MAY 2025 EDITION



GOVERNMENT POLICY REPORT

01 Sustainability

India Reasserted its Global Commitment to Sustainable Agriculture at the 15th BRICS Meet in Brazil

The 15th meeting of the BRICS Agriculture Ministers was conducted in Brasília, Brazil, on April 17, 2025. Its theme was "Promoting Inclusive and Sustainable Agriculture through Cooperation, Innovation, and Equitable Trade among BRICS Countries," under this theme, India reaffirmed its steadfast commitment to promoting sustainable and inclusive agriculture. The Indian delegation emphasized the critical importance of supporting small and marginal farmers, who constitute a significant share of the global agricultural workforce, and are central to achieving food security and rural development.



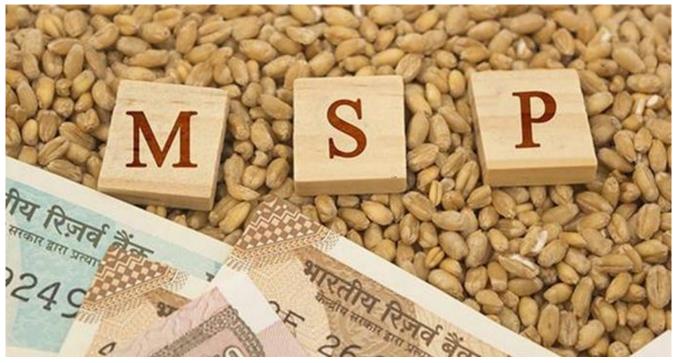
Source: https://observervoice.com/india-reaffirms-commitment-to-sustainable-agriculture-at-15th-brics-meeting-111440/

India advocated for comprehensive strategies including cluster-based farming, strengthening FPOs, promoting natural farming, and various other cooperative models to empower small farmers. These initiatives aim to improve market access, boost income, and ensure equitable growth across agricultural sectors.

In the face of increasing global price volatility, India also stressed the need for fair and transparent agricultural trade systems. It called for policies including public food stockholding, minimum support prices (MSP), and value chains that connect producers directly with consumers. India's ability to distribute free food rations to over 800 million citizens during the COVID-19 pandemic was also highlighted as a successful example of efficient agricultural governance and food security.



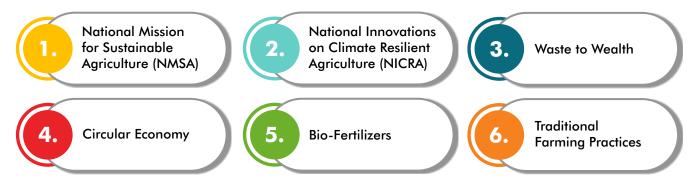
Source: https://currentaffairs.adda247.com/farmers-producers-organisation-fpo-1100-fpos-have-been-allocated-to-national-cooperative-development-corporation-ncdc/



Source: https://countercurrents.org/2024/11/minimum-support-price-msp-a-system-ensuring-financial-stability-for-farmers-and-strengthening-food-security/

India showcased its digital advancements in agriculture, including the Digital Agriculture Mission and AgriStack, alongside the deployment of drones to modernize farming practices. Programs like Lakhpati Didi and Namo Drone Didi were introduced as part of India's efforts to empower rural women economically and socially, aligning with broader goals of gender inclusion in agriculture.

COLLABORATION FOR COMBATTING CLIMATE CHANGE THROUGH PROGRAMS



The meeting also marked the launch of the "BRICS Land Restoration Partnership," aimed at combatting land degradation and restoring soil health. India endorsed the initiative, emphasizing its potential to benefit small farmers and marginalised communities.



Source: https://pib.gov.in/PressReleasePage.aspx?PRID=2122764

In addition to multilateral discussions, India explored bilateral cooperation with Brazil in agriculture and agri-tech. This meeting has given India a chance to showcase its Vedic values and environmental stewardship on the global stage while reiterating its unfailing commitment to sustainable agriculture.

02 Climate Change

Green Transitions: Opportunities in Renewable Energy and Climate Financing

India's transition to a green economy is gaining momentum, driven by significant advancements in renewable energy and climate financing. In 2024, the nation achieved a record-breaking addition of 24.5 GW in solar capacity and 3.4 GW in wind capacity, marking a substantial increase compared to the previous year. This growth is fuelled by government initiatives, policy reforms, public-private partnerships, and investments in domestic manufacturing and clean technology innovation.

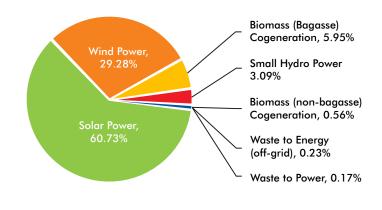
To support these developments, India has secured a \$386 billion financial commitment aimed at expanding renewable energy capacity. The Ministry of Finance is also formulating a climate finance taxonomy aimed at improving access to capital for adaptation and mitigation initiatives. India has updated its Nationally Determined Contributions (NDCs), targeting a 45% reduction in emission intensity and achieving 50% cumulative electric power installed capacity from nonfossil fuel-based sources by 2030.

These commitments underscore the nation's dedication to supporting sustainable development and global climate action. Despite these strides, challenges remain. A significant skill shortage in the clean energy sector is hindering progress, with the industry requiring around 1.2 million trained workers. Addressing this gap is crucial for maintaining India's green transition momentum and ensuring equitable employment opportunities across regions.



Source:https://manufacturing.economictimes.indiatimes.com/amp/news/ener gy/india-enters-2025-as-global-lighthouse-with-214-gw-green-energycapacity-pralhad-joshi/116869096

India Renewable Energy Mix (January 2025)



Source: https://mnre.gov.in/en/year-wise-achievement/

In 2025, renewable energy capacity continue to expand. As of March 2025, the cumulative installed renewable energy capacity reached 220.10 GW, with solar power contributing 106 GW and wind power 50 GW. The Ministry of New and Renewable Energy (MNRE) plans to raise Rs 13,500 crore through green bonds in FY25 to fund projects. The government is



Source: https://economictimes.indiatimes.com/news/india/national-green-financing-bodyon-cards/articleshow/118538984.cms

also establishing a National Green Financing Institution aimed at consolidating green finance sources and reducing capital costs to advance its net-zero emissions goal by 2070.

KEY STATISTICAL HIGHLIGHTS – INDIA'S GREEN TRANSITION (2024-2025)

Renewable Energy Capacity Growth (2024-25)	 Solar Power (2024): +24.5 GW added Wind Power (2024): +3.4 GW added Total Installed Capacity: 167.7 GW 	
Financial Commitments & Instruments	 Green Energy Investment (2024): \$386 billion committed Green Bonds (Fy25): Rs 13,500 crore to be raised National Green Financing Institution: Under development to aggregate 	
National Climate Goals	 Emission Intensity Reduction Target: 45% by 2030 (vs. 2005 levels) Renewable Energy Share Target: 50% of installed capacity by 2030 Net-Zero Target: 2070 	
Skill Development Needs	• Estimated Skilled Workforce Requirement: 1.2 million in clean energy sector	
International Climate Finance Appeal	 India's Ask (2025 Onward): \$1 trillion/year from developed nations for climate finance 	

India is also urging developed countries to contribute \$1 trillion annually under climate finance commitment starting in 2025, highlighting the need for global support. Enhanced international collaboration, continued investment, innovative technologies, decentralized solutions, robust infrastructure, policy action, and workforce development are essential for India's ambitious climate goals.

HOW AG GROUP CAN HELP YOU

To find innovative optimized solutions to reduce greenhouse gas emissions <u>Click Here</u>

03 Skilling & Employment

Labour Cess and Workforce Development: Evaluating Its Role in Skill Enhancement and Capacity Building

In India, the Labour Cess, instituted under the Building and Other Construction Workers Welfare Cess Act, 1996 remains a pivotal funding mechanism for enhancing the welfare and skill development of construction workers. The government initiatives between 2024 and 2025 have significantly leveraged this cess to bolster workforce development and capacity building, particularly among informal and marginalised segments of the labour market.



Source: https://scroll.in/article/920814/data-check-23-years-on-a-welfare-cess-for-construction-workers-has-done-little-for-them

The Union Budget 2025–26 underscores a strategic vision to achieve "Viksit Bharat" by 2047, emphasizing the creation of a 100% skilled workforce with meaningful employment. Significant allocations have been directed towards skill training and livelihood programs, aiming to formalize the workforce and expand social security. The budget also focuses on sector-specific skilling, extending formal protections to gig workers, and increasing allocations for gender inclusion in the workforce.



Source: https://pib.gov.in/PressReleaselframePage.aspx?PRID=2036500





Turning attention to the full year and beyond, in this budget, we particularly focus on employment, skilling, MSMEs, and the middle class. I am happy to announce the Prime Minister's package of 5 schemes and initiatives to facilitate employment, skilling and other opportunities for 4.1 crore youth over a 5-year period with a central outlay of Rs 2 lakh crore.

> Union Finance Minister Nirmala Sitharaman during the Budget speech

Collated & Summarised by "Research Team" - AG Horizon Pvt Ltd

The Economic Survey 2024-25 highlights the necessity of prioritizing education and skill development to equip India's workforce for an AIdriven economy. It emphasizes creating a skilling ecosystem that enhances employability for youth in global job markets, thereby attracting international investments and stimulating growth. The survey also notes a decline in the unemployment rate to 3.2% in 2023-24 and an increase in female labour force participation to 41.7%, indicating positive trends in workforce development.



Employment and Skill Development



India's new Labour Codes will promote gender inclusivity, workplace safety, and social security for women

- Labour laws intended to protect the rights of women workers have often discouraged hiring by creating systemic barriers to their entry into the workforce
- India's new Labour Codes address this by enabling night shifts for women, with safety measures, extending 26 weeks of maternity leave to gig and informal workers and mandating creche facilities in workplaces with 50 or more employees
- The Codes ensure equal pay and prohibit gender discrimination in recruitment, while allowing women to work in all sectors, including hazardous roles, with safeguards

Source: https://pib.gov.in/PressReleasePage.aspx?PRID=2097899

Moreover, initiatives to integrate digital platforms, such as the **e-Shram portal and National Career Service**, have improved accessibility to skilling opportunities and labour welfare schemes. The government's focus on enhancing women's workforce participation through working women hostels, crèches, and SHG market support further underscores a commitment to inclusive workforce development.

Labour Cess: Funding Skill Training	Upgrading Industrial Training Institutes	National Skill Development Scheme	Skills Qualification Framework	Digital Platforms for Workforce Growth
 Cess funds construction worker welfare and training Focuses on skill and safety improvement 	 Rs 60,000 crore allocated for 1,000 institute upgrades 200 hubs and 800 support units for training Industry partnerships for course design and resources 	 Provides short- term training and skill certification Includes 400+ courses in emerging technologies Offers training in multiple languages online 	 Organizes skills by knowledge and job roles Recognizes education and work- based learning 	 Link job and training portals for easy access Monitors training programs for quality

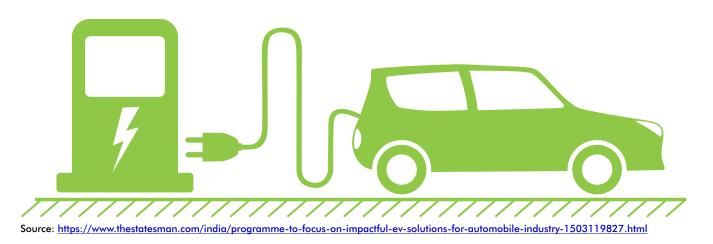
KEY FACTS

Additionally, improved transparency mechanisms, collaboration with state governments, and publicprivate partnerships have ensured that Labour Cess funds are utilized efficiently to target underserved populations and reduce regional disparities in skill development. Collectively, these initiatives underscore the instrumental role of the Labour Cess in funding and facilitating skill enhancement and capacity building, aligning with India's broader objectives of economic growth and social welfare.

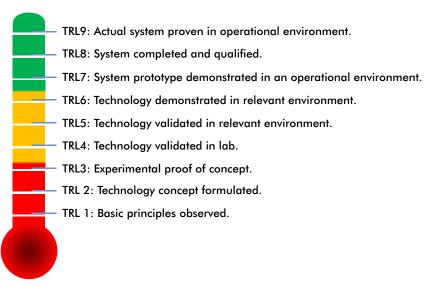
04 eMobility

EVolutionS Programme has been launched to Boost EV Manufacturing in the Country

In 2025, the Department of Science and Technology (DST), Government of India, launched the EVolutionS (Electric Vehicle Innovation and Solutions) Programme to catalyse electric vehicle (EV) manufacturing through targeted support for startups. The initiative is being carried out in partnership with the Ministry of Heavy Industries (MHI) and the Automotive Component Manufacturers Association of India (ACMA). It aligns with India's broader national priorities, including Atmanirbhar Bharat, carbon emission reduction, and the transition to sustainable mobility.



The program specifically targets startups working on innovative EV technologies at Technology Readiness Levels (TRL) 3-4, assisting them in progressing to the commercial deployment stages (TRL 6-8). It emphasizes building domestic capabilities in critical areas where India currently relies heavily on imports, particularly in advanced power systems, energy storage, and smart mobility technologies.





Startups selected under the EVolutionS Programme receive financial support through incubators, covering various stages such as **product development**, **pilot demonstrations**, **testing and validation**, **market-entry**, and **commercialization**. Each startup can avail up to **Rs 50 lakh in funding**, including **Rs 30 lakh as equity-linked support**. This structured financial assistance is coupled with mentorship, infrastructure access, and technical collaboration with premier R&D institutions and industry experts, enabling startups to scale technologies from lab to market.

THREE CORE TECHNOLOGICAL DOMAINS

Tropical EV
BatteriesPower Electronics
and Machine
DrivesEV Charging
InfrastructureTechnologies suited to
India's climatic
conditionsEfficiency-driven EV
power componentsWidespread, scalable, and
reliable charging
networks

Moreover, the program fosters public-private partnerships, promotes IP creation, and strengthens linkages between academia, startups, and industry. By integrating innovation, investment, and institutional support, **EVolutionS** is expected to accelerate the shift toward indigenous EV technologies. It also holds the potential to generate employment, enhance technological competitiveness, and position India as a global manufacturing and innovation hub for clean mobility solutions.

The program also complements nationallevel EV policies such as **FAME India**, **PLI schemes**, and India's commitments under the **Paris Climate Agreement**. By reinforcing synergy across sectors, EVolutionS not only supports technological self-reliance but also directly contributes to **India's target of achieving net-zero emissions by 2070**. This is making it a cornerstone initiative in the country's green mobility growth strategy.

EV-RELATED COMPONENTS	Electric two-, three-, and four-wheelers
	E-rickshaws and e-carts
	Electric buses (e-buses)
	Public charging stations and infrastructure

HOW AG GROUP CAN BE A HELP

To formulate strategy to utilize the growing demand of eMobility <u>Click Here</u>

05 Water Governance

Water Governance in India: Challenges, Treaties, and Emerging Solutions

Water governance in India is facing mounting challenges amid rapid population growth, urbanization, and climate variability. A critical concern is groundwater depletion, with approximately 85% of rural water and 62% of irrigation dependent on this resource. The over-extraction, incentivized by free electricity and unregulated borewell usage, has worsened the situation in states like Punjab, Haryana, and Gujarat. Here aquifer recharge rates are significantly lower than extraction levels, raising alarms about long-term sustainability.

Institutional fragmentation remains a major barrier. Multiple authorities at state and central levels operate in silos, hampering coordination and consistent policy implementation. For instance, Delhi has over seven agencies managing water supply, drainage, and sewerage independently, leading to operational inefficiencies and accountability gaps. India also faces contentious inter-state and international water disputes.



Source: https://www.orfonline.org/research/revamping-water-governancein-india-the-pathway-to-a-new-national-water-policy



Source: https://www.thepeninsula.org.in/2024/11/04/indus-water-treaty-a-model-for-international-water-governance/

Domestically, tribunals such as the Cauvery Water Disputes Tribunal have offered rulings, but implementation remains politically sensitive and delayed. On the international front, the Indus Waters Treaty (1960) between India and Pakistan serves as a foundational agreement for transboundary water sharing which was recently suspended amid ongoing tensions. Similarly, the 1996 Ganga Waters Treaty with Bangladesh ensures downstream flow regulation and equitable distribution. India also participates in the Mekong-Ganga Cooperation for knowledge exchange and water management collaboration with Southeast Asian nations, advancing regional water diplomacy.

In response to existing challenges, the Government of India launched flagship programs such as the Jal Jeevan Mission, aiming to provide piped drinking water to every rural household by 2024. Besides this, the Atal Bhujal Yojana is also promoting groundwater conservation through community engagement and local-level decision-making.



Source: https://pm-yojana.in/en/atal-bhujal-yojana-jal-jeevan-mission

KEY FACTS



India is trying to address the water governance issues with emerging solutions that include the integration of IoT-based water monitoring, GIS mapping, remote sensing, and artificial intelligence. The promotion of a circular water economy under the AIWASI initiative with Australia, and a push for a unified National Water Policy to encourage inter-sectoral water allocation and climate-resilient infrastructure brings prospective solutions. India's water governance requires stronger legal frameworks, cooperative federalism, public awareness, and adaptive international diplomacy to ensure sustainable and equitable water use for future generations.

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