DIGITAL INDIA FOUNDATION

Digital India Foundation Congratulates Hon'ble PM Narendra Modi for the 11th Union Budget Presentation

The Digital India Foundation extends its heartfelt congratulations to Hon'ble Prime Minister Narendra Modi for his leadership in presenting the 11th Union Budget and to Finance Minister Nirmala Sitharaman for her historic 7th Union Budget. Under PM Modi's leadership, the government has consistently demonstrated commitment to infrastructure spending, technology leadership, fiscal prudence, welfare schemes, and policy continuity over the past decade. Continuing with this tradition, the Union Budget 2024 reflects a robust focus on fiscal consolidation, capital expenditure, technology ecosystem development, and youth employment.

From a digital transformation and startup ecosystem perspective, we are particularly pleased with the abolition of angel tax, the Critical Mineral Mission for supply chain diversification and domestic manufacturing, the employment focused employee-linked incentive schemes and the introduction of Digital Public Infrastructures (DPIs) in agriculture.

As per the Economic Survey 2024, under the Fund of Funds for Start-ups, over ₹10,500 Crore has been committed to 135+ Alternative Investment Funds, which invested over ₹18,000 Crore in start-ups by the end of FY24. In this regard, the abolition of the angel tax will undoubtedly boost investor confidence and support the growth of the startup ecosystem in India.

The Critical Mineral Mission, along with the proposed custom duty cuts on critical minerals, telecom hardware, solar modules, and mobile phones, is set to significantly drive manufacturing in key sectors such as electric vehicles (EVs), batteries, solar modules, and semiconductors. These measures will lower production costs and enhance competitiveness and support the growth of India's emerging AI ecosystem.

The employee-linked schemes, the ₹1 trillion Anusandhan Fund, and the ₹1000 crore venture fund for the space sector will have a multiplier effect for generating the 7.85 million annual non-farm jobs required for our young workforce and increasing India's R&D expenditure.

The introduction of DPIs in agriculture, especially AgriStack and Soil Profile Maps, will digitise the farm ecosystem's supply side. In our view, this initiative would streamline agricultural practices and enhance productivity. With the Open Network for Digital Commerce (ONDC) and Open Credit Enablement Network (OCEN), we foresee significant improvements in discoverability and credit penetration for farmers and small businesses across India, effectively addressing the demand side of the problem.

The Digital India Foundation believes these initiatives will address India's emerging challenges in skilling, employment, and manufacturing in critical industries in a fiscally prudent manner and pave the way for sustained economic growth.