

Member Country

**28th Asia Construct Conference (ACC 2025)
Seoul, Korea**

**Theme: “Promoting Smart Construction for
Sustainable Development”**

September 24 to 26, 2025

**COUNTRY REPORT
INDIA**

Prepared by

Mr. Deepak Mazumdar, Senior Director
Ms. M. Jyothi Rani, Sr General Manager {Projects}



Construction Industry Development Council

(A body established by the Planning Commission (Now NITI Aayog) Govt. of India)

801, Hemkunt Chambers, 89, Nehru Place, New Delhi - 110 019. India

Phone: 011-41619841

Email: cidc@cidc.in, Website: www.cidc.in

CONTENTS

- 1. Preamble**
- 2. Executive Summary**
- 3. Economic Overview**
 - 3.1. Main Macroeconomic Indicators
 - 3.2. Economy 2025
- 4. Comparison of Budgetary Allocation in the 11th Five Year Plan (2007–2012) and 12th Five Year Plan (2012–2017)**
- 5. Union Budget 2025–2026: Construction Sector Implications**
- 6. Administration and Regulation of the Construction Industry**
 - 6.1. Structure and Role of Construction Administration
- 7. Construction Opportunities and Activity**

Annexures

- A1.** Average Construction Material Prices as on 2025
- A2.** Classification of Contractors
- A3.** Projected Investment as Percentage of GDP
- A4.** Salient Changes in Cross-border & Domestic Employment Procurement Systems
- A5.** Executive Summary – Construction Chapter of the 12th National Plan

1. Preamble :

India's construction industry is poised for significant growth, driven by substantial government investments, technological advancements, and a focus on sustainable development. The sector is expected to become the world's third-largest construction market by 2025, following China and the United States .

2. Executive Summary :

The Indian construction industry is a vital component of the country's economy, contributing around 8% to the GDP and employing over 40 million people. Here's an executive summary of the industry's role in economic growth:

- **Growth Rate:** The industry is expected to grow by 11.2% to reach INR 25.31 trillion in 2024, with a CAGR of 9.6% projected during 2024-2028.
- **Government Initiatives:** The government's focus on infrastructure development, such as the National Infrastructure Pipeline and Smart Cities Mission, is driving growth in the sector.
- **Investment:** FDI in the sector stood at \$25.66 billion from April 2000 to March 2020, with significant investments in infrastructure projects.
- **Employment:** The industry is the second-largest employment generator after agriculture, with over 40 million people employed.
- **Construction Sector:** The industry is anticipated to reach a valuation of \$1.4 trillion by 2025, fuelled by a burgeoning housing economy and massive infrastructure initiatives .
- **Residential Construction:** Sustained demand driven by rising household incomes, low interest rates, and a growing urban population.
- **Commercial Construction:** Growing demand for office spaces, driven by corporate activity and increasing flexi-space penetration.
- **Infrastructure Development:** Government initiatives like Bharatmala Pariyojana and Sagarmala Program are driving growth in road and port infrastructure.
- **Budget Allocation:** The Union Budget 2025–26 has allocated ₹11.21 lakh crore for infrastructure, emphasizing the government's commitment to building a resilient and progressive India .

3. Economic Overview

Key Macroeconomic Indicators:

- **Real GDP Growth:** Projected at 6.5% for FY25, with a nominal GDP of Rs. 1,87,97,000 crore (US\$ 2.20 trillion).
- **Inflation:** CPI inflation has fallen to 2.10% in June 2025, the lowest since January 2019, with food inflation even entering deflation.
- **Renewable Energy:** India has achieved a significant milestone by generating 50% of its power from renewable sources, five years ahead of its 2030 target.
- **Digital Economy:** Digital transactions, particularly via UPI, have surged, indicating a growing digital economy.
- **Exports:** Total exports reached a record USD 824.9 billion in 2024-25, with services exports more than doubling.
- **FDI:** Cumulative FDI inflows reached US\$ 1.05 trillion, with a significant increase in equity inflows in the first 9 months of FY25.
- **Fiscal Deficit:** The central government's fiscal deficit is at 4.74% of GDP for FY2024-25.
- **Debt to GDP Ratio:** The debt-to-GDP ratio stands at 54.90% for FY 2024-25.
- **Repo Rate:** The repo rate is currently at 5.50%.
- **10Y G-Sec Yield:** The 10-year government security yield is at 6.40%.
- **Foreign Exchange Reserves:** Foreign exchange reserves are at \$698.19 billion.
- **Macroeconomic Index:** India Macroeconomic Index shows a transitory slowdown in the economy.
- **Unicorn Startups:** India boasts 122 unicorn startups with a combined valuation exceeding US\$ 363 billion.

Indicator	Value (2025)
GDP Growth Rate	5.5% – 6.5%
Inflation Rate	4.2%
Population	1.45 billion
Construction Sector GVA Growth	8.6%
Infrastructure Investment	₹11.21 lakh crore

3.1. Main Macroeconomic Indicators

India's GDP has witnessed a remarkable transformation over the past decade. At current prices, GDP has increased from ₹106.57 lakh crore in 2014–15 to an estimated ₹331.03 lakh crore in 2024–25, an approximate threefold rise in just ten years. In 2024–25 alone, nominal GDP grew by 9.9% over the previous year, while real GDP (at constant prices) increased by 6.5%, reflecting sustained economic momentum. This steep growth reflects the country's expanding economic base and rising income levels. India's GDP is projected to grow between 5.5% and 6.5% in 2025, with the Asian Development Bank forecasting a 6.7% expansion, driven by strong domestic demand .

In 2025, India's macro-economic indicators show a positive outlook with strong GDP growth, declining inflation, and a focus on renewable energy and digital transactions. The economy is projected to grow at 6.5%, making it the fastest-growing major economy, while inflation is at a multi-year low. The government is also making strides in renewable energy and digital infrastructure.

At the core of this transformation is the vision of **Aatmanirbhar Bharat**, a movement that promotes **innovation, entrepreneurship, and technological sovereignty**. Strategic initiatives like the **Production Linked Incentive (PLI) schemes, revitalisation of MSMEs,** and the expansion of **digital infrastructure** have laid the foundation for a **high-growth, high-opportunity economy**.

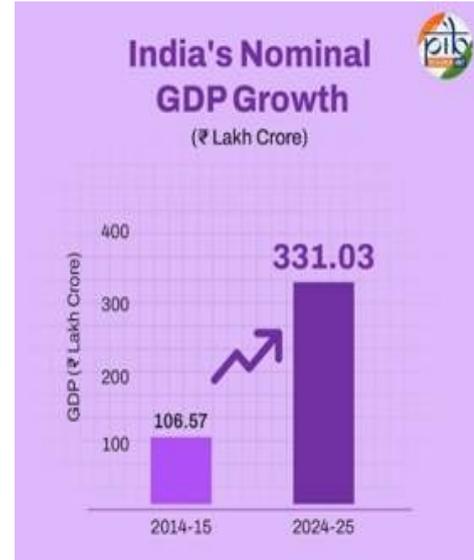
Equally central to this vision is **inclusive and equitable growth**. The government's policies have focused on **job creation**, support for **small businesses**, increased **public investment**, and **financial empowerment** of the **middle class** and **entrepreneurs**, ensuring that economic progress benefits every citizen. India's economic growth is not just about building momentum, it is about **reshaping the nation's economic destiny**. Today, **India** is a nation that is **digital, green, aspirational, and future-ready**, firmly advancing towards its goal of becoming a world leader.

Creating a base for 'Growthade'

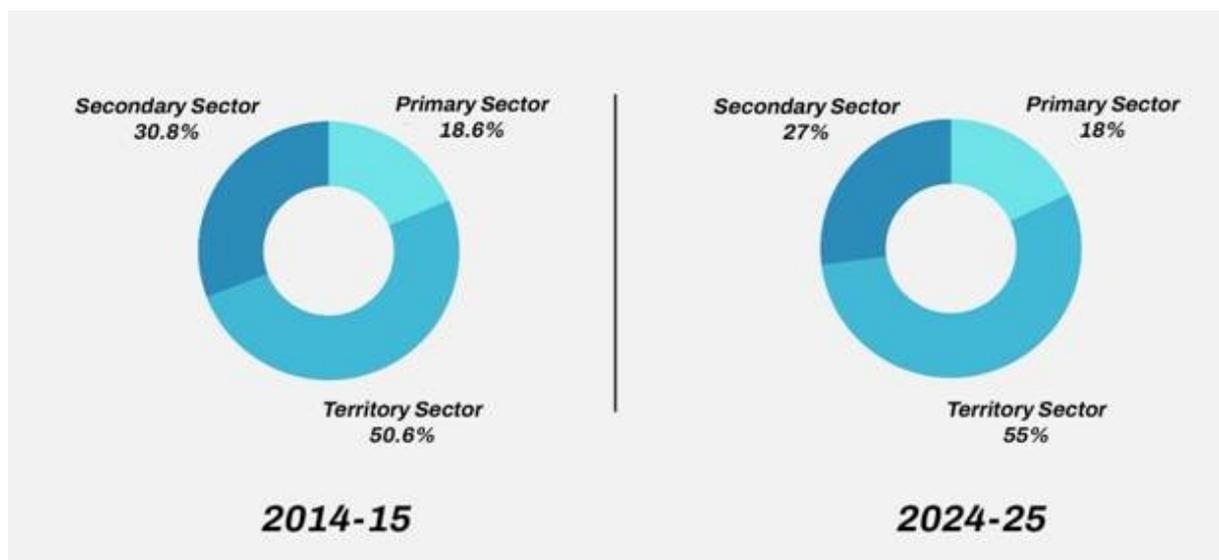
- Indian corporates raised an all-time high of **₹1,62,387 crore** through **IPOs in 2024–25**.
- National highways increased from **91,287 km in 2014 to 1,46,204 km till March 2025**.
- There are **160 operational airports** in the country, which include **145 airports, 2 water aerodromes, and 13 heliports as of March 2025**.
- Extension of **15% tax rate** for new manufacturing units till 2024, and tax incentives for **start-ups, will boost high-growth sectors and create jobs**.
- Scheduled Commercial Banks' (SCBs) gross NPAs fell to a 12-year low of **2.6%** in December 2024.

GDP Growth: Strengthening the Economic Foundation

- India's **GDP** has witnessed a remarkable transformation over the past decade. At **current prices**, **GDP** has increased from **₹106.57 lakh crore** in **2014–15** to an estimated **₹331.03 lakh crore** in **2024–25**, an approximate **threefold rise** in just ten years. In **2024–25** alone, **nominal GDP** grew by **9.9%** over the previous year, while **real GDP (at constant prices)** increased by **6.5%**, reflecting sustained economic momentum. This steep growth reflects the country's expanding economic base and rising income levels.



During the same period **Real GVA** rose by **6.4%**, and **nominal GVA** by **9.5%**. **Private Final Consumption Expenditure (PFCE)** grew by **7.3%**, driven by a recovery in **rural demand**, reaching its **highest share of GDP (61.8%)** since **2002–03**.



The **services sector** has remained the **steepest contributor to GVA**, with its share rising from **50.6% in FY14** to around **55% in FY25**. It also provides employment to approximately **30% of the workforce**. In addition to its direct contribution, services play an increasingly vital role in “**servicification**” of **manufacturing**, enhancing value through services used in both **production** and **post-production** stages.

This sustained momentum is the result of a **structural transformation** led by the **Government**, prioritising **transparency**, **ease of doing business**, and **long-term investments** across **manufacturing**, **MSMEs**, **digital services**, and **infrastructure**.

CONSUMER PRICE INDEX NUMBERS ON BASE 2012=100 - RURAL & URBAN

Consumer Price Indices (CPI) measure changes over time in general level of prices of goods and services that households acquire for the purpose of consumption. CPI is widely used as a macroeconomic indicator of inflation, as a tool by governments and central banks for inflation targeting and for monitoring price stability, and as deflators in the national accounts. CPI is also used for indexing dearness allowance to employees for increase in prices.

The Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation has revised the Base Year of the Consumer Price Index (CPI) from 2010=100 to 2012=100 with effect from the release of indices for the month of January, 2015. The earlier series on Base 2010=100 was started w.e.f January 2011. In this revised series, many methodological changes have been incorporated, in order to make the indices more robust. Details of Base Revision may be seen in the publication CPI-Changes in the Revised Series (2012=100) and also in the Report of the Group of TAC on SPCL on Base Revision of CPI. Monthly price data are collected from 1181 villages and 1114 markets in 310 selected towns by the Field Operations Division of NSSO and the specified State/UT Directorates of Economics and Statistics. The prices are being collected through Web Portals. Web portal for rural prices was developed by NIC and for urban prices by the Computer Centre in MoSPI.

1. **Headline Inflation:** Year-on-year inflation rate based on All India Consumer Price Index (CPI) for the month of January 2025 over January 2024 is 4.31% (Provisional). There is decline of 91 basis points in headline inflation of January, 2025 in comparison to December 2024. It is the lowest year on-year inflation after August, 2024.

2. **Food Inflation:** Year-on-year inflation rate based on All India Consumer Food Price Index (CFPI) for the month of January 2025 over January, 2024 is 6.02% (Provisional). Corresponding inflation rate for rural and urban are 6.31% and 5.53%, respectively. All India inflation rates for CPI(General) and CFPI over the last 13 months are shown below. A sharp decline of 237 basis point is observed in food inflation in January, 2025 in comparison to December, 2024. The food inflation in January, 2025 is the lowest after August, 2024.

3. **Rural Inflation:** Significant decline in headline and food inflation in rural sector observed in January 2025. It is 4.64% (provisional) in January, 2025 while the same was 5.76% in December, 2024. The CFPI based food inflation in rural sector is observed as 6.31% in January, 2025 in comparison to 8.65% in December, 2024. 2025. of 13th September 2024. .

4. Urban Inflation: Sharp decline from 4.58% in December, 2024 to 3.87% (Provisional) in January, 2025 is observed in headline inflation of urban sector. Similar decline is observed in food inflation which is decreased from 7.9% in December, 2024 to 5.53% in January, 2025.

5. Housing Inflation: Year-on-year Housing inflation rate for the month of January, 2025 is 2.76%. Corresponding inflation rate for the month of December, 2024 was 2.71%. The housing index is compiled for urban sector only.

6. Education Inflation: Year-on-year Education inflation rate for the month of January, 2025 is 3.83%. Corresponding inflation rate for the month of December, 2024 was 3.95%. It is combined education inflation for both rural and urban sector.

7. Health Inflation: Year-on-year Health inflation rate for the month of January, 2025 is 3.97%. Corresponding inflation rate for the month of December, 2024 was 4.05%. It is combined health inflation for both rural and urban sector.

8. Transport & Communication: Year-on-year Transport & communication inflation rate for the month of January, 2025 is 2.76%. Corresponding inflation rate for the month of December, 2024 was 2.64%. It is combined inflation rate for both rural and urban sector.

9. Fuel & light: Year-on-year Fuel & light inflation rate for the month of January, 2025 is -1.38%. Corresponding inflation rate for the month of December, 2024 was -1.33%. It is combined inflation rate for both rural and urban sector.

10. The significant decline in headline inflation and food inflation during the month of January, 2025 is mainly attributed to decline in inflation of Vegetables, Egg, Pulses & Products, Cereals and Products, Education, Clothing and Health.

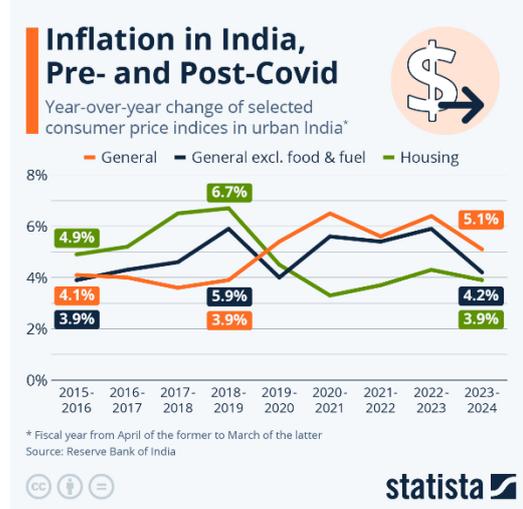
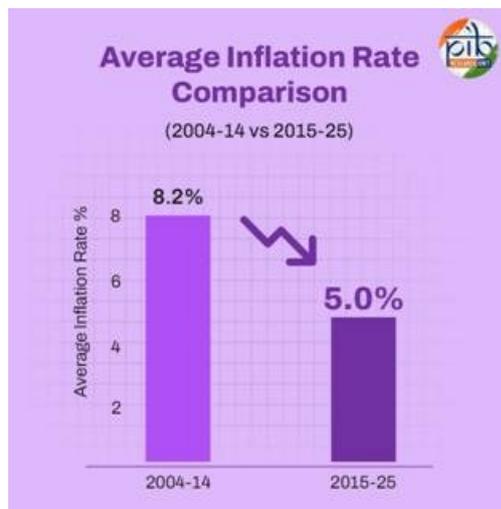
11. Top five items with highest inflation: The top five items showing highest year on year Inflation at All India level in January 2025 are Coconut oil (54.20%), potato (49.61%), coconut (38.71%), garlic (30.65%), peas [vegetables] (30.17%).

12. Top five items with lowest inflation: The key items having lowest year on year inflation in January, 2025 are jeera (-32.25%), ginger (-30.92%), dry chilies (-11.27%), brinjal (-9.94%), LPG (excl. conveyance) (-9.29%). For other data related to All India Item Index and Inflation.

INFLATION CONTROL : High Prices to Stability

Retail inflation fell to **4.6% in 2024–25**, the **lowest since 2018–19**, highlighting the success of RBI’s pro-growth monetary policy in balancing growth and price stability.

Over the last two decades, India has seen a remarkable transformation in its inflation landscape. Between **2004–05 and 2013–14**, inflation averaged **8.2%**, with several years experiencing **double-digit rises**, largely driven by **surging food and fuel prices**. This period put pressure on **household budgets** and created **uncertainty for businesses**.



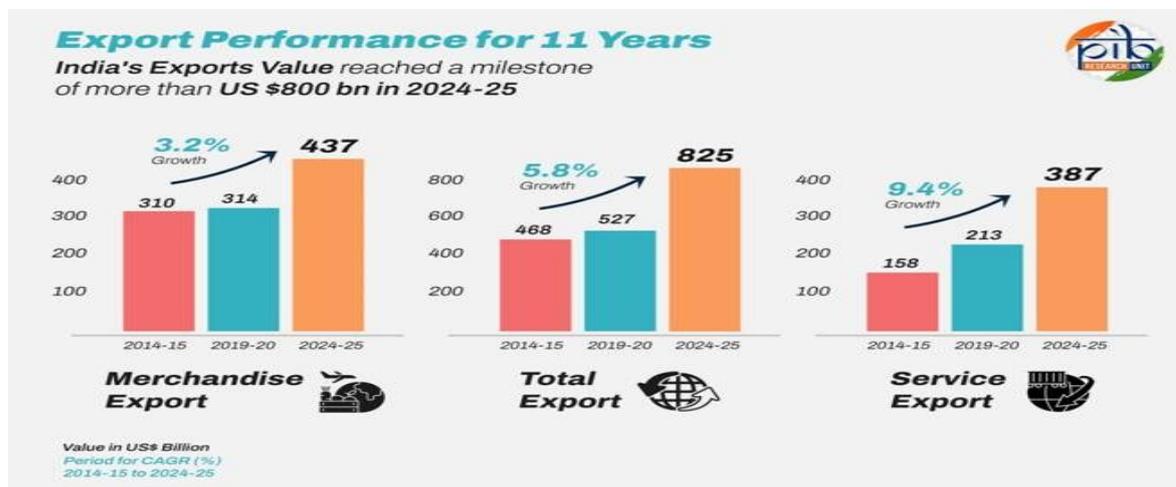
However, from **2015–16 to 2024–25**, inflation has **moderated significantly to an average of around 5%**. This shift reflects **strong policy interventions**, including **inflation-targeting by the Reserve Bank of India**, **improved supply chain management**, and **sound fiscal discipline by the Government**. As a result, **price stability has improved**, boosting **consumer confidence** and supporting **sustainable economic growth**.

Over the past decade, India has undergone a profound economic transformation rooted in structural reforms, visionary policymaking, and unwavering political will. From achieving historic **GDP growth** and record exports to revolutionising digital payments and empowering millions through financial inclusion, the country has laid the foundation for a **resilient, equitable, and future-ready economy**. With robust FDI inflows, expanding trade, and innovation-driven sectors leading the charge, India is no longer a passive participant in the global economy, it is a key architect of its future. As the country moves confidently toward its goal of becoming a **top three economic power**, the momentum of the last eleven years signals that India’s economic rise is not just a moment—it is a movement.

External Trade: Expanding India's Global Footprint :

India's total exports have shown remarkable growth over the past decade, rising from **US\$ 468 billion** in 2013–14 to **US\$ 825 billion** in 2024–25, marking a substantial increase of approximately **76%**.

This growth was supported by a marginal increase in **merchandise exports**, which stood at **US\$ 437.42 billion** in FY 2024–25 compared to **US\$ 437.07 billion** in the previous year, reflecting stability in goods-based trade. Over the decade, merchandise exports rose from **US\$ 310 billion** in 2013–14 to **US\$ 437.42 billion** in 2024–25, marking a **39% increase**, driven by sectors such as engineering goods, petroleum products, and electronics.



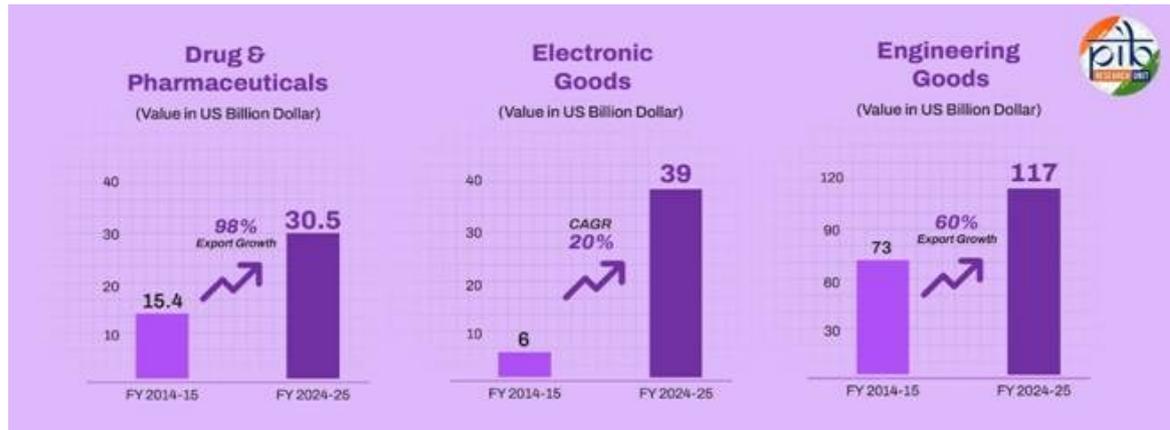
Services exports more than doubled, expanding from **US\$ 158 billion** in 2013–14 to **US\$ 387 billion** in 2024–25, registering a remarkable **growth**.



Export Sectors :

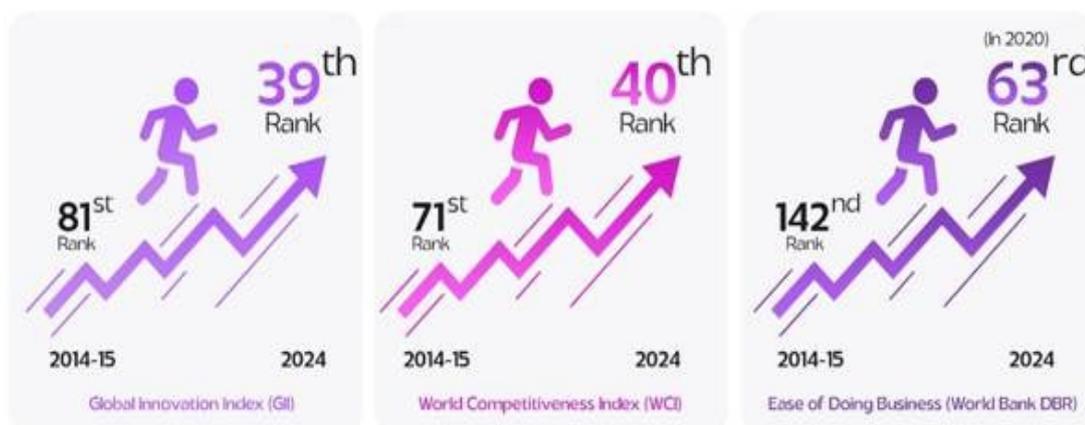
India's export surge in FY 2024–25 has been propelled by its **top three export sectors**—**engineering goods, electronic goods, and drugs & pharmaceuticals**—which have played a pivotal role in strengthening the country's trade performance.

India's **non-petroleum exports** reached an all-time high of **USD374.1 billion (FY 2024-25)**



Sector	Top Export Destinations	Other Key Highlights
Engineering Goods	USA, UAE, Saudi Arabia, UK, Germany	<ul style="list-style-type: none"> Achieved the highest export value among all sectors. Driven by key initiatives like Make in India, PLI scheme for auto and components, and the Advanced Chemistry Cell (ACC) programme.
Electronic Goods	UAE, USA, Netherlands, UK, Italy	<ul style="list-style-type: none"> Electronic goods exports saw a growth of over 32%, reaching more than USD 38 billion in FY 2024-25. Export growth in value terms: ~US\$ 10 billion
Drugs & Pharmaceuticals	200+ countries	<ul style="list-style-type: none"> India ranks 3rd globally in volume terms. Market projected to reach US\$ 130 bn by 2030 and US\$ 450 bn by 2047.

India's Rising Global Competitiveness



Global Capital Flows into India :

India has rapidly become one of the world's most attractive destinations for Foreign Direct Investment (FDI), fuelled by a decade of structural reforms, investor-friendly policies, and enhanced global competitiveness. Strengthened by improvements in key international rankings and strategic initiatives, investor confidence has surged. The Government now aims to raise annual FDI inflows to **US\$ 100 billion**, up from the current five-year average of **over US\$ 70 billion**, aligning with efforts to position India as a global investment hub amid shifting supply chains. These factors have boosted FDI investments in India with cumulative inflows reaching an impressive **₹89.85 lakh crore (US\$ 1.05 trillion)** between **April 2000 and December 2024**, marking nearly a **20-fold increase since FY01**. India's FDI equity inflows for April-December 2024 **surged by 27%** to **₹3.40 lakh crore (US\$ 40.67 billion)**, reflecting robust investor confidence. This growth has been driven by reforms such as the liberalisation of FDI norms in key sectors, introduction of GST, and initiatives like *Make in India*.

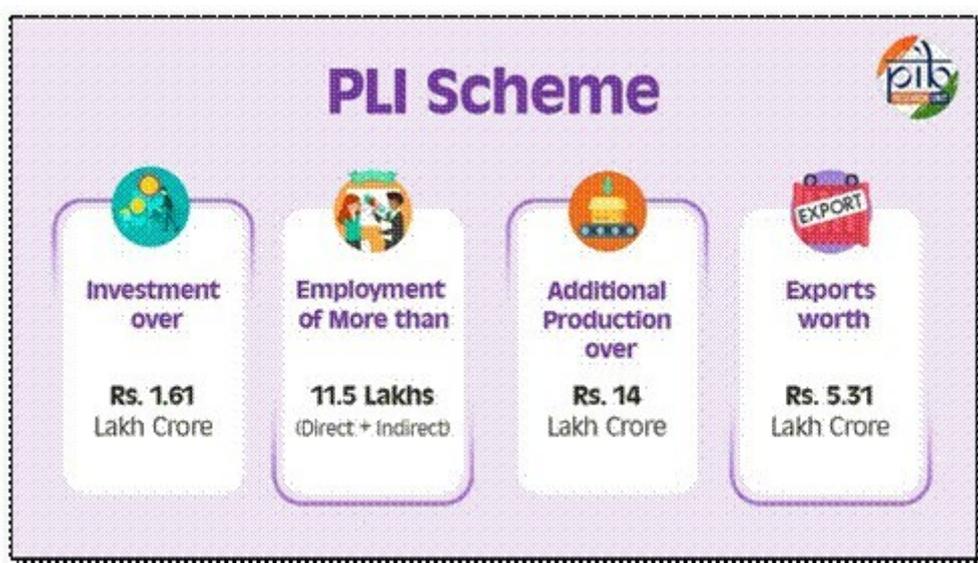
Sector	Share of Cumulative FDI Equity Inflow (%)
Services	16.2%
Computer Software & Hardware	15.0%
Trading	6.4%
Telecom	5.5%
Automobiles	5.2%

Key achievements in FDI

- Highest ever annual FDI Inflow of **USD 84.84 billion** in the financial year **2021-22**.
- FDI inflow **USD 667.74 billion** in last 10 financial years (**2014-24**). It is nearly 67% of the total FDI reported in the last 24 years (**USD 991.32 billion**).
- Gross FDI inflows touched **USD 1 trillion** by September 2024.
- **26%** Jump in FDI, in **H1-FY 2024-25 FDI hits USD42+ Billion**
- More than **90%** of FDI Equity Inflow received under Automatic Route.

Category	Key Highlights
Healthcare & Insurance	<ul style="list-style-type: none"> • Hospital segment attracted US\$ 1.5 billion (Rs. 12,708 crore) in FY24, accounting for 50% of total healthcare FDI. • Insurance sector received US\$ 6.51 billion in FDI over nine years. FDI cap increased from 26% (2014) to 74% (2021).
Space Sector	<ul style="list-style-type: none"> • In March 2024, the Union Cabinet led by PM Modi approved FDI reforms in the space sector, allowing 100% FDI in selected satellite sub-sectors under defined limits to boost private investment. • Indian space startups raised over US\$ 120 million in the first nine months of FY24.
Renewables	<ul style="list-style-type: none"> • FDI inflows amounted to US\$ 6.14 billion between April 2020 and September 2023.
Defence	<ul style="list-style-type: none"> • As of February 2024, FDI in the defence sector reached US\$ 612 million (Rs. 5,077 crore). • Joint ventures with foreign OEMs are being promoted under ‘Aatmanirbhar Bharat’ and ‘Make in India’.
Food Processing	<ul style="list-style-type: none"> • World Food India 2023 summit facilitated MoUs worth US\$ 4 billion (Rs. 33,129 crore). • Additional investments of US\$ 3.12 billion (Rs. 25,869 crore) were mobilized under schemes like PMKSY, PLISFPI, and PMFME.
Tech & Auto	<ul style="list-style-type: none"> • Databricks will invest US\$ 250 million (Rs. 2,133 crore) and expand its workforce by 50% by FY25. • In January 2024, Prime Minister Narendra Modi inaugurated Boeing’s US\$ 192.5 million (Rs. 1,600 crore) tech centre near Bengaluru.
Startups	<p>India’s space startup ecosystem grew from 1 to 190+ startups in just 4 years, supported by liberalized policy and strong investor interest.</p>

Production Linked Incentive Scheme :



With an impressive outlay of **₹1.97 lakh crore** (over US\$26 billion), the PLI Schemes focus on 14 critical sectors, each strategically chosen to enhance the country's manufacturing prowess, foster technological advancements, and elevate India's position in global markets.

These sectors are aligned with the government's goal of strengthening domestic production and expanding exports, contributing to the broader vision of Atmanirbhar Bharat. The impact of PLI Schemes has been significant across various sectors in India. These schemes have incentivized domestic manufacturing, leading to increased production, job creation, and a boost in exports. They have also attracted significant investments from both domestic and foreign players. PLI Schemes have transformed India's exports basket from traditional commodities to high value-added products such as electronics & telecommunication goods, processed food products etc. PLI Schemes have witnessed exports surpassing **₹ 5.31 lakh crore (around US\$ 61.76 billion)**, with significant contributions from sectors such as **Large-Scale Electronics Manufacturing, Pharmaceuticals, Food Processing, and Telecom & Networking products.**

Strengthening the MSME Sector :

With over **6.3 crore enterprises**, the **MSME sector** plays a vital role in employment generation and entrepreneurship, second only to agriculture. The government has supported the sector through initiatives focusing on **credit access, technology, infrastructure, skill development, and market support**, including for **Khadi, Village, and Coir industries.**

Key Achievements:

- **Over ₹3.58 lakh crore** sanctioned under the **Emergency Credit Line Guarantee Scheme (ECLGS)**
- **MSME loans of over ₹2.39 lakh crore** saved from becoming NPAs under ECLGS
- **1.13 crore** MSMEs benefitted.
- Estimates show that this saved over **1.5 crore jobs, supported the livelihood of nearly 6 crore people.**
- Guarantee cover enhanced up to **₹100 crore** to boost credit access.

Digital Transformation in Payments :

India has experienced a remarkable surge in digital payments, marking a pivotal shift towards a cashless economy. This growth has been enabled by government initiatives, collaborative stakeholder efforts, and robust digital infrastructure. At the centre of this transformation is **Unified Payments Interface (UPI)**, alongside **Immediate Payment Service (IMPS)** and **NETC FASTag**, which have made transactions faster, safer, and more accessible.

Revolution in Digital Transactions :

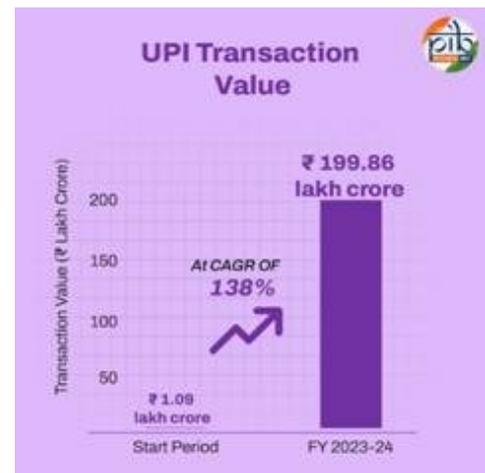
India's digital payment transactions have expanded at an exponential rate, reflecting increased digital adoption among individuals and businesses.

Transaction Volume:

Digital payment transactions grew from **2,071 crore in FY 2017–18** to **18,737 crores in FY 2023–24**, achieving a **Compound Annual Growth Rate (CAGR) of 44%**.

Over the same period, the value of transactions rose from **₹1,962 lakh crore** to **₹3,659 lakh crore**, with a **CAGR of 11%**.

UPI: The Flagship of India's Digital Economy :



Unified Payments Interface (UPI) is a transformative digital payment system that integrates multiple bank accounts into one mobile application, offering seamless fund transfers, bill payments, and merchant transactions. It has not only made financial transactions **fast, secure, and effortless**, but also empowered individuals, small businesses, and merchants, driving the country's shift toward a cashless economy.

IMPS and NETC FASTag: Enhancing Real-Time and Mobility Payments

In **December 2024**, IMPS processed **441 million transactions** valued at **₹6.01 lakh crore**, up from **407.92 million transactions and ₹5.58 lakh crore** in November 2024.

While UPI dominates mobile-based peer-to-peer and merchant payments, **Immediate Payment Service (IMPS)** and **NETC FASTag** continue to play crucial roles in strengthening India's digital payments landscape.

In December 2024 saw **381.98 million FASTag transactions**, up from **358.84 million in November**, with transaction value rising from **₹6,070 crore to ₹6,642 crore**.

IMPS, launched in 2010, is a real-time, 24x7 electronic funds transfer service supporting transactions across banks and financial institutions via mobile, internet banking, ATMs, and SMS. Simultaneously, **NETC FASTag**, India's **digital toll collection system**, enables **cashless toll payments** directly from linked bank accounts, enhancing convenience for commuters.

Together, IMPS and FASTag are instrumental in expanding digital financial services beyond traditional transactions—driving seamless fund transfers and mobility-related payments across the country.

Internationalization of Digital Payments:

India's indigenously developed UPI and RuPay cards are world class platforms for enabling digital payments. Government is making efforts to promote these products globally. At present UPI is fully functional and live in **UAE, Nepal, Bhutan, Singapore, Mauritius, France and Sri Lanka**. RuPay cards acceptance is live in **UAE, Nepal, Bhutan, Singapore and Mauritius**. **49% of global real-time digital transactions** happened in India (ACI Worldwide Report 2024)

Financial Empowerment in India :

India has made remarkable progress in deepening financial inclusion and promoting grassroots entrepreneurship. A suite of flagship schemes launched since 2014 has significantly broadened access to **banking, insurance, pensions, and credit**. Together, they have laid the groundwork for a more **resilient, inclusive, and opportunity-driven economy**.

1. Pradhan Mantri Jan Dhan Yojana (PMJDY)

Launched in August 2014 by the Prime Minister Narendra Modi as a **National Mission for Financial Inclusion** (NMFII), PMJDY aimed to bring the vast unbanked population into the formal financial system, ensuring that every citizen has the opportunity to manage their financial activities effectively. The scheme, guided by the principles of "banking the unbanked, securing the unsecured, funding the unfunded, and serving the underserved," has made significant strides in providing universal banking services to every unbanked household across the nation.

- The number of PMJDY accounts increased from **14.72 crore in 2015 to 55.17 crore** by April 2025.
- Total deposits in these accounts rose from **₹15,670 crore to ₹2.61 lakh crore**, reflecting enhanced financial participation.
- Over **30.80 crore accounts** are held by women, promoting gender-inclusive financial empowerment.



2. Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) :

Announced in the 2015 Union Budget in response to the fact that only 20% of Indians had insurance coverage, PMJJBY offers annual renewable life insurance. **Over 9 lakh families** have received timely support, making it one of the most impactful public life insurance schemes globally.

- As of March 2025, **23.36 crore individuals** have enrolled in the scheme.
- Out of **9,37,524 claims received**, **9,05,139** have been successfully **disbursed**, amounting to **₹18,102.78 crore**

3. Pradhan Mantri Suraksha Bima Yojana (PMSBY) :

- As of **April 2025**, the scheme has achieved **50.99 crore cumulative enrolments**.
- Out of these, **23.82 crore women** and **33.81 crore rural residents** have benefitted, reflecting strong inclusivity.
- The scheme has received **2,09,112 claims**, with **1,56,428 claims disbursed**.
- Total claim payout stands at **₹3,106.58 crore**

Since its launch on 9th May 2015, the **Pradhan Mantri Suraksha Bima Yojana (PMSBY)** has made remarkable strides in expanding affordable accident insurance coverage across India.

With a nominal annual premium of ₹20 and easy bank-linked auto-debit enrolment, PMSBY has become a crucial instrument in providing **financial protection to vulnerable sections**, particularly in rural and low-income households.

4. Atal Pension Yojana (APY) :

To tackle longevity risks and the lack of retirement security in the **unorganised sector**, APY was launched in 2015. It provides a defined monthly pension linked to contribution and age of entry. As of April 2025, the scheme has accumulated **7.65 crore subscribers** and a total corpus of **₹45,974.67 crore**. Women now constitute **about 48%** of all subscribers, a strong indicator of growing financial awareness and security among female workers.

5. Pradhan Mantri Mudra Yojana (PMMY) :

Launched on 8 April 2015, Pradhan Mantri Mudra Yojana (PMMY), the Flagship Programme of the Prime Minister aimed at Funding the Unfunded micro enterprises and small businesses. By removing the burden of collateral and simplifying access, MUDRA laid the foundation for a new era of grassroots entrepreneurship. The scheme has ignited an entrepreneurial shift across India—from cities to villages, turning job seekers into job creators.

More than 52.77 crore loan accounts have been extended with sanction amount of Rs. 34.11 lakh crore and disbursed amount of Rs. 33.33 lakh crore, since launch of the scheme.

6. Stand-Up India Scheme:

Since its inception on 5 April 2016, the Stand-Up India Scheme has enabled SC, ST, and women entrepreneurs to launch greenfield enterprises by facilitating bank loans. It has empowered thousands to start and grow businesses, creating livelihood opportunities and driving inclusive economic participation.

7. PM Vishwakarma: Empowering India's Traditional Artisans :



Launched on **September 17, 2023**, the **PM Vishwakarma Scheme** is a landmark initiative aimed at supporting traditional artisans and craftspeople across **18 identified trades** such as blacksmiths, carpenters, potters, tailors, barbers, cobblers, and others. The scheme provides **holistic support**, including **skill training**, **collateral-free credit**, **modern toolkits**, **market access**, and **incentives for digital transactions**—helping integrate these artisans into the formal economy.

8. PM SVANidhi Scheme: Empowering Street Vendors with Affordable Credit :

The **PM SVANidhi Scheme** launched by the Ministry of Housing and Urban Affairs on **June 1, 2020**, aims to empower street vendors by providing **hassle-free access to affordable credit** and promoting their **digital onboarding** for economic development. The scheme offers **collateral-free working capital loans** up to **Rs. 50,000** in three tranches, along with a **7% per annum interest subsidy** and **cashback incentives** of Rs. 1 per digital transaction (up to Rs. 1,200 annually). Initially valid until **December 31, 2024**, the scheme is currently under extension.

3.2. Economy 2025 :

India's economy is navigating global challenges, including trade uncertainties and inflationary pressures. Despite these, domestic consumption and government spending continue to drive growth. The Reserve Bank of India has adopted an accommodative monetary policy stance to support economic expansion .

Economic Survey 2024 – 2025 :

The Economic Survey 2024-25 notes that agriculture growth remained steady in first half of FY25, with Q2 recording a growth rate of 3.5 per cent, marking an improvement over the previous four quarters. Healthy Kharif production, above-normal monsoons, and an adequate reservoir level supported agricultural growth. The total Kharif food grain production is estimated at a record 1647.05 lakh metric tonnes (LMT) in 2024-25, higher by 5.7 per cent compared to 2023-24 and 8.2 per cent higher than the average food grain production in the past five years.

The industrial sector grew by 6 per cent in first half of FY25, and is estimated to grow by 6.2 per cent in FY25. Q1 saw a strong growth of 8.3 per cent, but growth moderated in Q2 due to three key factors. First, manufacturing exports slowed significantly due to weak demand from destination countries, and aggressive trade and industrial policies in major trading nations. Second, the above average monsoon had mixed effects - while it replenished reservoirs and supported agriculture, it also disrupted sectors like mining, construction, and, to some extent, manufacturing. Third, the variation in the timing of festivities between September and October in the previous and current years led to a modest growth slowdown in Q2 FY25.

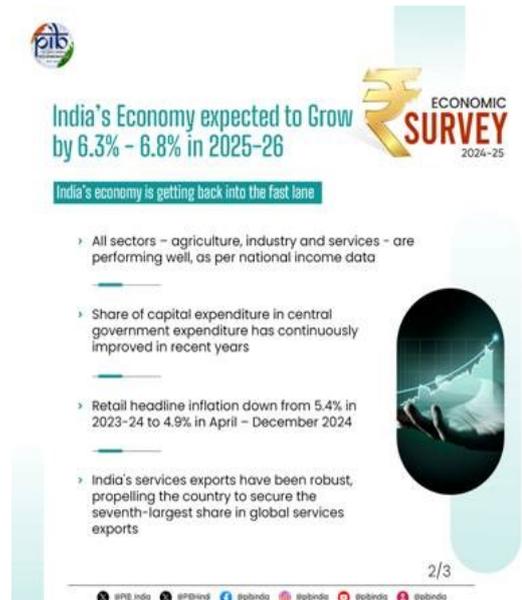
Despite various challenges, India continues to register the fastest growth in manufacturing PMI, stated the Survey. The latest Manufacturing PMI for December 2024 remained well within the expansionary zone, driven by new business gains, robust demand, and advertising efforts.

The services sector continues to perform well in FY25, emphasizes the Survey. A notable growth in Q1 and Q2 resulted in 7.1 per cent growth in first half of FY25. Across sub-categories, all the sub-sectors have performed well. India's services export growth surged to 12.8 per cent during April–November FY25, up from 5.7 per cent in FY24.

The Economic Survey states that growth process has been ably supported by stability on fronts such as inflation, fiscal health, and external sector balance. On inflation, the Survey states that retail headline inflation has softened from 5.4 per cent in FY24 to 4.9 per cent in April – December 2024. Food inflation, measured by the Consumer Food Price Index (CFPI), has increased from 7.5 per cent in FY24 to 8.4 per cent in FY25 (April-December), primarily driven by a few food items such as vegetables and pulses. India’s consumer price inflation will gradually align with the target of around 4 per cent in FY26 as per RBI and IMF.

The Survey highlights that, despite global uncertainty, India has displayed steady economic growth. India's real GDP growth of 6.4 per cent in FY25 remains close to the decadal average.

From an aggregate demand perspective, private final consumption expenditure at constant prices is estimated to grow by 7.3 per cent, driven by a rebound in rural demand.



Keeping in mind the upsides and downsides to growth, the Survey expects the real GDP growth in FY26 to be between 6.3 and 6.8 per cent. Emphasizing that the external sector stability is safeguarded by services trade and record remittances, the Economic Survey quotes that India’s merchandise exports grew by 1.6 per cent YoY in April – December 2024. Merchandise imports rose by 5.2 per cent. India's robust services exports have propelled the country to secure the seventh-largest share in global services exports, underscoring its competitiveness.

In addition to the services trade surplus, remittances from abroad led to a healthy net inflow of private transfers. India was the top recipient of remittances in the world, driven by an uptick in job creation in OECD economies.

These two factors combined to ensure that India's current account deficit (CAD) remains relatively contained at 1.2 per cent of GDP in Q2 FY25, as per the Survey.

Gross Foreign Direct Investment inflows recorded a revival in FY25, increasing from USD 47.2 billion in the first eight months of FY24 to USD 55.6 billion in the same period of FY25, a YoY growth of 17.9 per cent, says the Survey. Foreign portfolio investment (FPI) flows have been volatile in the second half of 2024, primarily on account of global geopolitical and monetary policy developments.

The Economic Survey states that as a result of stable capital flows, India's foreign exchange reserves increased from USD 616.7 billion at the end of January 2024 to USD 704.9 billion in September 2024 before moderating to USD 634.6 billion as on 3 January 2025. India's forex reserves are sufficient to cover 90 per cent of external debt and provide an import cover of more than ten months, thereby safeguarding against external vulnerabilities.

The Economic Survey highlights continued good performance on the employment front. It states that India's labour market growth in recent years has been supported by post-pandemic recovery and increased formalisation. The unemployment rate for individuals aged 15 years and above has steadily declined from 6 per cent in 2017-18 to 3.2 per cent in 2023-24. The labour force participation rate (LFPR) and the worker-to-population ratio (WPR) have also increased.

The Survey also mentions that for India, a services-driven economy with a youthful and adaptable workforce, the adoption of AI offers the potential to support economic growth and improve labour market outcomes. Prioritising education and skill development will be crucial to equipping workers with the competencies needed to thrive in an AI-augmented landscape. The Survey brings out the fact that there are at present barriers to large-scale AI adoption, leading to a window for policymakers to act. The Economic Survey calls upon for collaborative effort between government, private sector, and academia to minimise the adverse societal effects of AI-driven transformation in the labour sector.

On infrastructure front, the Economic Survey highlights the need for continued step-up of infrastructure investment over next two decades to sustain a high growth. Under railway

connectivity, 2031 km of railway network was commissioned between April and November, 2024, and 17 new pairs of Vande Bharat trains were introduced between April and October 2024.

Port capacity improved significantly in FY25, leading to improvements in operational efficiency and reduction in average container turnaround time in major ports from 48.1 hours in FY24 to 30.4 hours during FY25 (Apr-Nov).

The Economic Survey underscores the government of India's efforts to boost renewable energy in the country and green investments through schemes, policies, financial incentives and regulatory measures such as PM - Surya Ghar: Muft Bijli Yojana, National Bioenergy Programme, National Green Hydrogen Mission and PM-KUSUM. The capacity addition in solar and wind power has led to a 15.8 per cent year-on-year increase in renewable energy capacity by December 2024.

The Government social services expenditure has witnessed an increase of compounded annual growth rate of 15% (combined for centre and states) from FY 21 to FY 25.

The Gini coefficient, which is a measure of inequality in consumption expenditure, has been declining in recent years (For rural areas it declined to 0.237 in 2023-24 from 0.266 in 2022-23 and for urban areas, it fell to 0.284 in 2023-24 from 0.314 in 2022-23), reflecting positive impact of Government's initiatives in reshaping income distribution. On the school education front, the government is working toward meeting the objectives of National Education Policy 2020 through a range of programmes and schemes. These interalia include the Samagra Shiksha Abhiyan, DIKSHA, STARS, PARAKH, PM SHRI, ULLAS, PM POSHAN, etc, as per the Survey.

In the total health expenditure of the country between FY15 and FY22, the Survey quotes the share of government health expenditure has increased from 29.0 per cent to 48.0 per cent. During the same period, the share of out-of-pocket expenditure in total health expenditure declined from 62.6 per cent to 39.4 per cent.

Micro, Small and Medium Enterprises (MSME) sector has emerged as a highly vibrant sector of the Indian economy, noted the Survey. To provide equity funding to MSMEs with the potential to scale up, the government launched the Self-Reliant India Fund with a corpus of ₹50,000 crore.

The Survey, says that reducing excessive regulatory burdens, governments can help businesses become more efficient, reduce costs, and unlock new growth opportunities. Regulations increase the cost of all operational decisions in firms, the Economic Survey adds. It has outlined a three-step process for states to systematically review regulations for their cost-effectiveness. The steps include identifying areas for deregulation, thoughtfully comparing the regulations with other states and countries and estimating the cost of each of these regulations on individual enterprises. The Survey highlights that Ease of Doing Business (EoDB) 2.0 should be a state government-led initiative focused on fixing the root causes behind the unease of doing business. It mentions that in the next phase for EoDB, states must break new ground on liberalizing standards and controls, setting legal safeguards for enforcement, reducing tariffs and fees, and applying risk-based regulation.

As the Survey underscores, looking ahead, India's economic prospects for FY26 are balanced. Headwinds to growth include elevated geopolitical and trade uncertainties and possible commodity price shocks. Domestically, the translation of order books of private capital goods sector into sustained investment pick-up, improvements in consumer confidence, and corporate wage pick-up will be key to promoting growth. Rural demand backed by a rebound in agricultural production, an anticipated easing of food inflation and a stable macro-economic environment provides an upside to near-term growth. Overall, India will need to improve its global competitiveness through grassroots-level structural reforms and deregulation to reinforce its medium-term growth potential. Several government schemes in India focus on infrastructure development. Pradhan Mantri Gram Sadak Yojana (PMGSY) aims to improve rural road connectivity. The PM Gati Shakti National Master Plan focuses on integrated planning and coordinated execution of infrastructure projects across various ministries and departments. Bharatmala Pariyojana is a major road development program. Additionally, the National Industrial Corridor Development Corporation (NICDC) is spearheading the development of industrial corridors and smart cities. Here's a more detailed look at some key schemes:

Rural Infrastructure:

- **Pradhan Mantri Gram Sadak Yojana (PMGSY):** This scheme focuses on providing all-weather road connectivity to unconnected habitations in rural areas. The goal is to improve access to essential services and economic opportunities for rural populations.

National Level Infrastructure Development:

India's journey towards becoming a developed nation by 2047 hinges significantly on improving its infrastructure, a cornerstone for fostering liveable, climate-resilient, and inclusive cities that drive economic growth. The government's commitment is evident through its allocation of 3.3% of GDP to the infrastructure sector in the fiscal year 2024, with particular focus on the transport and logistics segments.

Roads & Highways account for the highest share, followed by Railways and Urban Public Transport. The government has set ambitious targets for the transport sector, including development of 2 lakh-km national highway network by 2025 and expanding airports to 220. Additionally, plans include operationalizing 23 waterways by 2030 and developing 35 Multi-Modal Logistics Parks (MMLPs). The total budgetary outlay for infrastructure-related ministries increased from around INR 3.7 Lakh Cr in FY23 to INR 5 Lakh Cr in FY24, offering investment prospects for the private sector across various transport sub-segments. As the transport sector gears up to address sustainability challenges, the private sector stands poised to capitalize on the conducive policy environment to accelerate infrastructure investments. Public-Private Partnerships (PPPs) have served as a vital mechanism for private sector engagement across various infrastructure domains, notably in the construction of airports, ports, highways, and logistics parks throughout India. Besides support from the central government and states across various schemes, India needs a significant push from Public-Private Partnerships to achieve its goal of reaching a \$5 Trillion economy by 2025.

In 2021, the government launched the **PM Gatishakti National Master Plan (NMP)** with a focus on major transport sectors to enhance multimodal connectivity infrastructure in various economic zones. The objective is to ensure that all departments have visibility of each other's activities providing critical data while planning & execution of projects in a comprehensive manner. By doing this, different departments will be able to prioritise smooth & optimal execution of their projects.

It aims to bring together the infrastructure schemes such as Bharatmala, Sagarmala, UDAN etc. under a digital platform. The NMP offers a detailed database of trunk and utility infrastructure, ongoing and future projects from different ministries/departments of both the Central Government and States/UTs. Integrated with the GIS-enabled PM Gatishakti platform, this allows for streamlined planning, design, and monitoring of next-generation infrastructure projects on a single portal.

As per the India Investment Grid (IIG) database, there are currently 15,580 projects worth \$2388.93 Bn at various stages of development. Alongside this, the **National Logistics Policy**, addresses the development of integrated infrastructure and efficiency in services, including processes and regulatory frameworks, through its Comprehensive Logistics Action Plan (CLAP). Together, the NMP and the National Logistics Policy provide a framework for creating a data-driven decision support mechanism to enhance logistics efficiency and reduce costs in the country's logistics ecosystem.

Major plans of Indian Infrastructure:

- **Roads:** The **Bharatmala Pariyojana** is progressing with Phase I focusing on developing 34,800 km of National Highways. It emphasizes corridor-based development and is set to conclude by 2027-2028, covering 31 States/UTs and over 550 districts. Additionally, the government targets building 22 new greenfield expressways, signalling significant advancements in India's transportation infrastructure.
- **Airports:** The Ministry of Civil Aviation's flagship Regional Connectivity Scheme **UDAN (Ude Desh Ka Aam Nagarik)** aims to enhance air connectivity to regional airports in small towns. Launched in 2016, UDAN focuses on making flight services accessible to common citizens by developing infrastructure and air connectivity. In its first 5 years, UDAN served over one crore passengers, inaugurating 425 new routes and 58 airports. The Budget for 2023–24 allocated INR 1,244.07 Cr to UDAN, doubling the previous year's budget, with plans to revive 22 airports. Additionally, the government outlined the revival of 50 additional airports, heliports, water aerodromes, and advanced landing grounds.
- **Railways:** India's railway sector is undertaking ambitious projects such as the **Mumbai-Ahmedabad Speed Rail Corridor**, the world's highest pier bridge under construction, and the Chenab bridge in Jammu & Kashmir - the world's highest railway bridge. Total Broad Gauge network of 61,508 km electrified as of December 2023, the sector has also introduced 35 indigenously designed Vande Bharat Express trains, with six more set to launch soon. These trains serve up to 247 districts across the country. Indian Railways aims to become a Net Zero Carbon Emitter by 2030, with 211 MW of solar plants and 103 MW of wind power plants commissioned as of October 2023, along with 2150 MW of renewable capacity tied up.

- **Ports:** Indian Ports "Turn Around Time" has reached 0.9 days which is better than USA (1.5 days), Australia (1.7 days) and Singapore (1.0 days), as per the World Bank's Logistics Performance Index (LPI) Report 2023. Sagarmala, the flagship Central Sector Scheme of the Ministry of Ports, Shipping and Waterways, promotes port-led development in the country through harnessing India's 7,500 km long coastline, 14,500 km of potentially navigable waterways and strategic location on key international maritime trade routes. The Union Minister for Ports, Shipping and Waterways said that the country's total port capacity will increase from the existing 2,600 MTPA (Mn Tonnes per annum) to more than 10,000 MTPA in 2047. From April to November 2023, cargo of 86.47 MMT moved through Waterways as compared to 80.44 MMT during April to November 2022, i.e. an increase of 7.49%. The government also aims to operationalise 23 waterways by 2030.

Private sector participation is vital for financing key infrastructure projects in India, given the government's fiscal constraints and the need for prudent spending. India launched the **National Infrastructure Pipeline (NIP)**, in 2020 which envisages an investment of INR 111 Lakh Cr over 2020 to 2025 i.e., an annual average investment of almost INR 22 Lakh Cr. Public Private Partnerships (PPP) have been identified as a valuable instrument to speed up infrastructure development and investments envisaged under NIP. Involving the private sector promotes industry competitiveness, enabling access to a wider talent pool and enhanced resource utilization. There are several PPP projects currently in pipeline across sectors such as the development of Pune metro line 3, Hyderabad and Bengaluru metro extensions, development of multi modal logistics park in Chennai, and more. It is essential for India to prioritize the development of both urban and rural areas to ensure overall national progress. By 2030, it is projected that 40% of India's population will reside in urban areas, contributing significantly to the country's GDP. However, rapid urbanization poses challenges in managing infrastructure and delivering services effectively.

The **Smart Cities Mission** is a key initiative aimed at addressing these challenges efficiently. As of February 2024, 6,753 projects out of a total of 7,991 have been completed under the Smart Cities Mission, showcasing tangible progress. Moreover, India has made significant strides in digital infrastructure development, with rural areas expected to contribute significantly to new internet user growth, with around 56% of total new internet users coming from rural India by 2025, according to a report by TransUnion CIBIL. This trend underscores the increasing connectivity between rural and urban regions in the country.

Other Notable Initiatives:

- **National Industrial Corridor Development Corporation (NICDC):** NICDC is involved in the development of industrial corridors and smart cities, aiming to boost industrial growth and urbanization.
- **India Infrastructure Project Development Fund (IIPDF):** This fund provides support for project development expenses, particularly for Public-Private Partnership (PPP) projects.
- **MSE-CDP (Micro and Small Enterprises Cluster Development Program):** This scheme focuses on developing infrastructure in industrial clusters for micro and small enterprises, including common facility centres.

The infrastructure sector plays a pivotal role in driving India's economic growth and overall development. As the country continues on its path towards becoming a global economic powerhouse, the need for robust infrastructure becomes increasingly apparent. Private sector partnerships have emerged as crucial enablers in this endeavour, bringing in much-needed investment, innovation, and efficiency.

By leveraging public-private partnerships (PPPs), India can accelerate infrastructure development while ensuring sustainability and inclusivity. These partnerships not only help bridge the financing gap but also foster competition, encourage technological advancements, and promote best practices in project execution. Ultimately, the collaboration between the government and the private sector is essential for creating resilient, future-ready infrastructure that paves the way for a prosperous and sustainable future for all citizens of India.

Schemes Driving Skill Development and Empowerment

India's Skill India Mission (SIM), driven by the Ministry of Skill Development and Entrepreneurship, is equipping youth with essential industry-relevant skills through various programs like Pradhan Mantri Kaushal Vikas Yojana (PMKVY) and Jan Shikshan Sansthan (JSS). These initiatives focus on skill development, re-skilling and up-skilling, empowering millions with the tools needed for sustainable careers. By bridging the skill gap, fostering innovation, and creating new job opportunities, SIM is paving the way for a self-reliant and developed India (Atmanirbhar and Viksit Bharat).

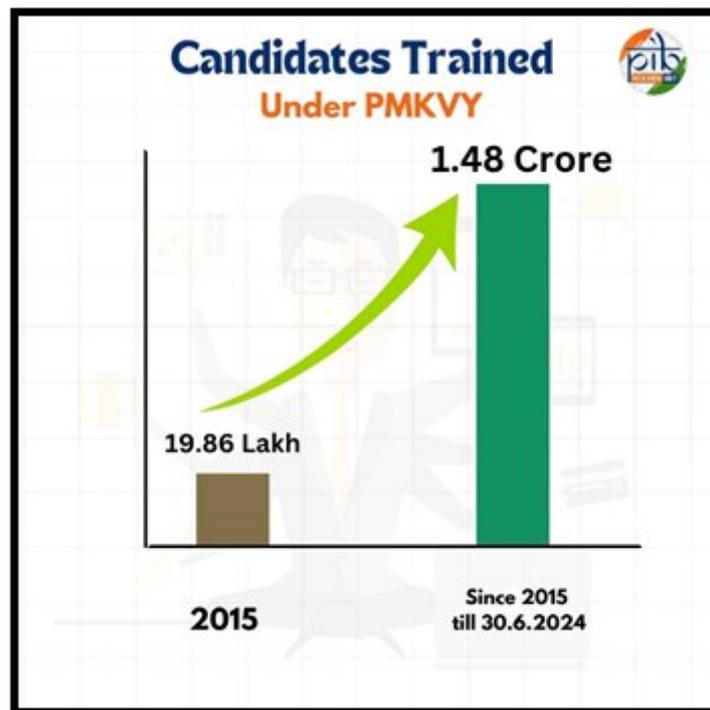
Pradhan Mantri Kaushal Vikas Yojana

Launch Date: PMKVY was introduced in 2015, and its 4.0 version is being implemented from FY 2022 to 2026.

Objective: To encourage and promote skill development in the country by providing free short-duration skill training and incentivizing youth for skill certification.

Key Achievements:

PMKVY 1.0 successfully trained over 19.86 lakh candidates. Since 2015, the scheme has trained/oriented 1.48 crore candidates by 30th June, 2024.

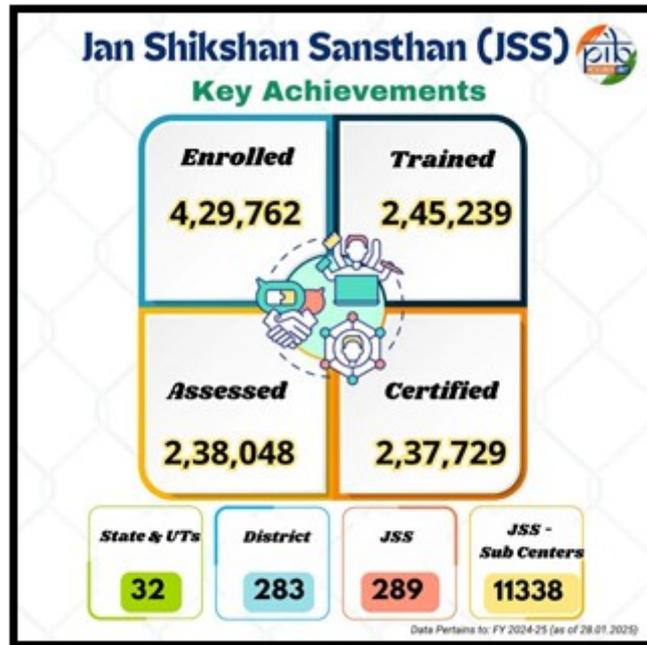


Jan Shikshan Sansthan (JSS)

Launch Date: Transferred from Ministry of Education (erstwhile Ministry of Human Resource Development) to Ministry of Skill Development & Entrepreneurship in July, 2018.

Objective: Aims to provide vocational training to non-literates, neo-literates as well as school drop-outs in rural regions by identifying skills that have a relevant market in that region.

Key Achievements: 4,29,762 beneficiaries enrolled, with 2,45,239 trained, 2,38,048 assessed and 2,37,729 certified under JSS. 32 States & UTs, 283 districts, 289 JSS, and 11,338 JSS sub-centers engaged in FY 2024-25. (Data pertains to FY 2024-25 as of 28.01.2025).



PM Vishwakarma Yojana - Launch Date: 17th September, 2023

Objective: The Scheme aims to provide end-to-end support to artisans and craftspeople of 18 trades who work with their hands and tools. The Scheme components include recognition through PM Vishwakarma Certificate and ID Card, Skill Upgradation, Toolkit Incentive, Credit Support, Incentive for Digital Transactions and Marketing Support. PM Vishwakarma will be implemented as a Central Sector Scheme, fully funded by the Government of India, with an initial outlay of Rs 13,000 crore and is set to run for five years, until 2027-28.

Key Achievements: As of January 28, 2025, a total of 2,64,97,537 applications have been submitted under the PM Vishwakarma Yojana, with 27,01,087 applications successfully registered.

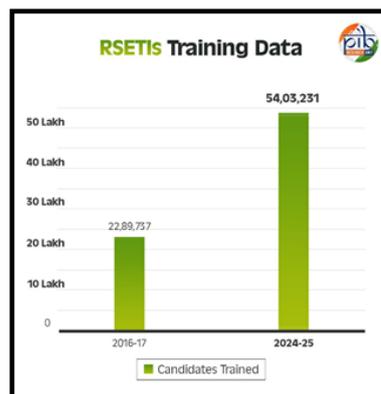
Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY)

Launch: 25th September 2014.

Objective: DDU-GKY is a part of the National Rural Livelihood Mission (NRLM), tasked with the dual objectives of adding diversity to the incomes of rural poor families and cater to the career aspirations of rural youth.

Key Achievements:

- Under Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY), 65% of the candidates have been placed in gainful employment after completing their training. From FY 2014-15 a total of 16,90,046 candidates have been trained and 10,97,265 candidates have been placed till November, 2024.



Rural Self Employment and Training Institutes (RSETIs) Launch: January 2009

Objective:

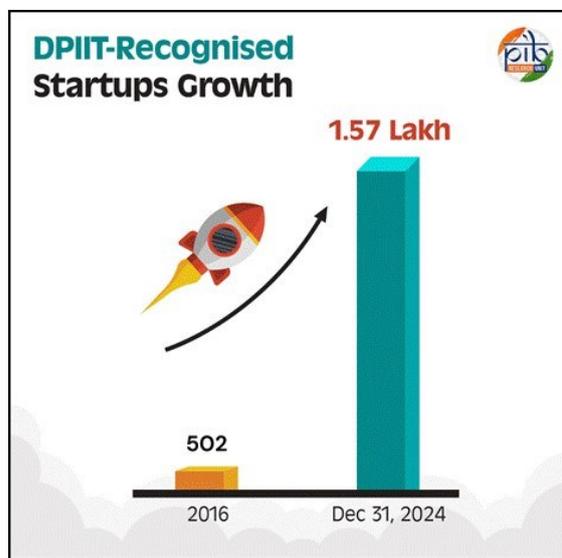
The scheme envisage framework for imparting good quality residential free training and post training follow up with credit linkage for sustained motivation among the trainees for promoting entrepreneurship among the rural youth. As RSETIs are Bank lead institutions they are prefixed with the name of the respective sponsor banks to give distinct identity.

Key Achievements:

A total of Rs. 89,639.09 Lakh has been released for RSETI from FY 2014-15 to FY 2024-25. As of January 1, 2025, a total of 54,03,231 candidates have been trained in the 2024-25 financial year, compared to 22,89,737 candidates trained in the 2016-17 financial year.

India's Startup Revolution :

India has firmly established itself as the third-largest startup ecosystem in the world, with over **1.57 lakh** certificates issued by Department for Promotion of Industry and Internal Trade (DPIIT) for recognition of startups as of December 31, 2024. The nation's entrepreneurial landscape, fuelled by more than 100 unicorns, is redefining innovation and creating new opportunities across sectors. Major hubs like Bengaluru, Hyderabad, Mumbai, and Delhi-NCR have been at the forefront of this transformation, while smaller cities are increasingly contributing to the momentum with over 51% of the startups emerging from Tier II/ III cities. Through initiatives like Startup India, the government has played a pivotal role in nurturing this growth and empowering the next generation of entrepreneurs.



Startup India

Launched on 16th January 2016, Startup India is a flagship initiative by the Government of India to foster innovation and create a thriving startup ecosystem. Its goal is to drive economic growth and generate large-scale employment opportunities. By supporting startups in their growth journey, the initiative encourages innovation and design. Through various schemes, it aims to empower startups to scale and succeed.

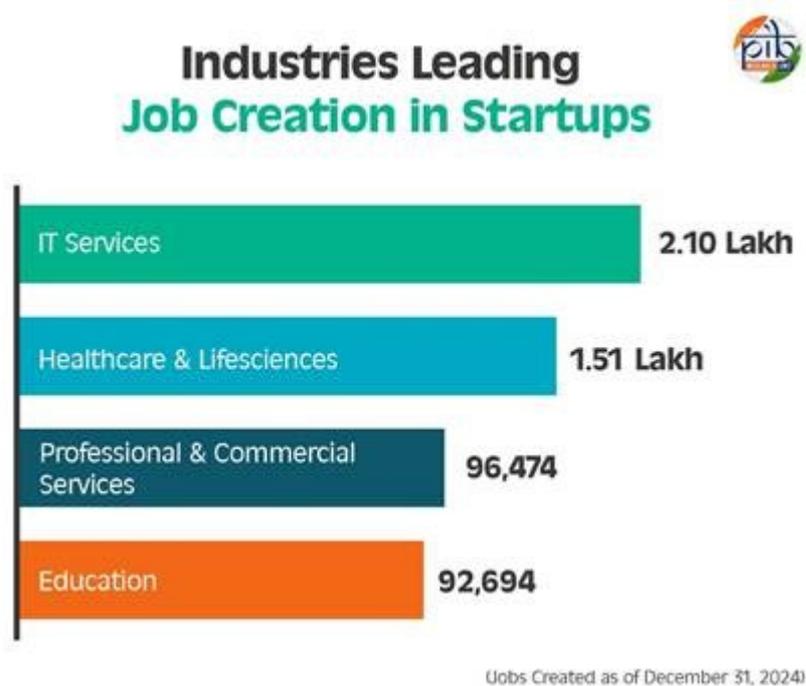
Progress and Impact:

Startup Growth : The number of DPIIT-recognised startups has risen from around 502 in 2016 to 1,57,706 as of December 31, 2024.

Job Creation: Startups have created over 17.28 lakh direct jobs as of December 31, 2024, with the IT Services sector leading at 2.10 lakh jobs, followed by Healthcare & Lifesciences (1.51 lakh) and Professional & Commercial Services (96,474).

Women-Led Startups: As of December 31, 2024, a total of 75,935 recognised startups include at least one-woman director (as per self-reported data of recognized startups), showcasing the rise of women entrepreneurs in India.

Ease of Doing Business & Tax Benefits: Simplified compliance, self-certification, and tax exemptions for three years have streamlined operations for startups.



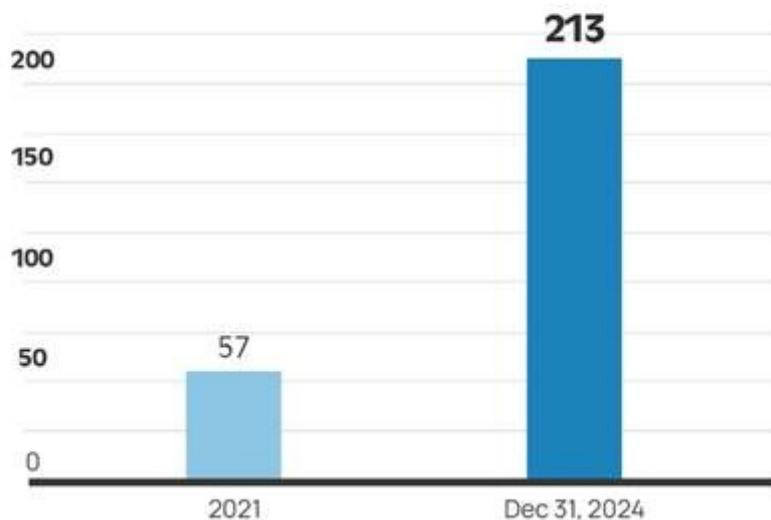
Startup India Seed Fund Scheme (SISFS) :

Launched in 2021 with a corpus of ₹945 crore, the SISFS supports startups at various stages, including proof of concept, prototype development, product trials, market entry, and commercialisation. The scheme, operational since 1st April 2021, is overseen by the Experts Advisory Committee (EAC), which evaluates and selects incubators for fund allocation.

Progress and Impact:

213 incubators have been approved under the scheme as of December 2024. A total of **2,622 startups** have benefited from **₹467.75 crore** in funding as of December 2024.

Cumulative Growth of Incubators Under SISFS



Fund of Funds for Startups (FFS) Scheme :

Launched in June 2016 with a corpus of ₹10,000 crore, the Fund of Funds for Startups (FFS) aims to boost access to domestic capital for startups. Managed by SIDBI, it funds SEBI-registered Alternative Investment Funds (AIFs), which then invest in startups through equity and equity-linked instruments.

Progress and Impact:

By 2024, **₹6,886 crores** have been committed by DPIIT to SIDBI and **₹11,687 crore** was committed by SIDBI to AIFs under the FFS scheme as of December 2024. This commitment catalyzed investments of **₹21,276 crore in 1,173 startups**.

Credit Guarantee Scheme for Startups (CGSS) :

The Credit Guarantee Scheme for Startups (CGSS) provides credit guarantees for loans to DPIIT-recognised startups from Scheduled Commercial Banks, NBFCs, and Venture Debt Funds. Implemented by the National Credit Guarantee Trustee Company Limited (NCGTC), it aims to offer credit guarantees up to a specified limit, easing access to funding for startups.

Progress and Impact: As of January 3, 2025, the scheme has guaranteed **260 loans worth ₹604.16 crore to 209 startups**. Among these, **₹27.04 crore** has been allocated to **17 women-led startups**.

Other Notable Schemes :

Atal Innovation Mission (AIM)

Launched in 2016 by NITI Aayog, the Atal Innovation Mission (AIM) aims to promote innovation and entrepreneurship across India. It includes initiatives like Atal Tinkering Labs at the school level to foster creativity, Atal Incubation Centres to build a robust startup ecosystem, and Atal Community Innovation Centres to serve unserved and underserved regions. The Atal New India Challenges focus on product and service innovations with national impact. All initiatives are monitored through real-time MIS systems, with third-party reviews for continuous improvement.

Progress and Impact:

Till date, **10,000 Atal Tinkering Labs** have been established in schools across India under AIM. As of December 18, 2024, a total of **3,556 startups** have been incubated in **72 Atal Incubation Centres (AICs)**, creating **41,965 jobs**.

MeitY Startup Hub (MSH) :

India is home to one of the most vibrant startup ecosystems with close to 30,000+ tech startups, making it the 3rd largest startup ecosystem in the world. The MeitY Startup Hub (MSH) aims to foster a vibrant innovation and startup ecosystem by uniting technology innovation stakeholders and promoting economic growth through innovation and technological advancement. It serves as a central hub, ensuring synergies among incubation centres, Centres of Excellence on Emerging Technologies, and other platforms supported by the Ministry of Electronics and Information Technology. MSH facilitates the sharing of resources, best practices, and ideas across the entire innovation and startup ecosystem.

Progress and Impact: **5,310+ startups, 495+ incubators, and 328+ labs** are part of the MeitY Startup Hub (MSH) scheme. Over the last 10 years, India's startup ecosystem has experienced tremendous growth, becoming the third-largest in the world. With initiatives like Startup India, SISFS, CGSS, FFS, and sector-specific schemes such as AIM and MSH, the government has played a pivotal role in fostering innovation, creating jobs, and supporting entrepreneurs. This dynamic collaboration among stakeholders has strengthened the ecosystem, driving economic growth and empowering the next generation of innovators. Looking ahead, India's startup landscape is set to reach even greater milestones.

4. Comparison of Budgetary Allocation in the 11th (2007–2012) and 12th (2012–2017) Five Year Plans

Sector	11th Plan Allocation	12th Plan Allocation
Infrastructure	₹20.5 lakh crore	₹55 lakh crore
Housing & Urban Dev.	₹1.5 lakh crore	₹3.5 lakh crore
Energy	₹5 lakh crore	₹10 lakh crore

Note: Figures are indicative and based on historical data.

Here's a comparison of the budgetary allocation in the 11th (2007-2012) and 12th (2012-2017) Five-Year Plans:

Key Focus Areas :

11th Five-Year Plan (2007-2012):

Focused on rapid and inclusive growth, with an emphasis on :

Agriculture: Improving agricultural productivity and increasing food grain production

Education: Increasing enrolment in higher education and focusing on distant education and IT institutes.

Infrastructure: Strengthening infrastructure projects

12th Five-Year Plan (2012-2017):

Emphasized faster, sustainable, and more inclusive growth, with a focus on:

Infrastructure : Allocating 9% of GDP to infrastructure development, including roads, highways, and urban development.

Renewable Energy: Generating 30,000 MW of renewable energy over five years

Human Development: Improving education, healthcare and sanitation

Budgetary Allocation :

11th Five-Year Plan: Total plan outlay was ₹921,291 crore for the central government and ₹691,009 crore for states and union territories

12th Five-Year Plan: Total planned budget was ₹2,069 crore (later revised to ₹2,378 crore), allocated to seven broad areas, including ^{1 3}:

- Irrigation and Energy: 27.2% of the total allocation
- Agriculture and Community Development: 17.4%
- Transport and Communications: 24%
- Industry: 8.6%
- Social Services: 16.6%

Growth Targets

11th Five-Year Plan: Targeted growth rate of 9%, with an actual growth rate of 8%

12th Five-Year Plan: Targeted growth rate of 9%, later revised to 8%, with an actual growth rate of 7.6%

Sectoral Allocation for Public Sector's Resources—Eleventh Plan (2007-12) Realisation and Twelfth Plan (2012-17) Projections

(in ₹ Crore)

No.	Heads of Development	Centre						States and UTs						Centre, States and UTs					
		Budgetary Support			IEBR			Total Outlay			Budgetary Resources			Total Outlay					
		Eleventh Plan	Twelfth Plan	% Increase	Eleventh Plan	Twelfth Plan	% Increase	Eleventh Plan	Twelfth Plan	% Increase	Eleventh Plan*	Twelfth Plan*	% Increase	Eleventh Plan	Twelfth Plan	% Increase			
	Agriculture and Allied Activities	60,339	1,33,965	122.02	344	671	95.04	60,683	1,34,636	121.87	1,02,422	2,28,637	123.23	1,63,105	3,63,273	122.72			
	Rural Development	1,79,925	2,67,047	48.42	0	0	0	1,79,925	2,67,047	48.42	1,08,284	1,90,417	75.85	2,88,209	4,57,464	58.73			
	Special Area Programmes	0	0	0	0	0	0	0	0	0	42,817	80,370	87.71	42,817	80,370	87.71			
	Irrigation and Flood Control	2,325	17,212	640.30	1	0	0	2,326	17,212	639.98	2,27,008	4,04,800	78.32	2,29,334	4,22,012	84.02			
	Energy	43,374	98,541	127.19	4,60,709	9,87,456	114.33	5,04,083	10,85,997	115.44	1,80,188	3,52,468	95.61	6,84,271	14,38,466	110.22			
	Industry and Minerals	50,452	1,20,372	138.59	97,058	1,71,718	76.92	1,47,510	2,92,090	98.01	38,143	85,212	123.40	1,85,653	3,77,302	103.23			
	Transport	2,27,637	4,91,713	116.01	1,82,232	3,27,769	79.86	4,09,869	8,19,482	99.94	2,03,316	3,84,690	89.21	6,13,185	12,04,172	96.38			
	Communications	5,308	29,699	459.51	53,208	51,285	-3.61	58,516	80,984	38.40	0	0	0	58,516	80,984	38.40			
	Science, Technology and Environment	50,615	1,30,054	156.95	0	0	0	50,615	1,30,054	156.95	18,682	37,296	99.64	69,297	1,67,350	141.50			
0	Economic Services	45,706	1,81,321	296.71	18	155	761.11	45,724	1,81,476	296.89	43,652	1,24,136	184.38	89,376	3,05,612	241.94			
1	Social Services	4,92,408	11,90,416	141.75	63,672	83,845	31.68	5,56,080	12,74,261	129.15	6,41,496	13,90,582	116.77	11,97,576	26,64,843	122.52			
2	General Services	9,795	50,500	415.57	2	0	0	9,797	50,500	415.46	45,800	57,459	25.46	55,597	1,07,959	94.18			
	Total	11,67,884	27,10,840	132.12	8,57,244	16,22,899	89.32	20,25,128	43,33,739	114.00	16,51,808	33,36,068	101.96	36,76,936	76,69,807	108.59			

Note: * Sectoral outlays for states/UTs are based on data given by states. The total of all states arrived from sectoral outlays differs from the total given in Table 3.9 due to several reasons including accounting differences for some scheme of Central Assistance and differences in data provided by states on resources side and outlay side.
 † Excludes IEBR of SPSEs and Local Bodies.

Overall Financing Pattern: Eleventh and Twelfth Plans

(₹ Crore at Current Prices)

Sources of Funding	Eleventh Plan Realisation			Twelfth Plan Projection		
	Centre	States and UTs	Total	Centre	States and UTs	Total
1 Balance from Current Revenues	-2,42,390 (-11.97)	3,81,536 (22.11)	1,39,146 (3.71)	13,87,371 (32.01)	9,59,979 (25.83)	23,47,350 (29.16)
2 Borrowings including net MCR	17,51,691 (86.50)	7,52,815 (43.62)	25,04,506 (66.77)	21,81,255 (50.33)	15,18,301 (40.85)	36,99,556 (45.96)
3 Net Inflow from Abroad	80,043 (3.95)	0.00	80,043 (2.13)	-	-	-
4 Centre's GBS (1 + 2 + 3)	15,89,344 (78.48)	-	15,89,344 (42.37)	35,68,626 (82.35)	-	35,68,626 (44.33)
5 Resources of PSEs/Local Bodies	8,57,244 (42.33)	1,70,039 (9.85)	10,27,283 (27.39)	16,22,899 (37.45)	3,80,319 (10.23)	20,03,218 (24.88)
6 State's Own Resources (1 + 2 + 5)	-	13,04,390 (75.58)	13,04,390 (34.77)	-	28,58,599 (76.92)	28,58,599 (35.51)
7 CA to States and UTs' Plan	-4,21,458 (-20.81)	4,21,458 (24.42)	-	-8,57,786 (-19.79)	8,57,786 (23.08)	-
8 Resources of the Public Sector Plan (1 + 2 + 3 + 5 + 7)	20,25,130	17,25,848	37,50,978	43,33,739	37,16,385	80,50,123

Source: Planning Commission.

Resources of the Centre in Eleventh and Twelfth Plan

(as % of GDP)

Sources of Funding	Eleventh Plan Realisation	Twelfth Plan Projections	% Increases (+)/ Decreases (-)
1 Balance from Current Revenues	-0.61	1.88	2.49
2 Borrowings including net MCR	5.06	3.35	-1.71
3 Net Flow from Abroad	0.24	0.00	-0.24
4 Gross Budgetary Support to Plan (1 to 3)	4.69	5.23	0.54
5 CA to States and UTs' Plan	1.26	1.26	0.00
6 GBS for Central Plan (4 - 5)	3.43	3.97	0.54
7 Resources of PSEs	2.53	2.38	-0.15
8 Resources for Central Plan (6 + 7)	5.96	6.35	0.39

Source: Planning Commission.

Eleventh Plan Realisation and Twelfth Plan Projection of Resources of States and UTs

(% of GDP)

Sources of Funding	Eleventh Plan Realisation	Twelfth Plan Projections	% Increases (+)/ Decreases (-)
1 Balance from Current Revenues	1.02	1.41	0.39
2 Resources of PSEs	0.50	0.56	0.06
3 Borrowings	2.23	2.22	0.01
4 States' Own Resources (1 to 3)	3.75	4.19	0.44
5 CA to States' and UTs' Plan	1.26	1.26	0.00
6 Aggregate Plan Resources (4 + 5)	5.01	5.45	0.44

Source: Planning Commission.

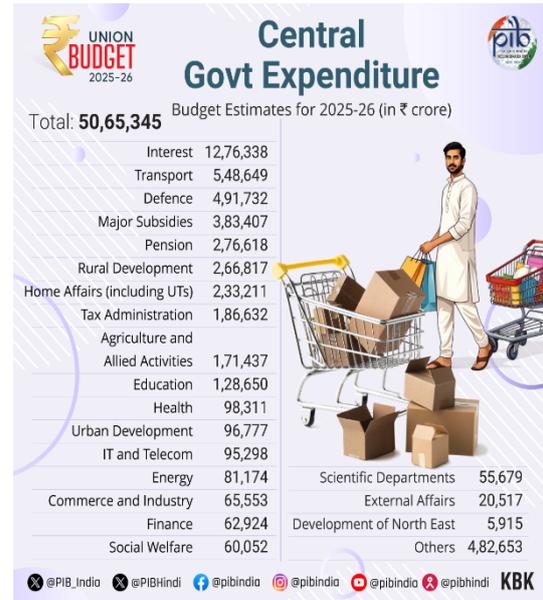
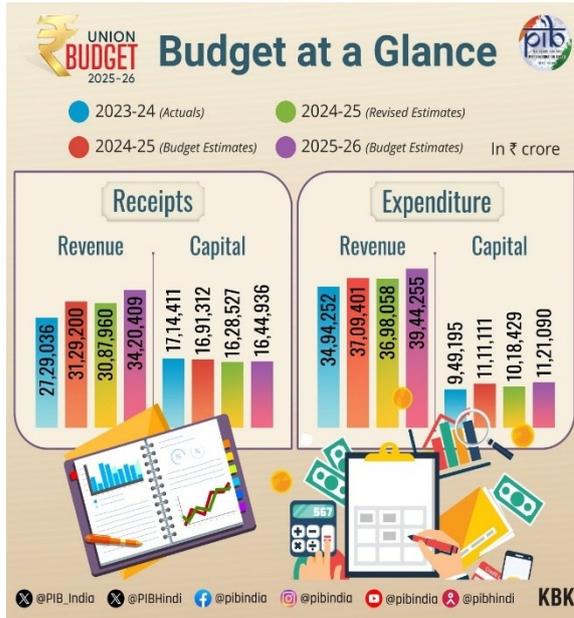
5. Union Budget 2025–2026 : Construction Sector Implications :

The 2025–2026 budget laid the groundwork for subsequent infrastructure development, with increased allocations for roads, railways, and urban development. It emphasized affordable housing and introduced reforms to ease business operations in the construction sector. In line with the broad Principles theme Viksit Bharat the Union Budget encompassed the following:

- Zero-poverty.
- Hundred per cent good quality school education.
- Access to high-quality, affordable, and comprehensive healthcare.
- Hundred per cent skilled labour with meaningful employment.
- Seventy per cent women in economic activities; and
- Farmers making our country the 'food basket of the world'.

Budget Estimates 2025-26

- The total receipts other than borrowings and the total expenditure are estimated at ₹ 34.96 lakh crore and ₹ 50.65 lakh crore respectively.
- The net tax receipts are estimated at ₹ 28.37 lakh crore.
- The fiscal deficit is estimated to be 4.4 per cent of GDP.
- The gross market borrowings are estimated at ₹ 14.82 lakh crore.
- Capex Expenditure of ₹11.21 lakh crore (3.1% of GDP) earmarked in FY2025-26.



MSMEs :

Revision in classification criteria for MSMEs

- The investment and turnover limits for classification of all MSMEs to be enhanced to 2.5 and 2 times respectively.

Credit Cards for Micro Enterprises

- Customized Credit Cards with ₹ 5 lakh limit for micro enterprises registered on Udyam portal, 10 lakh cards to be issued in the first year.

Fund of Funds for Startups

- A new Fund of Funds, with expanded scope and a fresh contribution of ₹ 10,000 crore to be set up.

Scheme for First-time Entrepreneurs

- A new scheme for 5 lakh women, Scheduled Castes and Scheduled Tribes first-time entrepreneurs to provide term-loans upto ₹ 2 crore in the next 5 years announced.

Focus Product Scheme for Footwear & Leather Sectors

- To enhance the productivity, quality and competitiveness of India’s footwear and leather sector, a focus product scheme announced to facilitate employment for 22

lakh persons, generate turnover of ₹ 4 lakh crore and exports of over ₹ 1.1 lakh crore.

Measures for the Toy Sector

- A scheme to create high-quality, unique, innovative, and sustainable toys, making India a global hub for toys announced.

Support for Food Processing

- A National Institute of Food Technology, Entrepreneurship and Management to be set up in Bihar.

Manufacturing Mission - Furthering “Make in India”

- A National Manufacturing Mission covering small, medium and large industries for furthering “Make in India” announced.

Saksham Anganwadi and Poshan 2.0

- The cost norms for the nutritional support to be enhanced appropriately.

Atal Tinkering Labs

- 50,000 Atal Tinkering Labs to be set up in Government schools in next 5 years.

Broadband Connectivity to Government Secondary Schools and PHCs

- Broadband connectivity to be provided to all Government secondary schools and primary health centres in rural areas under the Bharatnet project.

Bharatiya Bhasha Pustak Scheme

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

National Centres of Excellence for Skilling

- 5 National Centres of Excellence for skilling to be set up with global expertise and partnerships to equip our youth with the skills required for “Make for India, Make for the World” manufacturing.

Expansion of Capacity in IITs

- Additional infrastructure to be created in the 5 IITs started after 2014 to facilitate education for 6,500 more students.

Centre of Excellence in AI for Education

- A Centre of Excellence in Artificial Intelligence for education to be set up with a total outlay of ₹ 500 crore.

Expansion of medical education

- 10,000 additional seats to be added in medical colleges and hospitals next year, adding to 75000 seats in the next 5 years.

Day Care Cancer Centres in all District Hospitals

- Government to set up Day Care Cancer Centres in all district hospitals in the next 3 years, 200 Centres in 2025-26.

Strengthening urban livelihoods

- A scheme for socio-economic upliftment of urban workers to help them improve their incomes and have sustainable livelihoods announced.

PM SVANidhi

- Scheme to be revamped with enhanced loans from banks, UPI linked credit cards with ₹ 30,000 limit, and capacity building support.

Social Security Scheme for Welfare of Online Platform Workers

- Government to arrange for identity cards, registration on e-Shram portal and healthcare under PM Jan Arogya Yojna, for gig-workers.

Public Private Partnership in Infrastructure

- Infrastructure-related ministries to come up with a 3-year pipeline of projects in PPP mode, States also encouraged.

Support to States for Infrastructure

- An outlay of ₹1.5 lakh crore proposed for the 50-year interest free loans to states for capital expenditure and incentives for reforms.

Asset Monetization Plan 2025-30

- Second Plan for 2025-30 to plough back capital of ₹ 10 lakh crore in new projects announced.

Jal Jeevan Mission :

- Mission to be extended until 2028 with an enhanced total outlay.

Urban Challenge Fund :

- An Urban Challenge Fund of ₹ 1 lakh crore announced to implement the proposals for ‘Cities as Growth Hubs’, ‘Creative Redevelopment of Cities’ and ‘Water and Sanitation’, allocation of ₹ 10,000 crore proposed for 2025-26.

Nuclear Energy Mission for Viksit Bharat :

- Amendments to the Atomic Energy Act and the Civil Liability for Nuclear Damage Act to be taken up.
- Nuclear Energy Mission for research & development of Small Modular Reactors (SMR) with an outlay of ₹20,000 crore to be set up, 5 indigenously developed SMRs to be operational by 2033.

Shipbuilding :

- The Shipbuilding Financial Assistance Policy to be revamped.
- Large ships above a specified size to be included in the infrastructure harmonized master list (HML).

Maritime Development Fund :

- A Maritime Development Fund with a corpus of ₹ 25,000 crore to be set up, with up to 49 per cent contribution by the Government, and the balance from ports and private sector.

UDAN - Regional Connectivity Scheme :

- A modified UDAN scheme announced to enhance regional connectivity to 120 new destinations and carry 4 crore passengers in the next 10 years.

- Also to support helipads and smaller airports in hilly, aspirational, and North East region districts.

Greenfield Airport in Bihar :

- Greenfield airports announced in Bihar, in addition to the expansion of the capacity of Patna airport and a brownfield airport at Bihta.

Western Koshi Canal Project in Mithilanchal :

- Financial support for the Western Koshi Canal ERM Project in Bihar.

Mining Sector Reforms

- A policy for recovery of critical minerals from tailings to be brought out.

SWAMIH Fund 2

- A fund of ₹ 15,000 crore aimed at expeditious completion of another 1 lakh dwelling units, with contribution from the Government, banks and private investors announced.

Tourism for employment-led growth

- Top 50 tourist destination sites in the country to be developed in partnership with states through a challenge mode.

Budget 2025 is set to transform India's construction sector through increased capital expenditure on infrastructure and housing, which is expected to drive growth by 7.1%. Key initiatives include a new asset monetization plan to fund projects, tax breaks on construction materials, enhanced [credit access](#) for contractors, and a push for technology and [sustainable development](#) in urban areas. These measures aim to lower costs, boost profitability, accelerate project completion, and attract private investment, though effective execution will be crucial for realizing these benefits.

- **Reduced Material Costs:**
 - **GST Reduction:** The GST on cement was reduced from 28% to 18%, and on steel from 18% to 12%.

- **Expanded Input Tax Credit:** This allows developers to claim deductions on procurement costs for infrastructure projects, lowering overall material expenses by up to 10%.
- **Impact:** These changes will reduce project costs, make housing and commercial projects more affordable, and improve profit margins for developers.
- **Enhanced Funding and Credit Access:**
 - **Increased Capital Expenditure:** Significant allocations are made for infrastructure, housing, and urban development projects.
 - **Asset Monetization Plan:** A new plan aims to raise ₹10 lakh crore to fund new infrastructure projects.
 - **Credit Guarantees:** The Credit Guarantee Scheme has been expanded for small and mid-sized contractors, with easier loan access at lower interest rates and reduced collateral.
 - **Impact:** Easier access to credit will allow contractors to scale up and take on larger projects, while increased funding will fuel infrastructure development.
- **Focus on Urban and Sustainable Development:**
 - **Urban Challenge Fund:** A ₹1 lakh crore fund will incentivize cities to use municipal bonds and [Public-Private Partnerships \(PPPs\)](#) for development.
 - **National Framework for GCCs:** A framework is introduced to promote Global Capability Centres in tier-II cities, which will drive demand for commercial real estate.
 - **Emphasis on Technology:** The budget promotes the adoption of technologies like Building Information Modeling (BIM) and digital tools to modernize the sector.
 - **Impact:** These measures are expected to accelerate urban transformation, create demand for office spaces, and promote efficient, sustainable urban growth.

- **Regulatory and Policy Reforms:**
 - **Streamlined Approvals:** Reforms are aimed at simplifying long and complex approval processes.
 - **Three-Year PPP Pipeline:** Infrastructure ministries will develop a three-year PPP project pipeline to accelerate development.
 - **Impact:** Streamlined processes will reduce project delays and administrative costs, improving overall project efficiency.

6. Administration and Regulation of the Construction Industry :

The administration and regulation of the construction industry in India involve a robust legal framework to ensure safety, quality, and sustainability. Key aspects include :

Legal Framework :

The construction industry operates under constitutional provisions, central legislations, and state-specific regulations. Overarching laws like the Environment Protection Act of 1986 and the Contract Act of 1872 set national standards.

Regulatory Bodies:

The Bureau of Indian Standards (BIS) governs material quality, while local fire departments enforce fire safety norms. State governments establish regulations tailored to their regions.

Key Construction Laws:

- The Real Estate (Regulation and Development) Act, 2016 (RERA): Protects homebuyers and promotes transparency in real estate transactions.
- The Indian Contract Act, 1872: Governs the formulation and enforcement of contracts.
- The Environment Protection Act, 1986: Ensures construction projects comply with environmental safeguards.
- The Building and Other Construction Workers (Regulation of Employment and Condition of Services) Act, 1996 (BOCW Act): Emphasizes worker welfare, safety, and fair working conditions.
- **Building Codes and Safety Regulations:** The National Building Code (NBC) sets comprehensive standards for design, materials, and construction. It covers aspects like fire safety, structural design, and accessibility.
- **Permits and Approvals:** The process involves land title verification, land use zoning, building plan approval, and environmental clearance for large-scale projects.
- **Environmental Regulations:** The construction sector must comply with regulations like the Environmental Impact Assessment (EIA) and Waste Management Rules, 2016, to minimize ecological disruption.

- **Digitization and Reforms:** Recent amendments focus on digitizing permits, increasing worker safety regulations, and simplifying the GST structure with a uniform 18% rate on construction services.

Some notable initiatives and challenges include :

- **Skill Development:** The Construction Industry Development Council (CIDC) provides skill development training to construction workers.
- **Worker Welfare:** The BOCW Act mandates registration of establishments and workers, with benefits like health insurance and pension schemes.
- **Sustainability:** Green building certifications like LEED and GRIHA promote environmentally sustainable practices.
- **Foreign Investment:** Government policies like 100% FDI and tax holidays encourage foreign investment in the construction sector.

National Building Code of India (NBC)

The National Building Code of India (NBC), a comprehensive building Code, is a national instrument providing guidelines for regulating the building construction activities across the country. It serves as a Model Code for adoption by all agencies involved in building construction works be they Public Works Departments, other government construction departments, local bodies or private construction agencies.

The Code mainly contains administrative regulations, development control rules and general building requirements; fire safety requirements; stipulations regarding materials, structural design and construction (including safety); building and plumbing services; approach to sustainability; and asset and facility management.

The Code was first published in 1970 at the instance of Planning Commission and then first revised in 1983. Thereafter three major amendments were issued to the 1983 version, two in 1987 and the third in 1997. The second revision of the Code was in 2005, to which two amendments were issued in 2015. Further, the revised Code has been brought out in 2016 as National Building Code of India 2016 reflecting the state-of-the-art and contemporary applicable international practices.

6.1. Structure and Role of Construction Administration :

Regulatory Framework:

- **Central Laws:** The Environment Protection Act of 1986 and the Contract Act of 1872 set national standards for construction projects.
- **State Laws:** Each state has its own Municipal Act, governing urban local bodies and construction activities within their jurisdiction.

Key Players:

- **Urban Local Bodies (ULBs):** Municipal Corporations, Municipal Councils, and Nagar Panchayats manage urban development, infrastructure, and services.
- **Panchayati Raj Institutions (PRIs):** Zilla Parishads, Panchayat Samitis, and Gram Panchayats oversee rural development and implementation of government schemes.
- **Indian Administrative Service (IAS):** IAS officers play a crucial role in policy formulation, implementation, and administration of government departments.

Construction Administration:

- **District Administration:** District Collectors oversee district-level administration, including construction projects and law enforcement.
- **State Governments:** State governments formulate policies, regulate construction activities, and provide financial support for infrastructure development.
- **Central Government:** The central government sets national policies, allocates funds, and oversees large-scale infrastructure projects.

The construction industry in India is regulated by multiple bodies, including:

- **Ministry of Housing and Urban Affairs:** Oversees urban development and housing policies.
- **National Highways Authority of India (NHAI):** Manages highway development.
- **Construction Industry Development Council (CIDC):** Facilitates training, research, and policy advocacy.

These bodies work collaboratively to ensure sustainable and efficient construction practices.

7. Construction Opportunities and Activity :

India's construction sector is experiencing a surge in opportunities :

Smart Cities Mission (SCM) :

Launched on June 25, 2015 by Prime Minister Narendra Modi, the Smart Cities Mission aims to improve the **quality of life** in **100 cities** by providing **efficient services, robust infrastructure, and sustainable solutions**. The **Smart Cities Mission (SCM)** aims to enhance the quality of life in India's cities through smart, sustainable solutions. Its goal is to create cities that are economically vibrant, inclusive and environment friendly. By focusing on key areas like infrastructure, governance and social development, SCM seeks to transform urban living across the country.

With **100 cities** driving the initiative, the Smart Cities Mission has achieved substantial progress. As of May 9, 2025, a total of **7,555 projects—94%** of the total **8,067 projects—** have been **completed**, amounting to **₹1,51,361 crore**. Additionally, **512 projects** worth **₹13,043 crore** are in the advanced stages of implementation. This amounts to overall 8,067 multi-sectoral projects valued at **₹1.64 lakh crore**.

These projects are expected to generate employment and stimulate economic growth.

- **94%** of the total **8,067 projects** under Smart Cities Mission have been completed, with **₹1.64 lakh crore invested**.
- Cities followed **area-based** and **pan-city approaches** to improve infrastructure and services.
- All **100 cities** have **Integrated Command and Control Centres** using tech like **Artificial Intelligence** and **Internet of Things** for better city management.
- Thousands of **smart roads, cycle tracks, classrooms, and health centres** have been built.
- Initiatives like **Cycles4Change** and **Streets4People** promoted open spaces and inclusivity.

Implementing the Smart City Mission is carried out primarily through Two Approaches



1st

Under the **Smart Cities Mission**, cities are being developed using an **Area-Based Development (ABD)** approach, where each of the 100 cities has selected a defined area for targeted interventions. These ABD areas, chosen through citizen participation, are being developed as replicable models for other parts of the city.

2nd

Every city has included **Pan-City Projects**, which are technology-driven solutions.

Key Achievements of this Mission

As of May 9, 2025, 94% of the total 8,067 projects have been successfully completed, reflecting significant progress in reshaping urban landscapes across India. Below are some key initiatives and milestones achieved by SCM (As of March 31, 2025):



Success Stories of the SMART CITIES MISSION



- Solar Street Lights and All Abilities Park in VISAKHAPATNAM.
- Solid Waste Management and Sewerage Treatment Plants in UDAIPUR.
- Integrated Command and Control Centre (ICCC) and IFT Institute in KAKINADA.
- E-Toilets and Indira Gandhi Stadium in SOLAPUR.
- 7 Lake System and Clean Energy in COIMBATORE.



Source- MoHUA

Integrated Command and Control Centres (ICCC): All 100 Smart Cities have operational ICCCs, which utilize data for making informed decisions. These ICCCs also functioned as COVID war rooms during the pandemic and have significantly improved city operations such as transport, water supply, and solid waste management by integrating emerging technologies like AI, IoT, and Data Analytics.

Public Safety and Security: Over 84,000 CCTV surveillance cameras have been installed in 100 Smart Cities, aiding in crime monitoring. Additionally, 1,884 emergency call boxes, 3,000 public address systems, and traffic enforcement systems for red light violations and automatic number plate recognition have been installed, enhancing public safety.

Water Supply: 28 cities have developed drinking water treatment capacity of 2,900+ million litres per day (MLD). More than 17,026 km of the water supply system are being monitored through SCADA, reducing non-revenue water and leakages.

Vibrant Public Spaces: More than 1,320 projects on public spaces have been developed across 84 smart cities, including 318 km of waterfront development by 62 smart cities. Additionally, 55 smart cities have completed the conservation of 484 heritage monuments while 58 cities have undertaken market redevelopment projects.

Sewerage: 27 cities have created wastewater treatment capacity of 1,370 MLD, of which 673 MLD is being reused for different purposes like gardening, industrial usage, etc.

Solid Waste Management: Over 66 cities are managing solid waste with increased technology use, improving route management, efficiency of collection, and daily management. Around 9,194 vehicles have been RFID-enabled for Automatic Vehicle Location (AVL) to digitize and improve solid waste management efficiency.

Mobility: Over 1,740 km of smart roads have been constructed or improved, and 713 km of cycle tracks have been developed. Around 23,000 bicycles and over 1,500 buses have been procured and over 2,000 bus stops have been developed. 177 Smart Mobility projects were completed in the FY 2024-25. Furthermore, an Intelligent Transport Management System (ITMS) has been implemented and is being monitored through ICCCs, improving traffic operations, enforcing traffic violations, and reducing journey time.

Education: 9,433 smart classrooms have been developed across 2,300 government schools in 71 smart cities. Further, 41 digital libraries have also been developed.

Health: 172 e-health centers and clinics (without dedicated beds) have been developed, and 152 health ATMs also have been installed. 15 cities have developed e-Health record keeping system.



The Smart Cities Mission has made great progress in improving cities across India. Through smart technology, sustainable solutions, and active community involvement, the mission has enhanced infrastructure, public safety, mobility, water supply, and healthcare. Additionally, it has adapted to new challenges, like promoting open spaces and safer transport, through initiatives such as ‘Cycles4Change’ and ‘Streets4People.’ As the mission moves forward, it continues to work towards building smarter, more livable cities that can serve as examples for others to follow.

Annexures :

A1. Average Construction Material Prices as on 2025 :

Material	Price (INR)
Cement (50 kg)	₹400 – ₹450
Steel (per ton)	₹55,000 – ₹60,000
PVC (per kg)	₹85.3

Note: Prices are subject to regional variations

Trends Over the Last Five Years (2020–2025)

Price Volatility and Increase:

While there has been volatility, a rising trend in raw material prices, including cement and steel, has been observed.

Supply Chain Maturity:

Supply chains have been maturing and improving, contributing to potentially greater price stability and increased domestic production.

Shift Towards Green Materials:

There has been a noticeable shift towards sustainable and energy-efficient materials, influenced by new government policies on carbon emissions.

Import Trends:

The India building materials market saw a significant decline in import shipments from 2020 to 2024, with a 19.5% CAGR.

AI-Based Forecasting:

The use of AI and machine learning tools for price forecasting by builders is also on the rise.

A2. Classification of Contractors :

Contractors in India are classified based on the type of work they perform (e.g., buildings, roads, electrical) and their financial capacity and experience. Classification can range from general civil and electrical categories to specialized areas like water supply, railway, or structural fabrication. The specific classes, such as Class I, II, III, etc., determine a contractor's eligibility to bid on projects of varying value, with higher classes having greater tendering limits.

By Type of Work: Contractors can specialize in various fields, including:

- a) **Building Construction:** Managing and overseeing the construction of buildings, including civil works, structural components, and interior finishing.
- b) **Road Construction:** Projects involving road work, boundary walls, and other related civil infrastructure.
- c) **Electrical Works :** Installation, maintenance, and repair of electrical systems, including lighting, power distribution, and related LT/HT works.
- d) **Specialized Works :** Categories can include water supply, sewerage, drainage, pipeline works, structural fabrication, and maintenance services.

By Financial Capacity and Experience (Classes):

- a) **Tendering Limits :** Each class corresponds to a tendering limit, with higher classes allowed to bid on larger-value projects.
- b) **Registration Criteria :** To qualify for a particular class, contractors must demonstrate the necessary experience in their specific field, such as building or road construction, and meet financial criteria like turnover and completed works.

How Classification is Used:

- a) **Empanelment :** Organizations empanel contractors into different categories and classes based on their qualifications and experience.
- b) **Tender Invitations:** Advertisements are released to invite qualified contractors to enlist for specific classes and categories of work.
- c) **Eligibility for Projects:** A contractor's class determines the maximum value of tenders they are eligible to participate in.

CPWD Classification:

The Central Public Works Department (CPWD) classifies contractors into different categories based on their financial capacity, technical expertise, and past experience. The Central Public Works Department (CPWD) classifies contractors into several classes, such as Class I (Super), Class I (AAA), Class I (AA), I, II, III, IV, and V.

The classification is as follows:

Class I (AAA): Contractors with a high net worth and experience in handling large-scale projects.

Class I (AA): Contractors with a slightly lower net worth than Class I (AAA) but still with significant experience and expertise.

Class I (A): Contractors with a moderate net worth and experience in handling medium-scale projects.

Class I: Contractors with a lower net worth than Class I (A) but still with some experience and expertise.

Class II: Contractors with limited experience and financial capacity, suitable for small-scale projects.

Class III, IV, and V: These classes cater to even smaller project scales and have different eligibility criteria.

Public Works Department (PWD) Contractor Classification :

The PWD classifies contractors based on their expertise and financial capacity to execute projects of specific values. The classification determines the upper tendering limit for each contractor.

Class A: Contractors with high financial capacity and expertise, suitable for large-scale projects.

Class B: Contractors with moderate financial capacity and expertise, suitable for medium-scale projects.

Class C: Contractors with limited financial capacity and expertise, suitable for small-scale projects.

MES Contractor Classification

The Military Engineering Services (MES) classifies contractors based on their capacity to execute civil engineering works.

Class I: Contractors with high financial capacity and expertise, suitable for large-scale projects.

Class II: Contractors with moderate financial capacity and expertise, suitable for medium-scale projects.

Class III: Contractors with limited financial capacity and expertise, suitable for small-scale projects.

Benefits of Contractor Classification :

The contractor classification system helps ensure that contractors are qualified and capable of executing projects of specific values and complexities. It also helps government departments and other organizations to:

- a) Ensure quality work: By selecting contractors with the necessary expertise and financial capacity.
- b) Reduce risks: By avoiding contractors who may not have the necessary resources or expertise to complete projects.
- c) Promote fair competition: By providing opportunities for contractors of different sizes and capabilities to participate in tenders.

Overall, the contractor classification system in India helps to promote transparency, accountability, and efficiency in the procurement process.

A3. Projected Investment as Percentage of GDP :

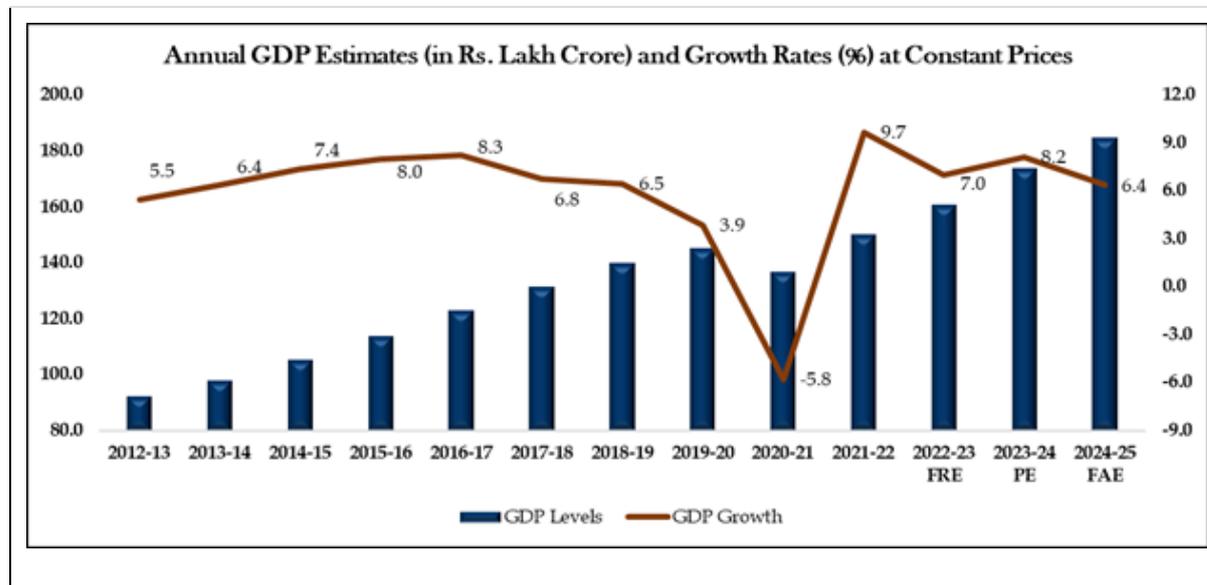
Infrastructure investment is projected to constitute approximately 8% of India's GDP by 2025, reflecting the government's focus on capital expenditure.

I. Annual GDP Estimates and Growth Rates :

Real GDP or GDP at Constant Prices is estimated to attain a level of ₹184.88 lakh crore in the financial year 2024-25, against the Provisional Estimate of GDP for the year 2023-24 of ₹173.82 lakh crore. The growth rate in Real GDP during 2024-25 is estimated at 6.4% as compared to 8.2% in 2023-24. Nominal GDP or GDP at Current Prices is estimated to attain a level of ₹324.11 lakh crore in the year 2024-25, against ₹295.36 lakh crore in 2023-24, showing a growth rate of 9.7%.

Real GVA is estimated at ₹168.91 lakh crore in the year 2024-25, against the PE for the year 2023-24 of ₹158.74 lakh crore, registering a growth rate of 6.4% as compared to 7.2% growth rate in 2023-24. Nominal GVA is estimated to attain a level of ₹292.64 lakh crore during FY 2024-25, against ₹267.62 lakh crore in 2023-24, showing a growth rate of 9.3%.

Fig. 1: Annual GDP and GVA Estimates along with Y-o-Y Growth Rates at Constant Prices :



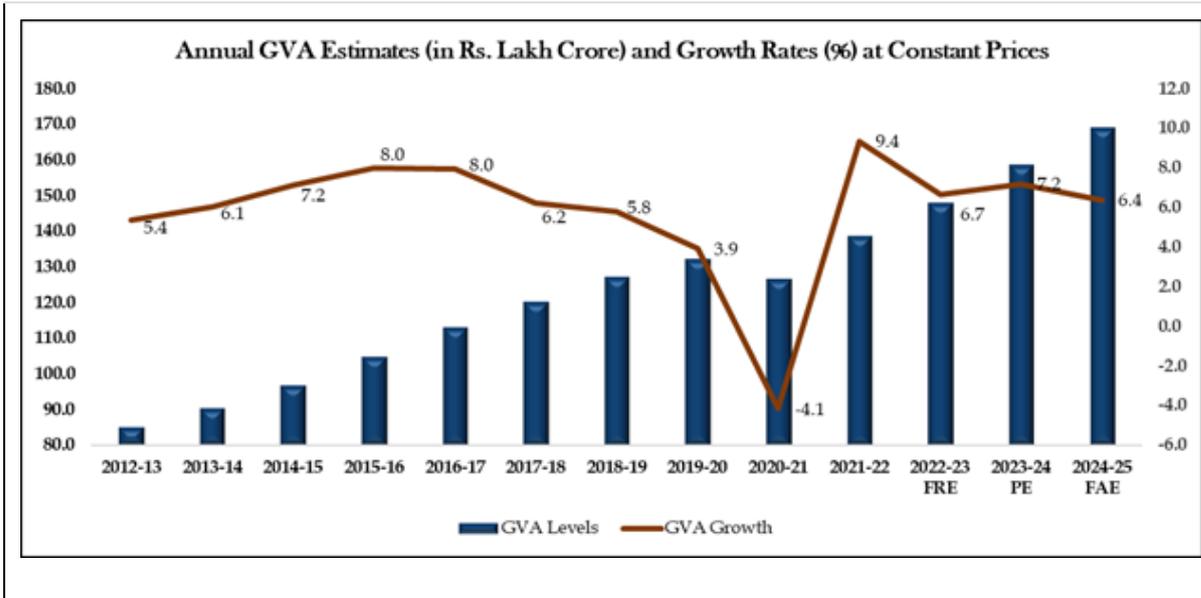
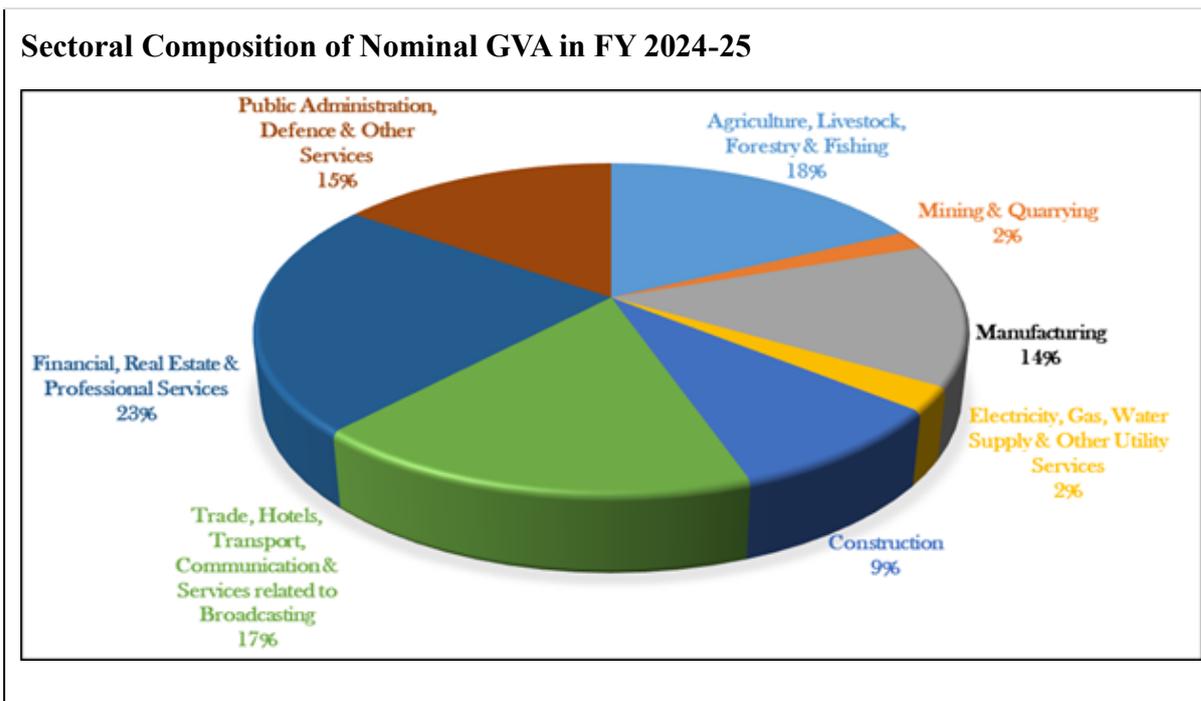


Fig. 2: Sectoral Composition and Growth Rates of Annual GVA :



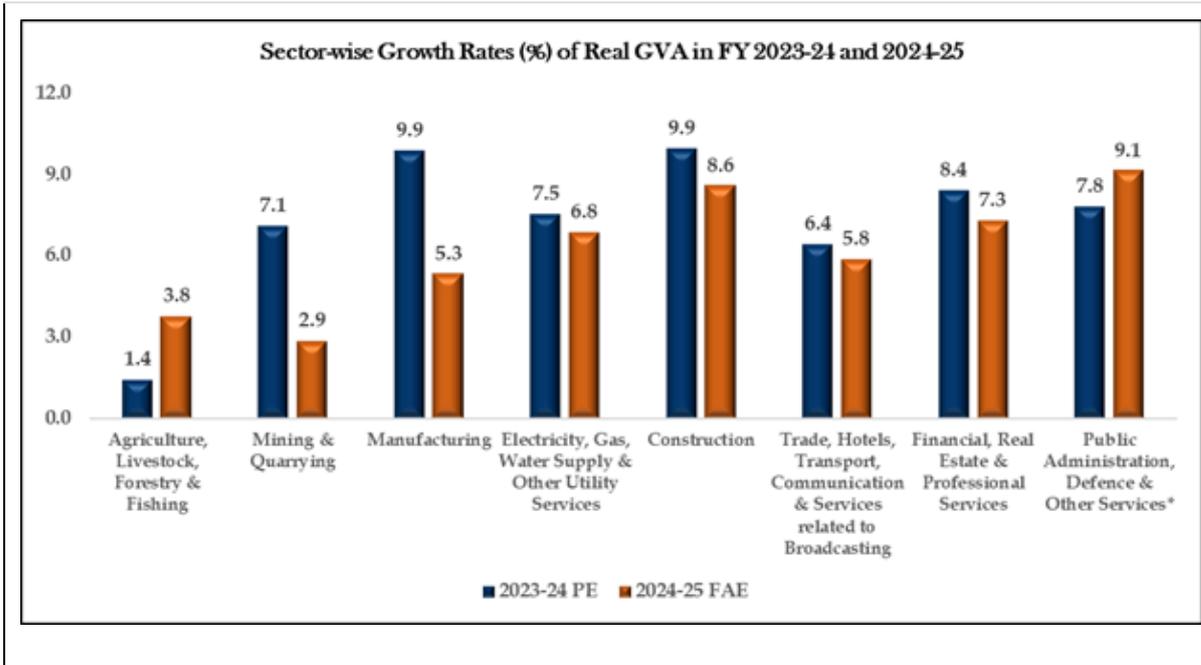
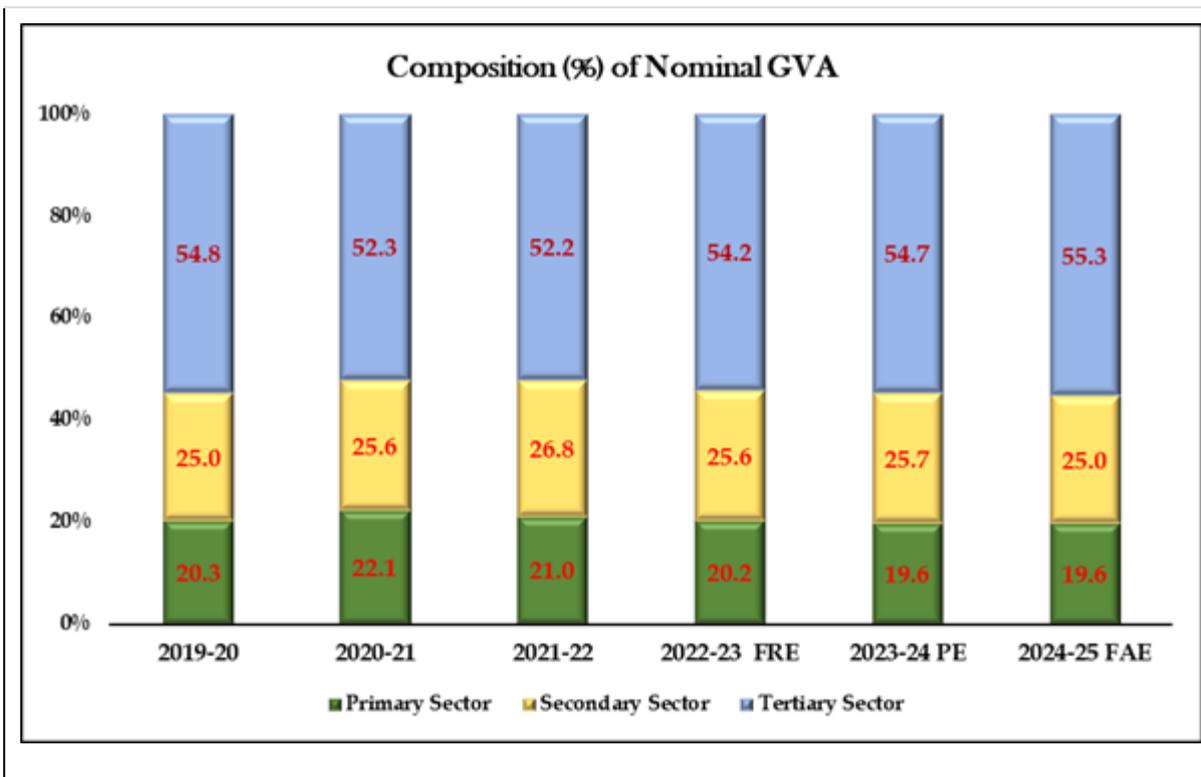
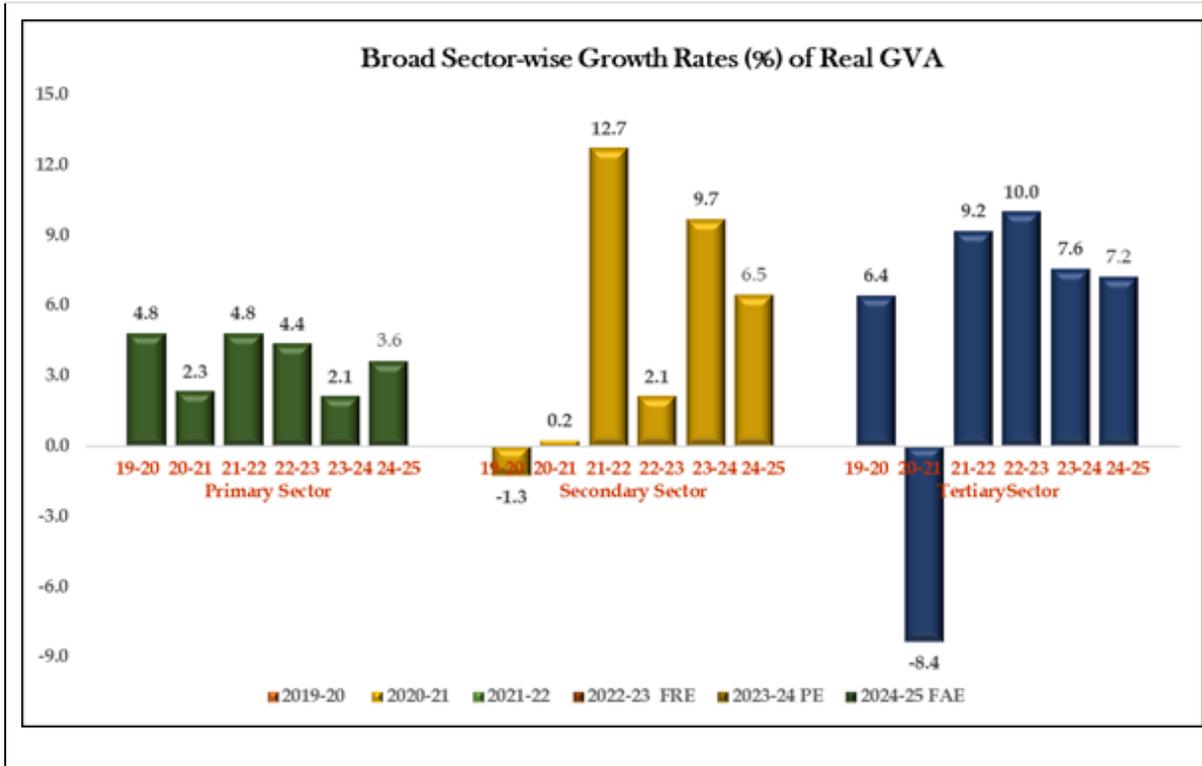


Fig. 3: Composition and Growth Rates of Annual GVA in Broad Sectors





- a) Primary Sector : Agriculture, Livestock, Forestry & Fishing and Mining & Quarrying.
- b) Secondary Sector : Manufacturing, Electricity, Gas, Water supply & Other Utility Services and Construction
- c) Tertiary Sector : Trade, Hotels, Transport, Communication and Services related to Broadcasting, Financial, Real Estate & Professional Services and Public Administration, Defence & Other Services

A4. Salient Changes in Cross-border & Domestic Employment Procurement Systems :

Key changes in cross-border and domestic employment procurement systems include the rise of digital technologies, leading to faster, cheaper, and more transparent payment systems like the India-Singapore UPI-PayNow linkage. Other changes involve greater regulatory oversight, such as the RBI's guidelines for cross-border payment aggregators in India, and a focus on inclusive procurement that supports women and youth through trade agreements. Additionally, there is increased emphasis on environmental sustainability and integrity in public procurement, as well as efforts to streamline processes through paperless trade systems and combatting vendor data errors.

Technological & Digitalization Advances :

- a) FinTech Innovation: FinTech companies have transformed cross-border payments, moving from slow, costly SWIFT transactions to faster, more accessible methods.
- b) Real-Time Payments: Faster payment rails, like the linkage between India's UPI and Singapore's PayNow, allow for instant, low-cost, and convenient cross-border transfers using simple identifiers like UPI IDs.
- c) Digital Trade: There is a push towards cross-border paperless trade systems, which can simplify and improve the efficiency of international trade and procurement processes.

Regulatory & Compliance Changes

- a) Increased Oversight: Regulatory bodies are implementing stricter rules, such as the Reserve Bank of India's (RBI) guidelines for Payment Aggregators in Cross-Border Transactions (PA-CBs), imposing requirements on net worth, transaction limits, and security.
- b) Data Integrity : There is a renewed focus on ensuring accurate vendor master data to prevent errors in processes like accounts payable, reducing processing delays and rework.

Inclusion & Sustainability :

- a) Inclusive Procurement: Trade agreements now include progressive provisions to promote gender equality and empower women and youth by breaking down barriers to participation in digital innovation and global markets.

- b) Environmental Focus: Procurement systems are increasingly incorporating environmental issues into bid documents, reflecting growing global concerns about sustainability.

Enhanced Efficiency & Transparency :

- a) Streamlined Processes: The adoption of new technologies and linkages aims to simplify complex cross-border transactions, reducing costs and improving overall efficiency.
- b) Integrity in Public Procurement: Measures are being implemented to foster a code of integrity in procurement, addressing probity and ensuring fair practices.
- c) Transparent Compliant Processes: Greater transparency is encouraged through clear guidelines on how to handle complaints and challenging procurement decisions to build confidence in the fairness of the system.

Government's Role in Domestic Employment & Procurement Systems:

- a) National Security and Protectionism: The government amended the General Financial Rules 2017 to restrict bids from bidders from countries sharing a land border with India on grounds of national security and defense.
- b) Promoting Domestic Industry: Policies aim to foster self-reliance and support the domestic industry, with a focus on simplifying procedures and delegating powers to facilitate easier business operations within India.
- c) Transparency and Efficiency : The Government e-Marketplace (GeM) was established as an online platform for public procurement to bring greater transparency, fairness, and value for money to the process.
- d) Regulatory Frameworks : The Department of Expenditure has published Manuals for Procurement of Goods, Services, and Works to guide public procurement practices and promote good governance, with revisions occurring to keep pace with developments.

Government's Role in Cross-Border Employment & Procurement Systems:

- a) Conditional Participation : The government has established a mandatory registration process with a Competent Authority for vendors from countries sharing a land border with India to participate in public procurement.

- b) WTO and International Agreements : India's observer status in the WTO's Agreement on Government Procurement (GPA) indicates a move towards liberalizing its procurement activities and harmonizing policies with international standards.
- c) Regional and Bilateral Cooperation: Initiatives like the Framework on Currency Swap Arrangement for SAARC Countries promote regional integration and provide a line of funding for short-term foreign exchange needs, fostering inter-dependence.
- d) Facilitating Trade: India participates in the global services market, with strong growth in its services exports, demonstrating its role as a key global competitor in the cross-border employment and services sector.

Digital Platforms: E-Procurement Systems

- a) Transparency: E-procurement systems will provide a transparent and auditable record of all transactions, reducing the risk of corruption and ensuring accountability.
- b) Efficiency: Automated processes will streamline procurement, reducing paperwork and increasing the speed of transactions.
- c) Cost Savings: E-procurement systems can help reduce costs by enabling better negotiation, improved supplier management, and reduced maverick spending.

Skill Development: Training Programs

- a) Upskilling : Training programs will focus on enhancing the skills of the workforce, enabling them to adapt to new technologies and industry trends.
- b) Employability : The programs will aim to improve employability, making workers more attractive to potential employers and increasing their chances of career advancement.
- c) Industry-Relevant Skills : The training will be tailored to meet the specific needs of the industry, ensuring that workers have the skills required to excel in their roles.

Labour Laws : Reforms

- a) Simplified Compliance : Reforms will aim to simplify compliance with labour laws, reducing the administrative burden on businesses and enabling them to focus on core activities.

b) **Worker Welfare** : The reforms will prioritize worker welfare, ensuring that workers are protected and supported in the workplace.

c) **Flexibility** : The reforms may also introduce flexibility in labour laws, enabling businesses to respond to changing market conditions and industry needs.

These initiatives can help promote growth, efficiency and social responsibility in the industry, while also improving the lives of workers and their families.

Four Labour Codes:

The primary reform is the consolidation of 44 existing labour laws into four comprehensive codes.

- a) **Code on Wages:** Standardizes definitions of wages, ensures timely payments, and establishes a national floor wage.
- b) **Industrial Relations Code:** Simplifies dispute resolution and aims to improve employer-employee relationships.
- c) **Occupational Safety, Health and Working Conditions Code:** Sets standards for workplace safety and overall worker welfare.
- d) **Code on Social Security:** Extends social security benefits, such as provident fund and insurance, to gig and platform workers.

Ease of Doing Business:

The simplification of labour laws aims to make it easier for businesses to operate in India, potentially improving the country's ranking in global 'ease of doing business' indices.

- a) **Gig and Platform Worker**

Benefits: A significant focus is placed on including gig and platform workers in the social security framework, providing them with health and financial protection.

- b) **Enhanced Worker Protections:** The reforms introduce stricter safety norms, mandated health checks, and specific provisions to protect vulnerable groups like women and contract workers.

Implementation and Recent Developments (2025)

a) **Phased Rollout :**

The new codes are being introduced in stages, with large companies implementing first, followed by mid-size companies, and small businesses receiving a grace period.

b) **Portal Revamps:**

The Ministry of Labour & Employment is revamping the Shram Suvidha and National Career Service (NCS) portals to improve compliance and provide better employment-related services.

EPFO & ESIC Initiatives: The Employees' Provident Fund Organisation (EPFO) has enhanced auto-claim settlement limits and is working on a centralized database for efficiency, while the Employees' State Insurance Corporation (ESIC) has approved the establishment of new medical colleges.

Focus on Digitalization: Initiatives like digitalizing factory license renewals and enabling online filing for compliance are being adopted to streamline processes.

Public procurement plays a crucial role in tackling climate change. It can drive sustainability and shape market trends through government purchasing power. Promoting Sustainability in Procurement Practices - Green public procurement focuses on buying goods and services with reduced environmental impact. This approach considers the full life cycle of products. Government buyers can prioritise energy-efficient technologies and low-carbon materials. They have set a strict environmental criteria for suppliers. Climate-focused procurement policies can transform public services. They align government spending with environmental goals. Key policy measures include:

- a. Setting targets for reducing emissions in public contracts
- b. Mandating sustainability assessments for major projects
- c. Training procurement staff on climate considerations

Public procurement can drive adaptation to climate change leading to resilient infrastructure and support climate-smart technologies.

5. Executive Summary – Construction Chapter of the 12th National Plan

The Twelfth Five-Year Plan (2012-2017) aimed for "Faster, Sustainable, and More Inclusive Growth" with a target growth rate of 8%.

Monitorable Targets of the Plan :

Twenty Five core indicators listed below reflect the vision of rapid, sustainable & more inclusive growth of the Twelfth Plan:

Economic Growth

1. Real GDP Growth Rate of 8.0 per cent.
2. Agriculture Growth Rate of 4.0 per cent.
3. Manufacturing Growth Rate of 10.0 per cent.
4. Every State must have an average growth rate in the Twelfth Plan preferably higher than that achieved in the Eleventh Plan.

Poverty and Employment

5. Head-count ratio of consumption poverty to be reduced by 10 percentage points over the preceding estimates by the end of Twelfth FYP.
6. Generate 50 million new work opportunities in the non-farm sector and provide skill certification to equivalent numbers during the Twelfth FYP.

Education

7. Mean Years of Schooling to increase to seven years by the end of Twelfth FYP.
8. Enhance access to higher education by creating two million additional seats for each age cohort aligned to the skill needs of the economy.
9. Eliminate gender and social gap in school enrolment (that is, between girls and boys, and between SCs, STs, Muslims and the rest of the population) by the end of Twelfth FYP.

Health

10. Reduce IMR to 25 and MMR to 1 per 1,000 live births, and improve Child Sex Ratio (0–6 years) to 950 by the end of the Twelfth FYP.
11. Reduce Total Fertility Rate to 2.1 by the end of Twelfth FYP.
12. Reduce under-nutrition among children aged 0–3 years to half of the NFHS-3 levels by the end of Twelfth FYP.

Infrastructure, Including Rural Infrastructure

13. Increase investment in infrastructure as a percentage of GDP to 9 per cent by the end of Twelfth FYP.
14. Increase the Gross Irrigated Area from 90 million hectare to 103 million hectare by the end of Twelfth FYP.
15. Provide electricity to all villages and reduce AT&C losses to 20 per cent by the end of Twelfth FYP.
16. Connect all villages with all-weather roads by the end of Twelfth FYP.
17. Upgrade national and state highways to the minimum two-lane standard by the end of Twelfth FYP.
18. Complete Eastern and Western Dedicated Freight Corridors by the end of Twelfth FYP.
19. Increase rural tele-density to 70 per cent by the end of Twelfth FYP.
20. Ensure 50 per cent of rural population has access to 40 lpcd piped drinking water supply, and 50 per cent gram panchayats achieve Nirmal Gram Status by the end of Twelfth FYP.

Environment and Sustainability

21. Increase green cover (as measured by satellite imagery) by 1 million hectare every year during the Twelfth FYP.
22. Add 30,000 MW of renewable energy capacity in the Twelfth Plan
23. Reduce emission intensity of GDP in line with the target of 20 per cent to 25 per cent reduction over 2005 levels by 2020.

Service Delivery

24. Provide access to banking services to 90 per cent Indian households by the end of Twelfth FYP.
25. Major subsidies and welfare related beneficiary payments to be shifted to a direct cash transfer by the end of the Twelfth Plan, using the Aadhar platform with linked bank accounts.

Construction Sector :

The Construction Industry Development Council (CIDC) played a role in shaping the construction sector's growth during this period, with reports and working groups focused on areas like human resource development, institutional financing, and regulatory frameworks.

Chapter on Construction in the Twelfth Five Year Plan was written by CIDC. The following key issues have been highlighted :

- Human Resource Strategies
- Safety & related issues of Construction Workers
- Regulatory Framework in the Construction Industry
- Contracting Systems and Dispute Resolution
- Technology and Productivity
- Quality and Standards
- Research & Development in Construction Sector
- Construction Machinery and Techniques
- Project Export in Construction Industry
- Finance and related issues
- Strategies to improve flow of funds to construction industry

Government initiatives must be in coordination with all the constituents of the construction industry. Workable Action Plans incorporating the above suggestions were incorporated during the Twelfth Plan period.

Source and References :

Ministry of Statistics & Programme Implementation, Government of India

MoSPI, India & Data Informatics & Innovation Division (DIID)@GoIStats

[Department of Financial services.](#)

[Ministry of Commerce & Industry](#)

[Ministry of Housing and Urban Affairs](#)

www.cpi.mospi.gov.in.

<https://www.pib.gov.in/FeaturesDeatils.aspx?NoteId=153288&ModuleId=2>

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2106921>

<https://www.indiabudget.gov.in/budget2015-2016/es2014-15/echapter-vol2.pdf>

<https://www.indiabudget.gov.in/budget2015-2016/es2014-15/echapvol2-01.pdf>

<https://www.mospi.gov.in/percentage-share-gross-value-added-different-economic-sector-2011-12-2023-24-sae-base-year-2011-12-0>

<https://static.pib.gov.in/WriteReadData/specificdocs/documents/2025/feb/doc202521494001.pdf>

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2122016>

<https://www.ibef.org/economy/foreign-direct-investment>

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2083683>

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2122148>

<https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=154428&ModuleId=3>

<https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=154426&ModuleId=3>

<https://www.pib.gov.in/PressNoteDetails.aspx?NoteId=154432&ModuleId=3>

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2119954>

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2119045>

<https://pib.gov.in/PressReleasePage.aspx?PRID=2093125>

<https://www.pib.gov.in/Pressreleaseshare.aspx?PRID=1886031>

<https://msh.meity.gov.in/>

<https://aim.gov.in/overview.php>

https://sansad.in/getFile/loksabhaquestions/annex/183/AU3820_406x3D.pdf?source=pqals

<https://www.india.gov.in/spotlight/union-budget-2025-2026>

<https://www.startupindia.gov.in/>

[Annual Report 2012-13 of the Planning Commission of India .](#)

https://www.niti.gov.in/sites/default/files/2023-08/12fyp_vol1.pdf - Twelfth Five Year Plan (2012-17)

https://www.niti.gov.in/sites/default/files/2023-08/12fyp_vol2.pdf

https://www.mospi.gov.in/sites/default/files/Statistical_year_book_india_chapters/ch7.pdf

<https://smartcities.gov.in/>

<https://mohua.gov.in/cms/smart-cities.php>

<https://www.rbi.org.in>

https://x.com/SmartCities_HUA/status/1204006276155543552

<https://pib.gov.in/PressReleasePage.aspx?PRID=2083808>

https://smartcities.gov.in/sites/default/files/2023-09/SCM_UN_Report%20.pdf

<https://www.commerce.gov.in/wp-content/uploads/2025/02/LS-USQ-No.262-dated.-04.02.2025.pdf>

Enhancing Urban Life: <https://pib.gov.in/PressNoteDetails.aspx?NoteId=151908>