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Union Budget 2024–25: Catalysing Growth through Infrastructure Investment



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Infrastructure development is essential for economic growth and it underpins a nation's productivity, enabling trade, enhancing quality of life, and promoting innovation. As India faces aging infrastructure and the need for modernization, strategic investment in this sector is more crucial than ever. The Union Budget 2024–25, presented by the Finance Minister aptly prioritizes investment in key sectors such as infrastructure, agriculture, urban development, manufacturing, employment and skill development, energy security, support to MSME, innovation, and research and development.

The allocation of Rs. 11,11,111 crore, equivalent to 3.4 percent of the GDP, in infrastructure development marks an 11.1 percent increase over the previous year. Additionally, the announcement of Rs. 1.5 lakh crore in long-term, interest-free loans for infrastructure investment to the state governments is significant. Infrastructure investment by the private sector, supported by viability gap funding and enabling policies and regulations, will undoubtedly attract national and international investors. All these initiatives will finance and build robust infrastructure in India, offering substantial long-term growth potential.

The provision of Rs. 2.66 lakh crore for rural development, including rural infrastructure, is crucial for transforming the rural heartland into engines of social and economic growth. Developing investment-ready industrial parks in partnership with states and the private sector, with complete infrastructure in 100 cities, will foster entrepreneurship and generate employment opportunities.

I welcome the announcement to use treated water for irrigation and filling up water reservoirs in 100 large cities. Given India's significant water scarcity challenge, this initiative will significantly enhance water supply, as irrigation alone consumes over 80% of the country's fresh water. The collaboration between the Union and State Governments and Multilateral Development Banks to support water supply, sewage treatment, and solid waste

management projects in these cities will address water and soil pollution, support sustainable development, and improve public health.

SPML Infra Limited views this budget as a forward-looking initiative, effectively funding the future through strategic infrastructure development. The announcements and fund allocations align with the broader perspective in the construction and infrastructure sector, where investment will be the catalyst for economic growth and societal progress. Infrastructure development companies' including **SPML Infra Limited** is likely to play a crucial role in translating these financial allocations into tangible projects that will lead us to achieving a 5 trillion dollar economy. The coming years may see acceleration in project implementation, innovative approaches to infrastructure development, and a renewed focus on sustainable and resilient water management practices.



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