in legal academics has been both rewarding and challenging. It has been a continuous learning process, adapting to new legal developments, integrating innovative teaching methodologies, and constantly

striving to make legal education more relevant and impactful.

What innovations and reforms are required in legal education to make students future-ready?

To make students future-ready, several innovations and reforms are necessary. Legal education should integrate knowledge from other disciplines such as technology, economics, and social sciences to provide a holistic understanding of the law and its application. Emphasising practical training through internships, moot courts, and clinical legal education can help students gain hands-on experience and bridge the gap



“My vision for training and nurturing legal talent involves creating a dynamic and supportive learning environment that emphasises both academic excellence and practical skills”

between theoretical knowledge and real-world practice. Incorporating technology in legal education, such as online learning platforms, legal research tools, and AI, can enhance learning experiences and prepare students for the tech-driven legal industry. Fostering a strong foundation in ethics and professional responsibility is crucial for developing lawyers who are not only skilled but also uphold the highest standards of integrity. Lastly, legal education should promote a culture of continuous learning and adaptability, encouraging students to stay updated with legal developments and engage in lifelong learning.

Is Generative AI (GenAI) a threat to academic writing and integrity?

GenAI presents both opportunities and challenges for academic writing and integrity. On one hand, it can be a valuable tool for research, data analysis, and generating insights. However, it also raises significant ethical concerns. The ease of generating content using AI can lead to issues of plagiarism and questions about the originality of academic work. Ensuring proper attribution and maintaining academic integrity are paramount. AI-generated content may lack the depth, nuance, and critical thinking that human-authored work provides, posing a risk of disseminating inaccurate or superficial information. Moreover, AI systems can inadvertently perpetuate biases present in their training data, leading to biased outputs. It is crucial to ensure fairness and mitigate biases in AI-generated content. Over-reliance on AI tools can diminish critical thinking and research skills among students, so it is important to balance the use of AI with traditional research methodologies.

What is your one piece of advice for students stepping into the legal institutes this year and for lawyers who are entering the profession?

For students stepping into legal institutes, I would advise embracing the journey with curiosity and dedication. Legal education is not just about acquiring knowledge but also about developing critical thinking, ethical values, and a passion for justice. Engage actively with your studies, seek practical experiences, and always uphold the principles of integrity and professionalism. For lawyers entering the profession, staying adaptable and committed to lifelong learning is essential. The

legal landscape is constantly evolving, and continuous professional development is key to staying relevant and effective. Uphold the highest standards of ethics and professionalism, and always strive to make a positive impact through your work.

What is your vision for training and nurturing legal talent? How can our law firms and practitioners contribute to this effort?

In the ever-evolving legal landscape, it is indeed a challenge to keep pace with legal developments for students and educators alike. My vision for training and nurturing legal talent involves creating a dynamic and supportive learning environment that emphasises both academic excellence and practical skills. This includes regularly updating the curriculum to reflect current legal trends and emerging areas of law, incorporating courses on technology, international law, and interdisciplinary studies. Providing ample opportunities for practical training through internships, moot courts, and legal clinics, and encouraging students to engage in pro bono work and community service are essential.

Fostering a culture of mentorship where experienced legal professionals guide and support students and encouraging collaboration between academia and the legal industry to bridge the gap between theory and practice are also key aspects. Promoting a strong research culture that encourages innovation and critical analysis and supporting students and faculty in undertaking meaningful research projects is another important element.

Law firms and practitioners can contribute by offering internships, training programmes, and workshops to give students practical exposure. Partnering with educational institutions to offer guest lectures, joint research projects, and curriculum development initiatives can also help bridge the gap between academia and the legal industry. Establishing mentorship programmes where experienced lawyers can guide law students and young professionals, and encouraging and facilitating continuing legal education for their employees to ensure they stay updated with the latest legal developments and best practices, are ways in which law firms and practitioners can significantly contribute to this effort. 📖

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You have a formidable practice in White Collar Crime that is highly respected and acclaimed as a business crime specialist law firm in India and the US. What part of this success is attributable to your alma mater, Symbiosis Law School, Pune?

Thank you, that's very kind of you. Our success is attributable first of course to all my formidable and exceptional colleagues, who lay down new standards in white collar crime laws every day. What law school gave me was the opportunity to learn amongst an incredible cohort of talented individuals and in a fantastic city—Pune.

Being a non-residential campus, most of us lived around the university and pushed boundaries together, learned from each other's diverse interests and also learned how to be competitive.

Partly luck or partly law school I'd say, is that I met my two best friends and later partners on the very first day, and they have been the single largest



“Law Firms Need Lawyers Who Have Sound First Principles”

SHERBIR PANAG, Founder and Managing Partner of Panag & Babu — India's pre-eminent white-collar crimes practice and a Symbiosis Law School Pune alumnus, casts his mind back to life in college where he met his firm partners. Discussing current trends, he expresses concern over the growing obsession with internships at the expense of substantive learning **By Ashima Ohri**



influence in my professional life. I have never had to look anywhere for advice, counsel, inspiration or motivation, but them.

There have been tectonic shifts in the world of law in the last decade. How has this impacted the talent requirements of law firms?

The pace of law has become much faster than it was two decades ago. Cases, regulators, transactions and business decisions — all move much more quickly, and far more globally. The gestation period for law firms to develop young lawyers has naturally also shrunk due to demand of pace. Law firms need talent that can respond to the pace, master local laws but think globally.

What must law schools focus on to ensure students can meet these requirements?

Law schools and law students need to get over this obsession with internships. The average CV of an Indian law student, conservatively has 6-8 internships, which are CV stackers as opposed to being meaningful experiences to make career choices or learn from.

I am aghast when universities tell me they have cut down course work to give more internship time to their students. This is problematic on many levels, the first being that it takes away time from substantive learning.

Law firms need lawyers who have sound first principles, grounded in the law and commentary—not in their ability to navigate the Ministry of Corporate Affairs website.

There is an overt reliance on “practical learning” with little empirical or scientific data to support how internships as they are structured in India i.e., with very little structure, contribute to practical learning.

We are placing overt reliance on the tactical merit of procedure and ability to navigate databases, which all professionals can learn in no time and in any event artificial intelligence will soon make redundant.

However, the fundamentals of law should not be learned on the job, when one has a licence to practice

“The gestation period for law firms to develop young lawyers has naturally also shrunk due to demand of pace. Law firms need talent that can respond to the pace, master local laws but think globally”

“We need to dial the pressure back and encourage our future colleagues to have fun, enjoy the process of lawyering and labouring over inane words and phrases — so that they can sustain lifelong careers”

law—that is disingenuous.

It breaks my heart to see my future colleagues at the Bar chasing jobs and internships with zeal and enthusiasm, however they are unable to address basic first principles in interviews, but have 10 internships under their belt.

Law schools and the Bar Council of India must bring back the focus on the curriculum and substantive knowledge enhancement.

Academic rigour needs to become the top priority and rather than giving time to do internships, law students should be encouraged to undertake research fellowships, teaching assistant positions, secondments to institutions with libraries.

Not all the blame lies with universities and students, but also law firms who have to stop feeding this ridiculous cycle that robs the future generation of quality time for very little in return. We also have to reform internship programmes.

Beyond college, what in your opinion is a must for students to prepare themselves for the global market?

At the cost of sounding like a broken record, I would always say—read, read, and read some more. Read about anything and everything under the sun, as the law on most days is a concerted effort in joining the dots. Perspective and experience never go to waste.

I would also say that we need to dial the pressure back and encourage our future colleagues to have fun, enjoy the process of lawyering and labouring over inane words and phrases—so that they can sustain lifelong careers.

The race is a myth, we have all the time in the world to build careers—courtesy the advantage the internet gives us. Some of the greatest lawyers came to the Bar late and as an afterthought and left indelible legacies. 📖

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Celebrating Institutional Excellence

The third edition of BW Legal World Legal Education Summit 2024 was held on June 30 at the India International Centre, New Delhi. The event was marked by scintillating panel discussions which covered topics related to academia and the legal industry providing deep insights from experts across the spectrum **By Team BW**

BW Legal World announced Law School Rankings 2024 wherein the institutional excellence of top law schools of India was celebrated. The third edition of BW Legal World Legal Education Summit 2024 was held on June 30 at the India International Centre, New Delhi. The event was marked by scintillating panel discussions that covered topics related to academia and the legal industry providing deep insights from experts across the spectrum. After the panel discussions, the third segment of the event: the Law School Rankings, were announced.

Photograph by Naval Kishor



The eminent jury for the Law School Rankings 2024 comprised of: Annurag Batra, Chairman & Editor-in-Chief, BW Businessworld and Founder, exchange4media; Pinky Anand, Senior Advocate, Supreme Court of India; Pavan Duggal, Cyber Law Expert; Sudhir Mishra, Founder & Managing Partner, Trust Legal; Harvannsh Chawla, Founder & Managing Partner, K. R. Chawla & Co. Advocates; Seema Jhingan, Partner, LexCounsel, Law Offices (Jury Co-Chair); Amar Kumar Sundram, General Counsel - Sr. Vice President (Legal) & Chief Compliance Officer, NEC Corporation India (Jury Chair); Mukul Shastry, General Counsel, Cube Highways;

Priyanka Walesha, Head Legal, Yum! Brands; Divyam Agarwal, Partner, JSA; Vaibhav Kakkar, Senior Partner, Saraf and Partners; Siddharth Batra, Advocate on Record, Supreme Court of India; Kritika Krishnamurthy, Founding Partner, AK & Partners and Visiting Faculty to Diploma Courses at NALSAR; Pallavi Pratap, Advocate on Record, Supreme Court of India; Noor Fathima Warsia, Group Editorial Director, BW Businessworld; Ashima Ohri, Managing Editor, BW Legal World. The Law Schools were judged by the jury on four indicators, namely, infrastructure, placement and pedigree, academics, excellence and industry perception. 📄

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RANKINGS

GOVERNMENT COLLEGES

Rank	Name	City	Zone	Infrastructure (100)	Placements & Pedigree (100)	Academic Excellence (100)	Industry Perception (100)	Total 400
1	National Law School of India University	Bengaluru	South	98	99	99	100	396
2	National Law University Delhi	New Delhi	North	97	98	98	99	392
3	NALSAR University of Law	Hyderabad	South	96	97	98	98	389
4	National Law University - Jodhpur	Jodhpur	West	92	97	98	97	384
5	The West Bengal National University of Juridical Sciences	Kolkata	East	90	97	96	96	379
6	Gujarat National Law University	Gandhinagar	West	95	94	94	94	377
7	National Law Institute University, Bhopal	Bhopal	Central	92	94	95	93	374
8	Faculty of Law, Delhi University	New Delhi	North	90	90	95	96	371
9	Government Law College	Mumbai	West	91	90	92	93	366
10	National Law University Odisha	Cuttack	East	93	87	92	90	362
11	University School of Law and Legal Studies, Guru Gobind Singh Indraprastha University-Main Campus	New Delhi	North	87	87	94	92	360
12	ILS Law College	Pune	West	85	85	92	94	356
13	Faculty of Law, Jamia Millia Islamia University	New Delhi	North	94	82	87	87	350
14	Hidayatullah National Law University	Raipur	Central	70	90	77	91	328
15	National Law University and Judicial Academy, Assam	Kamrup	East	82	70	70	89	311
16	The Rajiv Gandhi National University of Law, Punjab	Patiala	North	75	70	70	89	304
17	Dr. Ram Manohar Lohiya National Law University, Lucknow	Lucknow	North	75	60	70	77	282
18	University Institute of Legal Studies, Panjab University	Chandigarh	North	68	65	72	75	280
19	Chanakya National Law University	Patna	East	89	55	65	66	275

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RANKINGS

GOVERNMENT COLLEGES

Rank	Name	City	Zone	Infrastructure (100)	Placements & Pedigree (100)	Academic Excellence (100)	Industry Perception (100)	Total 400
20	Rajiv Gandhi School of Intellectual Property Law	Kharagpur	East	65	54	65	88	272
21	The National University of Advanced Legal Studies (NUALS)	Kochi	South	75	69	65	61	270
22	Department of Law, Aligarh Muslim University	Aligarh	North	80	55	60	62	257
23	Faculty of Law, Banaras Hindu University	Varanasi	North	80	56	55	63	254
24	Damodaram Sanjivayya National Law University	Vizag	East	70	60	54	65	249
25	Faculty of Law, University of Lucknow	Lucknow	North	63	53	56	60	232
26	Sikkim Government Law College	Gangtok	East	65	40	46	60	211
27	Maharashtra National Law University Mumbai	Mumbai	West	65	45	45	53	208
28	Kishinchand Chellaram Law College	Mumbai	West	65	33	33	35	166
29	University Law College	Bangalore	South	47	39	30	41	157
30	J.B. Law College	Guwahati	East	45	38	32	40	155
31	Law College Dehradun	Dehradun	North	57	27	30	30	144
32	Department of Law, Maharshi Dayanand University	Rohtak	North	50	27	35	29	141
33	VVM's Govind Ramnath Kare College of Law	Goa	West	40	27	30	25	122
34	University Law College	Guwahati	East	40	29	32	20	121
35	University Institute of Laws - Ludhiana	Ludhiana	North	40	29	30	20	119
36	University College of Law Osmania University	Hyderabad	South	53	20	25	20	118
37	Tamil Nadu National Law University	Tiruchirapalli	South	50	20	30	30	130
38	Dharmashastra National Law University	Jabalpur	Central	30	5	20	38	93

RANKINGS

NATIONAL LAW UNIVERSITIES

Overall Govt. Rank	Rank	Name	City	Zone	Infrastructure (100)	Placements & Pedigree (100)	Academic Excellence (100)	Industry Perception (100)	Total 400
1	1	National Law School of India University	Bengaluru	South	98	99	99	100	396
2	2	National Law University Delhi	New Delhi	North	97	98	98	99	392
3	3	NALSAR University of Law	Hyderabad	South	96	97	98	98	389
4	4	National Law University - Jodhpur	Jodhpur	West	92	97	98	97	384
5	5	The West Bengal National University of Juridical Sciences	Kolkata	East	90	97	96	96	379
6	6	Gujarat National Law University	Gandhinagar	West	95	94	94	94	377
7	7	National Law Institute University, Bhopal	Bhopal	Central	92	94	95	93	374
10	8	National Law University Odisha	Cuttack	East	93	87	92	90	362
14	9	Hidayatullah National Law University	Raipur	Central	70	90	77	91	328
15	10	National Law University and Judicial Academy, Assam	Kamrup	East	82	70	70	89	311
16	11	The Rajiv Gandhi National University of Law, Punjab	Patiala	North	75	70	70	89	304
17	12	Dr. Ram Manohar Lohiya National Law University, Lucknow	Lucknow	North	75	60	70	77	282
19	13	Chanakya National Law University	Patna	East	89	55	65	66	275
21	14	The National University of Advanced Legal Studies (NUALS)	Kochi	South	75	69	65	61	270
24	15	Damodaram Sanjivayya National Law University	Vizag	East	70	60	54	65	249
27	16	Maharashtra National Law University Mumbai	Mumbai	West	65	45	45	53	208
37	17	Tamil Nadu National Law University	Tiruchirapalli	South	50	20	30	30	130
38	18	Dharmashastra National Law University	Jabalpur	Central	30	5	20	38	93

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RANKINGS

PRIVATE COLLEGES

Private Rank	Name	City	Zone	Infrastructure (100)	Placements & Pedigree (100)	Academic Excellence (100)	Industry Perception (100)	Total 400
1	Jindal Global Law School	Sonepat	North	100	90	94	92	376
2	Symbiosis Law School - Pune	Pune	West	87	89	94	92	362
3	Army Institute of Law	Mohali	North	77	84	95	90	346
4	School of Law, University of Petroleum and Energy Studies	Dehradun	North	90	72	88	90	340
5	Siksha 'O' Anusandhan, National School of Law	Bhubaneswar	East	90	80	85	80	335
6	KIIT School of Law	Bhubaneswar	East	92	70	78	91	331
7	School of Law, Galgotias University	Greater Noida	North	78	75	84	88	325
8	Symbiosis Law School - Noida	Noida	North	80	75	88	80	323
9	Amity Law School, Noida	Noida	North	75	80	89	75	319
10	Vivekananda School of Law and Legal Studies (VIPS)	New Delhi	North	73	71	70	84	298
11	School of Law, Christ University, Bangalore	Bengaluru	South	78	65	70	75	288
12	School of Law, GD Goenka University	Gurugram	North	68	60	70	70	268
13	Bharati Vidyapeeth New Law College, Pune	Pune	West	60	65	70	70	265
14	School of Law, Lovely Professional University	Phagwara	North	80	59	55	66	260
15	LLoyd Law College	Greater Noida	North	78	50	50	73	251
16	ICFAI Law School, ICFAI Foundation For Higher Education, Hyderabad	Hyderabad	South	81	46	50	70	247
17	School of Legal Studies, K.R. Mangalam University	Gurugram	North	83	45	50	65	243
18	Saveetha School of Law	Chennai	South	69	45	62	63	239
19	Ramaiah College of Law	Bangalore	South	60	45	50	68	223
20	Bangalore Institute of Legal Studies (BILS)	Bangalore	South	79	42	45	55	221

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RANKINGS

PRIVATE COLLEGES

Private Rank	Name	City	Zone	Infrastructure (100)	Placements & Pedigree (100)	Academic Excellence (100)	Industry Perception (100)	Total 400
21	School of Law, Shanmugha Arts Science Technology & Research Academy (SASTRA)	Thanjavur	South	65	40	40	55	200
22	ICFAI Law School, The ICFAI University, Dehradun	Dehradun	North	70	37	39	50	196
23	Indore Institute of Law	Indore	Central	70	35	40	48	193
24	Faculty of Law, SRM University	Sonipat	North	73	35	38	45	191
25	GITAM School of Law	Visakhapatnam	South	73	34	36	45	188
26	Sharda School of Law	Greater Noida	North	73	33	35	43	184
27	Kirit P. Mehta School of Law	Mumbai	West	65	30	37	50	182
28	KLE Society's Law College, Bengaluru	Bangalore	South	65	33	37	45	180
29	Faculty of Law, Jagran University	Bhopal	Central	65	33	37	43	178
30	SDM Law College	Mangalore	South	50	35	40	50	175
31	Amity Law School - Lucknow	Lucknow	North	67	30	35	40	172
32	School of Law, Bennett University	Noida	North	67	30	33	40	170
33	Alliance School of Law	Bangalore	South	69	33	33	33	168
34	School of Law, DY Patil University	Navi Mumbai	West	80	25	30	30	165
35	Department of Law, Prestige Institute of Management Studies	Indore	Central	68	30	32	31	161
36	School of Law, BML Munjal University	Gurugram	North	65	29	30	35	159
37	Rizvi Law College	Mumbai	West	68	24	20	42	154
38	Ajeenkya DY Patil University, School of Law	Pune	West	49	36	32	35	152
39	Gopaldas Jhamatmal Advani Law College	Mumbai	West	50	33	30	37	150
40	IMS Law College	Noida	North	50	32	30	36	148
41	Sathyabama College	Chennai	South	60	28	25	32	145

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RANKINGS

PRIVATE COLLEGES

Private Rank	Name	City	Zone	Infrastructure (100)	Placements & Pedigree (100)	Academic Excellence (100)	Industry Perception (100)	Total 400
42	School of Law, Sushant University	Gurugram	North	45	30	35	32	142
43	Chanderprabhu Jain College of Higher Studies & School of Law	New Delhi	North	45	25	38	30	138
44	NEF Law College	Guwahati	East	40	27	38	30	135
45	RV Institute of Legal Studies	Bangalore	South	43	27	35	29	134
46	V.M. Salgaocar College of Law	Goa	West	40	35	33	25	133
47	VIT School of Law (VITSOL)	Chennai	South	50	28	30	24	132
48	School of Law, IMS Unison University	Dehradun	North	63	20	25	22	130
49	School of Law, Manav Rachna University	Faridabad	North	70	20	20	18	128
50	Amity Law School - Gurugram	Gurugram	North	45	20	30	30	125
51	Sardar Patel Subharti Institute of Law, Swami Vivekanand Subharti University	Meerut	North	40	29	32	22	123
52	School of Law, Presidency University	Bangalore	South	50	20	25	25	120
53	School of Law, Manipal University	Jaipur	West	50	20	25	24	119
54	Army Law College	Pune	West	50	0	30	37	117
55	Dayanand Law College	Latur	West	50	10	20	35	115
56	Faculty of Law, Marwadi University Rajkot	Rajkot	West	60	10	20	23	113
57	IIMT College of Law, Greater Noida	Greater Noida	North	58	12	20	22	112
58	ABBS School of Law	Bangalore	South	50	20	20	20	110
59	Marathwada Legal & General Education Society's Manikchand Pahade Law College	Aurangabad	West	50	20	18	20	108
60	St. Wilfred's College of Law	Jaipur	West	50	5	20	20	95
61	Institute of Legal Studies & Research, Mangalayatan University	Aligarh	North	50	5	20	15	90
62	G H Rasoni Law College	Nagpur	West	40	5	20	15	80

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RANKINGS

REGION WISE

Overall Private Rank	Rank	Name	City	Zone	Infrastructure (100)	Placements & Pedigree (100)	Academic Excellence (100)	Industry Perception (100)	Total 400
NORTHERN REGION									
1	1	Jindal Global Law School	Sonepat	North	100	90	94	92	376
3	2	Army Institute of Law	Mohali	North	77	84	95	90	346
4	3	School of Law, University of Petroleum and Energy Studies	Dehradun	North	90	72	88	90	340
7	4	School of Law, Galgotias University	Greater Noida	North	78	75	84	88	325
8	5	Symbiosis Law School - Noida	Noida	North	80	75	88	80	323
9	6	Amity Law School, Noida	Noida	North	75	80	89	75	319
10	7	Vivekananda School of Law and Legal Studies (VIPS)	New Delhi	North	73	71	70	84	298
12	8	School of Law, GD Goenka University	Gurugram	North	68	60	70	70	268
14	9	School of Law, Lovely Professional University	Phagwara	North	80	59	55	66	260
15	10	LLOYD Law College	Greater Noida	North	78	50	50	73	251
17	11	School of Legal Studies, K.R. Mangalam University	Gurugram	North	83	45	50	65	243
22	12	ICFAI Law School, The ICFAI University, Dehradun	Dehradun	North	70	37	39	50	196
24	13	Faculty of Law, SRM University	Sonipat	North	73	35	38	45	191
26	14	Sharda School of Law	Greater Noida	North	73	33	35	43	184
31	15	Amity Law School - Lucknow	Lucknow	North	67	30	35	40	172
32	16	School of Law, Bennett University	Noida	North	67	30	33	40	170
36	17	School of Law, BML Munjal University	Gurugram	North	65	29	30	35	159
40	18	IMS Law College	Noida	North	50	32	30	36	148
42	19	School of Law, Sushant University	Gurugram	North	45	30	35	32	142
43	20	Chanderprabhu Jain College of Higher Studies & School of Law	New Delhi	North	45	25	38	30	138
48	21	School of Law, IMS Unison University	Dehradun	North	63	20	25	22	130
49	22	School of Law, Manav Rachna University	Faridabad	North	70	20	20	18	128
50	23	Amity Law School - Gurugram	Gurugram	North	45	20	30	30	125

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RANKINGS

REGION WISE

Overall Private Rank	Rank	Name	City	Zone	Infrastructure (100)	Placements & Pedigree (100)	Academic Excellence (100)	Industry Perception (100)	Total 400
51	24	Sardar Patel Subharti Institute of Law, Swami Vivekanand Subharti University	Meerut	North	40	29	32	22	123
57	25	IIMT College of Law, Greater Noida	Greater Noida	North	58	12	20	22	112
61	26	Institute of Legal Studies & Research, Mangalayatan University	Aligarh	North	50	5	20	15	90

WESTERN REGION

2	1	Symbiosis Law School - Pune	Pune	West	87	89	94	92	362
13	2	Bharati Vidyapeeth New Law College, Pune	Pune	West	60	65	70	70	265
27	3	Kirit P. Mehta School of Law	Mumbai	West	65	30	37	50	182
34	4	School of Law, DY Patil University	Navi Mumbai	West	80	25	30	30	165
37	5	Rizvi Law College	Mumbai	West	68	24	20	42	154
38	6	Ajeenkya DY Patil University, School of Law	Pune	West	49	36	32	35	152
39	7	Gopaldas Jhamatmal Advani Law College	Mumbai	West	50	33	30	37	150
46	8	V.M. Salgaocar College of Law	Goa	West	40	35	33	25	133
53	9	School of Law, Manipal University	Jaipur	West	50	20	25	24	119
54	10	Army Law College	Pune	West	50	0	30	37	117
55	11	Dayanand Law College	Latur	West	50	10	20	35	115
56	12	Faculty of Law, Marwadi University Rajkot	Rajkot	West	60	10	20	23	113
59	13	Marathwada Legal & General Education Society's Manikchand Pahade Law College	Aurangabad	West	50	20	18	20	108
60	14	St. Wilfred's College of Law	Jaipur	West	50	5	20	20	95
62	15	G H Raison Law College	Nagpur	West	40	5	20	15	80

RANKINGS

REGION WISE

Overall Private Rank	Rank	Name	City	Zone	Infrastructure (100)	Placements & Pedigree (100)	Academic Excellence (100)	Industry Perception (100)	Total 400
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SOUTHERN REGION

11	1	School of Law, Christ University, Bangalore	Bengaluru	South	78	65	70	75	288
16	2	ICFAI Law School, ICFAI Foundation For Higher Education, Hyderabad	Hyderabad	South	81	46	50	70	247
18	3	Saveetha School of Law	Chennai	South	69	45	62	63	239
19	4	Ramaiah College of Law	Bangalore	South	60	45	50	68	223
20	5	Bangalore Institute of Legal Studies (BILS)	Bangalore	South	79	42	45	55	221
21	6	School of Law, Shanmugha Arts Science Technology & Research Academy (SASTRA)	Thanjavur	South	65	40	40	55	200
25	7	GITAM School of Law	Visakhapatnam	South	73	34	36	45	188
28	8	KLE Society's Law College, Bengaluru	Bangalore	South	65	33	37	45	180
30	9	SDM Law College	Mangalore	South	50	35	40	50	175
33	10	Alliance School of Law	Bangalore	South	69	33	33	33	168
41	11	Sathyabama College	Chennai	South	60	28	25	32	145
45	12	RV Institute of Legal Studies	Bangalore	South	43	27	35	29	134
47	13	VIT School of Law (VITSOL)	Chennai	South	50	28	30	24	132
52	14	School of Law, Presidency University	Bangalore	South	50	20	25	25	120
58	15	ABBS School of Law	Bangalore	South	50	20	20	20	110

EASTERN REGION

5	1	Siksha 'O' Anusandhan, National School of Law	Bhubaneswar	East	90	80	85	80	335
6	2	KJ Somaiya School of Law	Bhubaneswar	East	92	70	78	91	331
44	3	NEF Law College	Guwahati	East	40	27	38	30	135

CENTRAL REGION

23	1	Indore Institute of Law	Indore	Central	70	35	40	48	193
29	2	Faculty of Law, Jagran University	Bhopal	Central	65	33	37	43	178
35	3	Department of Law, Prestige Institute of Management Studies	Indore	Central	68	30	32	31	161

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LAW SCHOOL RANKING/ PHOTO ESSAY

The BW Legal Education Summit and Law School Rankings 2024 served as a platform to engage with legal professionals, academicians and law students to exchange ideas and honour the remarkable contribution of law schools of India. The event was marked by in-depth panel discussions and engagement between legal professionals and legal academicians from different law schools across India. The Law School Ranking awards were presented to law schools who have excellent track record in legal education domain
By Team BW



HONOURING EXCELLENCE



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IN LEGAL EDUCATION

LAW SCHOOL RANKING/ PHOTO ESSAY



Keynote Address:

Justice J. R. Midha, Former Judge, Delhi High Court



Guiding Thoughts:

Swarupama Chaturvedi, Senior Advocate, Supreme Court of India



Fireside Chat (L-R): Ashima Ohri, Managing Editor, BW Legal World and **Geeta Luthra**, Senior Advocate, Supreme Court of India



Panel Discussion: Tips On Building A Successful Career In ADR: Practitioner's Perspective. **L-R:** **Tejas Karia**, Partner, Shardul Amarchand Mangaldas; **Iram Majid**, Standing Counsel, Central Government, Exec. Director, APCAM; **Divyam Agarwal**, Partner, JSA; **Mehak Oberoi**, Legal Head, (Hydro-APAC) GE Vernova; **Pavit Singh Katoch**, Group General Counsel, Inshorts and **Kanika Arora**, Founder & Managing Partner, Nirka Law Advisory

LAW SCHOOL RANKING/ PHOTO ESSAY



Panel Discussion: Crystal Gazing Into Innovative Uses Of AI In Legal Education And Profession. **L-R: Pavan Duggal**, Cyber Law Expert; **Pradeep Kulshrestha**, Dean, School of Law, Benett University; **Deevanshu Shrivastava**, Associate Dean and Associate Professor, School of Law, GD Goenka University; **Rohan Rohatgi**, Partner, RSR Legal, Advocates and **Kaustubh Mehta**, Editorial Lead, BW Legal World



Panel Discussion: Future of Legal Education: The Industry Perspective. **L-R: Dr Abhishek Sinha**, Dean UPES; **Dr Mukul Shastry**, General Counsel, Cube Highways; **Kritika Krishnamurthy**, Founding Partner, AK & Partners; **Dr Karuna Akshay Malviya**, Director, School of Law, D Y Patil deemed to be University; **Pragya Parijat Singh**, Advocate-on-record, Supreme Court of India; Founder, Pranutan Legal and **Ashima Ohri**, Managing Editor, BW Legal World; **Dr Sudhir Krishnaswamy**, Vice Chancellor, National Law School of India University (participated virtually and is therefore not visible in the photograph)



Panel Discussion: Developing Industry-specific Legal Skills: In-House Perspective. **L-R: Akhil Prasad**, Group General Counsel & CS, Boeing; **Debosmita Nandy**, Head Legal, Cinepolis; **Mirul Bhavsar**, Head of Legal, Manipal Academy of Higher Education; **Utkarsh Kumar**, Principal Associate, Cyril Amarchand Mangaldas and **Ruhail Amin**, Senior Editor, BW Businessworld



Panel Discussion: From Law School to Law Firm: Navigating the Learning Curve. **L-R: Pooja Mahajan**, Managing Partner, Chandhiok & Mahajan; **Ishani Chandra**, Managing Partner, Sagar Chandra & Associates; **Jyoti Kumar Chaudhary**, Partner, Hammurabi & Solomon Partners and **Ashima Ohri**, Managing Editor, BW Legal World

LAW SCHOOL RANKING/ PHOTO ESSAY



Panel Discussion: Navigating Criminal Law Reforms and Careers in Litigation and Judiciary. **L-R: Tanvir Ahmed Mir**, Advocate; **Neha Nagpal**, Founder, NM Law Chambers; **Mohd. Salim**, Dean and Senior Director, Llyod Law College; **Pramod Dubey**, Senior Advocate, Supreme Court of India; **Siddharth Batra**, Advocate on Record, Supreme Court of India and **Pallavi Pratap**, Advocate on Record, Supreme Court of India



Panel Discussion: Integrating ESG And Climate Consciousness In Law. **L-R: Vaibhav Kakkar**, Senior Partner, Saraf and Partners; **Amit Kapur**, Joint Managing Partner, JSA; **Zameer Nathani**, Group GC, CarDekho Group; **D. K. Bandyopadhyay**, Chief Advisor, Amity Group; **Sanjeev Gemawat**, Group GC, Vedanta Group and **Ritu Gupta**, Professor of Law, NLU, Delhi

“GNANI.AI’S SLMs ARE FOCUSED ON SOLVING BUSINESS PROBLEMS”

Founded in 2016, Gnani.ai, backed by Samsung Ventures, leads in voice-driven Gen AI automation, offering comprehensive omnichannel AI automation, voice biometrics, and analytics. **GANESH GOPALAN**, Co-founder & CEO, talks about the impact made by Gnani.ai **By Tarannum Manjul**

Can you tell us in brief about Gnani.ai and your recently launched India’s First Voice-First SLM (Small Language Models) for Vernacular Languages?

Gnani.ai is a leading deep-tech company specialising in automating customer interactions. By leveraging cutting-edge technology, we have made significant advancements in natural language comprehension, speech recognition, and seamless dialogues between humans and machines. Solutions include comprehensive automation and analytical tools, covering omnichannel AI automation, voice biometrics, agent assistance, and omnichannel analytics. Our recently launched voice-first SLM is meticulously trained on millions of hours of proprietary audio datasets and billions of Indic language conversations, capturing the rich diversity of dialects, accents, and linguistic nuances across the country.

What are the primary benefits of Gnani.ai’s SLMs for the banking and insurance sectors?

When you use generic large-language AI models to solve banking and insurance use cases, you often end up with hallucinations and accuracy issues. Due to the critical nature of these sectors, Gnani.ai has come up with small language models (SLMs) based on generative AI that are trained from scratch using data specific to banking and insurance sectors.

Our benchmark tests show that these models perform at a significantly higher accuracy rate (>40 per cent) than generic large language models (LLMs). Gnani.ai’s SLMs are applied to multiple use cases in the BFSI sector including customer support, lead qualification, EMI collection, insurance renewals, and many more. Recently, we helped a leading bank collect over \$1 billion in overdue EMIs

using our generative AI voicebots.

How does Gnani.ai’s SLM ensure accuracy and low latency?

Gnani.ai’s SLMs are voice-first AI models that are trained on data focused on specific vertical use cases. This ensures high accuracy with no hallucinations while solving business cases in the domains for which the SLM is built. Compared to LLMs, which often are riddled with latency, inferencing costs, and other issues, Gnani.ai’s SLMs are based on fewer parameters but are focused on solving business problems. This helps to keep referencing costs lower and ensures practical latency in a real-time scenario.

What challenges does Gnani.ai face in edge AI deployment?

Edge environments involve unique challenges of lower processing power and memory limitations. However, they offer a great advantage in terms of security and privacy features. Additionally, the burgeoning cloud costs for inferencing can be curtailed by the edge models. Gnani.

ai’s edge models focus on retaining the accuracy of the models with lower footprints while prioritising security and privacy.

Could you elaborate on the multi-modal capabilities of your SLMs and how they enhance performance?

Gnani.ai’s small language model is a voice-first multi-modal solution from the start. This is because our primary use case involves multimodal interfaces and a model that can handle conversations across various channels and can greatly enhance the customer experience. 🗣️

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Samsung Galaxy Z Flip 6

POLISHING THE FOLDABLE CROWN

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From a pure hardware perspective, the Samsung Galaxy Z Flip 6 is an incremental update that buttresses Samsung's position as the best in the business. On the software front, it's a more substantial upgrade, making the phone the world's premier flip-style foldable, says Sahil Mohan Gupta

SAMSUNG'S LATEST FLIP-STYLE foldable, the Galaxy Z Flip 6, may not seem like a dramatic departure at first glance, but as they say, the devil is in the details. After a week of hands-on experience in the City of Lights, I can confidently say that this device exudes a level of polish that sets it apart from its peers, even if it doesn't shout out its improvements from the rooftops.

A Subtle Evolution in Design and Build

The Z Flip 6 sports a refined design with squared-off edges and a symmetry that would make even the most exacting

designer nod in approval. While it sacrifices a touch of ergonomic comfort, it gains an ample in-hand feel that's hard to overlook. The plush carbon fibre-like weave finish and robust armour aluminium construction lend it a premium air that's palpable from the moment you pick it up. At 187 grams

and 6.9 mm thickness when unfolded, it strikes a delicate balance between solid build and portability. It's worth noting that this is the first foldable to achieve an IP48 water and dust resistance rating – a feather in Samsung's cap.

Display Innovations

The internal 6.7-inch folding AMOLED screen now boasts a peak brightness of 2600 nits, performing admirably under the harsh Parisian sun. The screen crease, once a point of contention, appears milder, though still present – a reminder of the engineering challenges that come with foldable displays. The panel is reinforced with Gorilla Glass Victus 2, adding a layer of durability to the mix. The



The Samsung Galaxy Z Flip 6

The internal 6.7-inch folding AMOLED screen now boasts a peak brightness of 2600 nits

external Flex Window, now 3.4 inches, offers enhanced usability with a variety of widgets and support for Samsung's healthcare and AI features, making it more than just a glorified notification panel.

Power-Packed Performance

Under the hood, the Z Flip 6 packs a punch with its Snapdragon 8 Gen 3 chipset, complemented by a vapour chamber for improved thermal management. My review unit came with 12GB RAM and 256GB of UFS 4.0 storage – a combination that leaves little to be desired in terms of performance. The device handles everything from everyday tasks to intense gaming sessions with the grace of a seasoned

performer, maintaining graphical fidelity and performance throughout.

AI-Enhanced Software

Samsung's OneUI interface feels smooth and responsive, while the powerful internals facilitate the execution of new Galaxy AI features. These include an interpreter mode on the Flex Window, AI-powered sketching, and Portrait Lighting effects that add a touch of studio magic to your photos. Google's Gemini-powered assistant and Circle to Search feature also make their debut on this device, further enhancing its

photography, allowing me to capture the picturesque Parisian vistas with ease. The Flex Window allows users to leverage the main camera for high-quality selfies, a substantial improvement over the 10-megapixel front camera.

A Vlogger's Delight

Video capabilities are a strong suit, with support for 4K recording at 60 fps. The addition of a camcorder mode and active steady shot further enhance its video-taking abilities, making it an excellent choice for vlogging. The unique form factor



AI capabilities.

Camera Upgrades

The camera system sees a significant upgrade with a new 50-megapixel primary sensor, matching that of the S24 models. It captures great daylight shots and above-average low-light images, with Samsung's characteristic warm hues and punchy colours. The portrait mode continues to impress, ranking among the best in the business. While zooming capabilities are limited compared to some competitors, the wide-angle camera excels in landscape

allows for creative shooting angles, adding versatility to content creation that traditional smartphones can't match.

All-Day Battery Life

Battery life sees an improvement with a larger 4,000mAh cell. While not ground-breaking by modern standards, it consistently delivers all-day battery life with heavy usage across both screens. In my experience, the device easily lasted 12 hours, occasionally stretching to 15-16 hours with over five hours of screen-on time – impressive

for a device of this form factor. The phone supports 25W fast charging and wireless charging, though you'll need to supply your own charging brick, as is becoming the norm.

Software Updates

On the software front, Samsung's experience with foldables shines through in the refined user experience. The company promises up to seven years of Android updates, setting an industry standard that others would do well to follow. The Knox security suite further solidifies the Z Flip 6's position as one of the most secure foldable phones on the market, making it an attractive option for both personal and corporate use.

Verdict

While the Galaxy Z Flip 6 may not represent a revolutionary leap, it didn't need to. The device refines an already winning formula, maintaining Samsung's lead in the foldable market. Hardware improvements, though iterative, keep it ahead of the competition. The real story, however, is in the software enhancements that elevate the overall user experience.

From a pure hardware perspective, it's an incremental update that solidifies Samsung's position as the best in the business. On the software front, it's a more substantial upgrade that finetunes the experience to perfection, cementing its status as the world's premier flip-style foldable.

Rating: 8/10

“Yethi Ensures That Financial Institutions Can Efficiently Integrate New Software Solutions”

In conversation with BW Businessworld’s Tarannum Manjul, **SRIRANG SRIKANTHA**, CEO of Yethi Consulting talks about how Yethi is simplifying daily business operations through its solutions



Please provide a brief overview of services offered by Yethi.

Information Technology platforms are essential for daily business operations. These critical systems are rapidly evolving, making them susceptible to errors or omissions that can result in significant reputation and financial losses. Yethi addresses these technology risks by combining expert knowledge, innovative technologies, and a robust process. Our services encompass comprehensive software quality assurance, ensuring not only functional assurance, but also performance testing, compatibility testing, and adhering to top User Experience Design standards. Additionally, we help clients automate repetitive, detail-oriented checks and innovate in supporting technologies.

How is Yethi transforming testing solutions to BFSI sector in India?

We have developed one of the largest knowledge repositories dedicated to BFSI, offering clients and teams access to over 1 million data points. We’ve integrated advanced technologies like LLMs to enhance our checklists, reducing the time and complexity of test design while ensuring expert-quality results. Our powerful automation tool Tenjin streamlines repetitive tasks and minimises human error across web apps, mobile apps, APIs, structured messages, and databases, all without requiring coding.

Tenjin can autonomously update itself in response to application UI changes, providing real-time adjustments and self-healing capabilities, setting new standards in automation efficiency. Our commitment extends to investing in training and skill-building initiatives for our clients, ourselves, and the broader industry, ensuring sustainable growth and innovation in QA practices.

Can you tell us about the recent product update and how does it integrate with existing tools?

Tenjin has been a game-changer for automating functional tests. But in this latest

version, we’ve aimed to expand its role. We’re excited to introduce Tenjin 4.0—an intelligent test workbench that does it all. It’s packed with AI smarts to handle every stage of testing: planning, designing, executing, reporting, and managing defects. In this update, we’ve also rolled out a new GenAI-powered feature specifically tailored for banking and financial services. This innovation helps organisations reduce their reliance on scarce subject-matter experts by automating the identification and prioritisation of key test cases.

Share insights about the integration challenges financial institutions face when implementing new software solutions.

Integrating new software solutions poses numerous challenges, including the complexities of legacy systems, stringent regulatory demands, data security requirements, scalability needs, and vendor management intricacies. Addressing these aspects meticulously is essential for smooth transitions and effective technology operation. Yethi tackles these integration challenges with its specialised Quality Assurance (QA) services tailored for the financial industry. By prioritising innovation and reliability, Yethi ensures that financial institutions can seamlessly and efficiently integrate new software solutions. 📄

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Rediscovering Listening In A World Of Noise

ABHYUDAY JINDAL on the art of listening and how it is crucial for fostering a culture of collaboration and innovation as well as driving organisational change

I have come to realise that in today's fast-paced world, the art of listening is often overshadowed by the constant noise and turbulence of our daily lives. The phrase "beautiful turbulence," which I first heard in a film, resonates deeply with me. It perfectly encapsulates the chaotic nature of our minds, which are often filled with countless thoughts, like a stormy sea. This inner noise can make it challenging to find calm and clarity, but listening to these thoughts is crucial for self-awareness, a trait that I believe is fundamental for effective leadership.

For me, self-awareness has been a journey, one that I've cultivated through introspection and actively listening to my inner voice. In moments of overwhelm, I've found solace in quiet reflection, allowing myself to sift through the mental clutter. This has not only helped me achieve personal clarity but has also enhanced my ability to think creatively and solve problems—skills that are indispensable in today's competitive and rapidly changing market.

While we often discuss listening in the context of communicating with others, I believe it's equally important to engage in an internal dialogue. Sig-



In our organisation, I've seen first-hand how powerful listening can be. It's a tool that facilitates open dialogue, uncovers diverse perspectives, and fosters a culture of collaboration and innovation

mund Freud's concept of "evenly hovering attention," which involves maintaining a balanced focus, has been particularly enlightening for me. This approach helps me avoid getting bogged down by details or being overwhelmed by the sheer volume of ideas, allowing for a deeper self-awareness and emotional intelligence—qualities that are crucial for both personal and professional growth.

Listening for Effective Leadership

In our organisation, I've seen first-hand how powerful listening can be. It's a tool that facilitates open dialogue, uncov-

ers diverse perspectives, and fosters a culture of collaboration and innovation. For instance, our quarterly town hall meetings, where employees from all levels and backgrounds share their insights, have improved my understanding of people and what it takes to be an effective leader. These townhalls

not only provide a platform for airing grievances and concerns but also generate fresh ideas for improving our processes. Implementing these suggestions has led to higher feedback scores and a more positive work culture, demonstrating that genuine listening can drive significant organisational change.

As I've come to understand, true lead-

ership goes beyond exerting influence; it's about building authentic connections based on mutual understanding. By prioritising listening, we as leaders can create a shared vision that inspires and motivates our teams. This approach fosters an environment where collaboration thrives, and innovative solutions emerge organically.

Envisioning a world where listening is paramount opens up vast possibilities. In such a world, differences would be celebrated, trust would flourish, and solutions would naturally arise from the rich tapestry of diverse voices. In my own experience, fostering a culture of listening has led to increased collaboration and breakthroughs that I had not previously considered. The power of listening—whether to oneself or others—cannot be overstated. It's through listening that we can truly connect, understand, and innovate, making it an indispensable skill in both our personal and professional lives. 📖