

## Highlights of the Union Budget for 2025-26.

- This Budget continues Government's efforts to a) accelerate growth, b) secure inclusive development, c) invigorate private sector investments, d) uplift household sentiments, and e) enhance spending power of India's rising middle class.
- This year's budget proposals span 10 broad areas. Gareeb, youth and ann daata and nari, to continue to be the focus,
- 1)Spurring Agricultural Growth and Productivity, 2) Building Rural Prosperity and Resilience, 3) Taking Everyone Together on an Inclusive Growth path,4) Boosting Manufacturing and Furthering Make in India, 5)Supporting MSMEs,6) Enabling Employment-led Development,7) Investing in people, economy and innovation, 8) Securing Energy Supplies,9) Promoting Exports and 10) Nurturing Innovation.
- Govt focuses on four powerful engines are Agriculture, MSME, Investment, and Exports
- This Budget aims to initiate transformative reforms across six domains. during the next five years, The domains are Taxation, Power Sector, Urban Development, Mining, Financial Sector and Regulatory Reforms.
- Government to bring up Jan Vishwas Bill 2.0
- Total receipts in FY26 at Rs 34.96 lakh crores and Net tax receipts in FY26 at Rs 28.37 lakh crores.
- In Revised Estimates (RE) 2024-25, the total expenditure is estimated at ₹47,16,487 crores. Against this, total expenditure in the Actuals for FY 2023-24 was ₹44,43,447 crores. The total capital expenditure is estimated at ₹10,18,429 crores in RE 2024-25 as against ₹ 9,49,195 crores in the actuals of FY 2023-24.
- The total expenditure in Budget Estimates (BE) 2025-26 is estimated at Rs.50,65,345 crores of which total Capital Expenditure is ₹11,21,090 crores and effective capital expenditure is Rs.15,48,282 crores.
- Fiscal deficit in FY26 estimated at 4.4%. Net market borrowing in FY26 at Rs 11.54 lakh crores. Gross market borrowing in FY26 at Rs 14.82 lakh crores.
- Govt targets fiscal deficit control with gradual debt reduction
- The fiscal deficit for FY25 is set at 4.8%, while the estimated fiscal deficit for FY26 stands at 4.4%.
- Govt to draft model bilateral investment treaty to attract foreign investment

## Agriculture and Rural Development

- The government has introduced the **Dhan Dhanya Krishi Yojna**, aiming to benefit 1.7 crores farmers across 100 districts by creating rural opportunities to make migration a choice rather than a necessity.
- The programme will cover 100 districts with low productivity, moderate crop intensity and below-average credit parameters. It aims to (1) enhance agricultural productivity, (2) adopt **crop diversification and sustainable agriculture practices**, (3) augment **post-harvest storage at the panchayat and block level**, (4) improve **irrigation facilities** and (5) facilitate **availability of long-term and short-term credit**.
- The Govt will launch '**Rural Prosperity and Resilience**' Program in collaboration with states to address agricultural underemployment through skilling, investment, and technology, thereby revitalizing the rural economy.
- Government is implementing the **National Mission for Edible Oilseed** for achieving atmanirbhrata in edible oils.
- National Mission on High Yielding Seeds
- Govt will Launch 6 Year Mission to Become Aatmanirbhar in Pulses with a special focus on Tur, Urad and Masoor
- Central Agencies to Procure Tur, Urad, Masur in Next 4 Years.
- Comprehensive Programme for Vegetables & Fruits
- **Makhana Board** in Bihar to Be Created to Improve Processing, Value Addition.
- **Mission for Cotton Productivity** as 5-year mission to facilitate improvements in productivity and sustainability of cotton farming.
- To augment urea supply, a plant 12.7 lakh metric tonne will be set up in Assam
- **Enhanced Credit through KCC**– Facilitate short term loans for 7.7 crores farmers, fishermen, and dairy farmers with enhanced loan of ₹5 lakh.
- India Post is set to be transformed into a major public logistics organization.
- Loan limit under Kisan credit cards enhanced to Rs 5 lakh from Rs 3 lakh

## Industries, MSME & Urban Development

- **Credit guarantee cover for MSMEs to be increased**– Credit guarantee cover will be enhanced from ₹5 crores to ₹10 crores for micro-enterprises leading to additional ₹1.5 lakh crores credit in next 5 years.
- Customised Credit Cards with a ₹ 5 lakh limit for micro enterprises registered on Udyam portal. In the first year, 10 lakh such cards will be issued.
- **Scheme for first time Entrepreneurs:** For 5 lakh first-time entrepreneurs, including women, Scheduled Castes and Scheduled Tribes, a new scheme, to be launched, to provide term loans up to ₹ 2 crores during the next 5 years.
- New Fund of Funds (FoF) with fresh expanded scope & fresh contribution of ₹10,000 crores to be set up. FoF for startups received commitments for over ₹9 lakh crores.
- Announced a dedicated **scheme for India's footwear and leather sector**, expected to generate employment for 22 lakh individuals, achieve a revenue of Rs.4 lakh crores, and boost exports to over Rs.1.1 lakh crores.
- Govt launch scheme to focus on manufacture of sustainable toys with a Made in India brand
- MSMEs responsible for 45% of exports
- National Manufacturing Mission to Be Launched
- Government to set up National Manufacturing mission covering small, medium, large industries to further 'Make in India',
- The government will establish national institute of food technology, management in Bihar to bolster food processing activity.
- Social Security Scheme for Gig Workers
- The government will extend Jal Jeevan Mission until 2028 with enhanced outlay.
- Urban sector reforms to be incentivised. Urban Challenge Fund of Rs 1 lakh crores to be set up to finance up to 25% of bankable projects. Second plan for 2025–30 will be launched to plow back capital of Rs 10 lakh crores in new infra projects.

- The government has announced a National Manufacturing Mission to support clean technology manufacturing, aiming to enhance domestic value addition and develop ecosystems for solar PV cells, EV batteries, motors and controllers, electrolyzers, wind turbines, high-voltage transmission equipment, and grid-scale batteries.
- Warehousing facility for air cargo: To facilitate upgradation of infrastructure and warehousing for air cargo including high value perishable horticulture produce.

### **Employment & Youth Education**

- Saksham Anganwadi and Poshan 2.0 to empower women and children with nutrition
- Expansion of Capacity in IITs
- Day Care Cancer Centres in all District Hospitals
- Bhartiya Bhasha Pustak Scheme: provide digital form
- Indian language books for school and higher education.
- 5 National Centres of Excellence for skilling to be set up with global expertise and partnerships.
- Atal Tinkering Labs: 50 thousand Labs to be set up in government schools in next 5 years.
- Centre of Excellence in Artificial Intelligence for education with a total outlay of ₹500 crores.
- Broadband connectivity to be provided to all government secondary schools and primary health centers in rural areas.
- Expansion of medical education: 10,000 additional seats with the goal of adding 75,000 seats in the next 5 years.
- Welfare of Online Platform Workers: Registration on the e-Shram portal & healthcare under PM Jan Arogya Yojana.

### **Infrastructure & Technology**

- The revised capex for FY25 is Rs 10.18 crores, against the target of Rs 11.1 lakh crores.
- PPP in infrastructure– 3-year pipeline of projects by states to be given that can be implemented in private-public partnership (PPP) mode. Each infrastructure related ministry is to come up with a 3-year plan to be implemented in PPP mode.

- Support to States for Infrastructure with an outlay of ₹ 1.5 lakh crores, 50-year interest free loans to states for capital expenditure and incentives for reforms.
- The government will create a Rs.1 lakh crores Urban Challenge Fund aimed at transforming cities into growth hubs. The fund will finance 25% of the cost of bankable projects, with an allocation of Rs.10,000 crores for 2025–26. The remaining 50% will be funded through bonds, bank loans, and public–private partnerships (PPPs).
- Financial assistance will be provided for Western Kosi Canal Project in Mithilanchal region of Bihar.
- Cargo screening and customs clearance to be simplified for users.
- Greenfield airports to be facilitated in Bihar.
- Modified Udaan scheme to be launched to enhance regional connectivity. Udaan scheme to add 120 new destinations, carry four crores additional passengers in next 10 years.
- The shipbuilding financial assistance policy will be revamped with the establishment of a Maritime Development Fund, having a corpus of Rs.25,000 crores. The government will contribute 49% to this fund.
- Support to be given to MSMEs to tackle non–tariff barriers in exports– Export promotion mission to be jointly driven by Commerce Ministry, MSMEs. Bharat Trade Net to be set up as digital public infrastructure for trade facilitation and financing. Support to be given to MSMEs to tackle non–tariff barriers in exports.
- PM Gati Shakti data to be made available for private sector– e development of the top 50 tourist destinations will be carried out in partnership with state governments. Hotels will also be included in the harmonised scheme for enhanced tourism infrastructure.
- Medical tourism and 'heal in India' to be promoted in partnership with private sector.
- The government will offer a national guidance framework to help states promote Global Capability Centers (GCCs) and enhance their growth.
- Nuclear Energy Mission to Achieve 100 GW Target "Development of at least 100 GW nuclear capacity by 2047 is essential."
  - Nuclear Energy Mission for R&D of small modular reactors with Rs 20,000 crores outlay to be set up.
  - Five small modular reactors to be operationalised by 2033.
- PM Research Fellowship to provide ten thousand fellowships for technological research in IITs and IISc.

### Housing

- Affordable housing: Another 40,000 units to be completed in FY26

### Tourism

- Top 50 tourist destination sites to be developed in partnership with states.
- Performance-linked incentives to states
- Introducing streamlined e-visa facilities
- Intensive skill-development programmes for youth
- MUDRA loans for homestays
- Ease of travel and connectivity to tourist destinations

### Banking & Financing

- PM SVANidhi: To be revamped with enhanced loans from banks, UPI linked credit cards and capacity building support.
- 100% FDI in insurance for firms which invest entire premium in India.
- A Deeptech Fund of Funds will be explored to support technological advancements, while 10,000 fellowships will be provided for tech research at IITs and IISc under the PM Research Fellowship Scheme.
- NABFID to set up partial credit enhancement facility for bonds for infrastructure.
- Banks to maintain Grameen Credit score for self-help groups.
- Revamped Central KYC registry to be rolled out in 2025.
- 'Grameen Credit Score' framework to serve the credit needs of SHG members and people in rural areas.
- Rationalisation of requirements and procedures for speedy approval of company mergers

### Indirect Tax

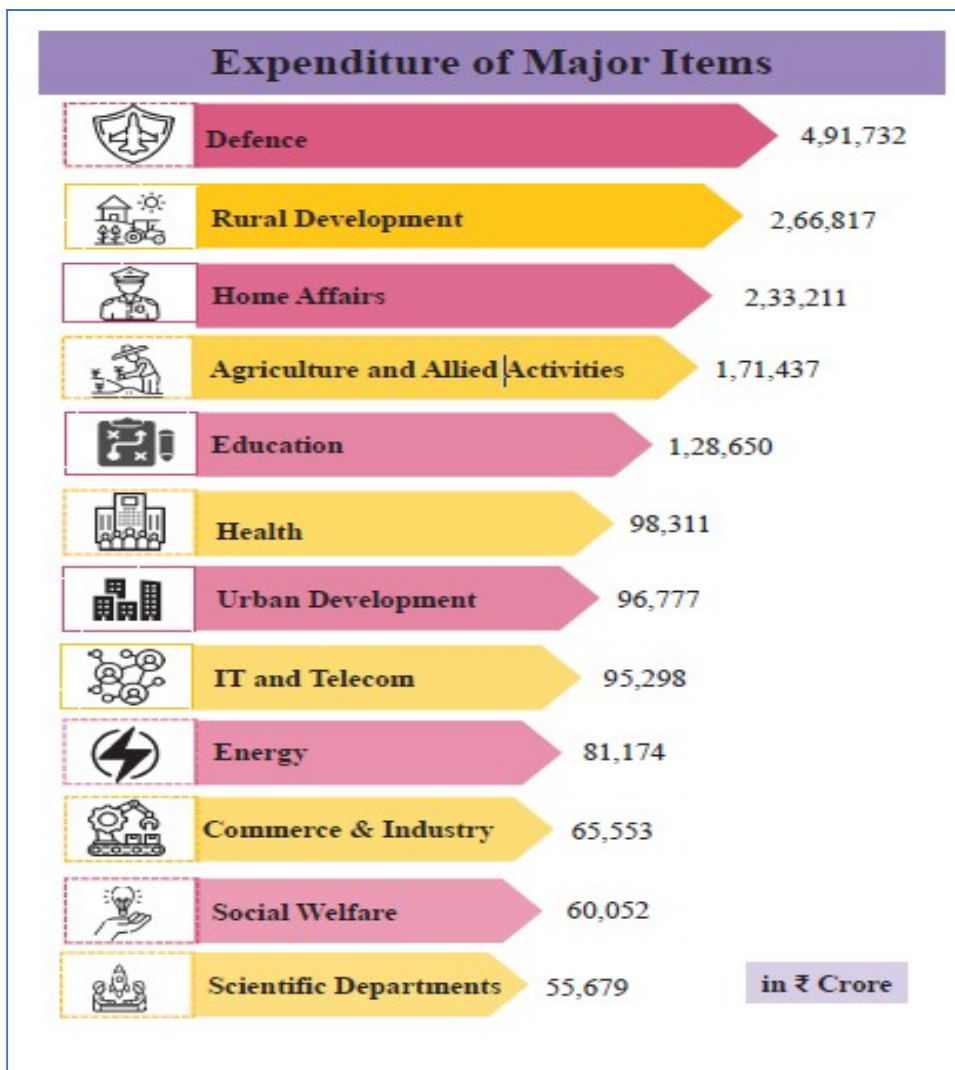
- Rationalisation of Customs Tariff Structure for Industrial Goods
- Customs provisional assessment time limit set at 2 years
- The Finance Minister announced exemptions from basic customs duty (BCD) for 36 life-saving drugs, 35 additional capital goods for EV manufacturing, and wet blue leather.

- Tariff Tweaks Full exemption and concessional duty will apply on bulk drugs and manufacture
- To fully exempt cobalt powder, scrap of lithium-ion battery from customs duty
- Propose to remove 7 tariff rates, after this there will be only 8 remaining tariff rates
- To increase basic customs duty (BCD) on flat panel display to 20% from 10% while duty on fish paste will be reduced from 30% to 5%.
- To reduce BCD on carrier grade ethernet switches Propose to add 25 additional capital goods for EV battery manufacturing and 28 goods for mobile phone battery manufacturing
- To fully exempt BCD on wet blue leather
- Propose to continue exemption of BCD on raw materials, components, consumables, or parts for manufacture of ships for another 10 years.
- Propose to extend time limit for of foreign origin railway goods imported for repairs from 6 months to one year.

### Direct Tax

- New Income Tax Bill to be clear, direct in text, with close to half of the present law. New Income Tax Bill to be simple to understand, lower litigation,
- Tax threshold on interest for senior citizens increased to Rs 1 lakh
- The annual limit of ₹2.40 lakh for TDS on rent increased to ₹ 6 lakh.
- Remove TCS on remittances for education
- Provision of higher TDS only in non-PAN cases.
- The deadline to file updated tax returns has been extended from 2 years to 4 years.
- Reduced compliance for small charitable trusts/institutions by increasing their period of registration from 5 years to 10 years.
- Tax payers to be allowed to claim the annual value of 02 self-occupied properties (previously 01) without any conditions (previously conditions attached).
- No income tax payable up to 12 lakhs

- New Tax regime
  - Rs 0-4 lakh -- Nil
  - Rs 4-8 lakh -- 5%
  - Rs 8-12 lakh -- 10%
  - Rs 16-20 lakh -- 20%
  - Rs 20-24 lakh -- 25%
  - Above Rs 24 lakh -- 30%
- Tax rebate for those with income up to Rs 12 lakh





## बजट का सार Budget at a Glance

(in ₹ crore)

		2023-2024	2024-2025	2024-2025	2025-2026
		वास्तविक	बजट	संशोधित	बजट
		Actuals	अनुमान Budget Estimates	अनुमान Revised Estimates	अनुमान Budget Estimates
1. राजस्व प्राप्तियां	1. Revenue Receipts	2729036	3129200	3087960	3420409
2. कर राजस्व (केन्द्र को निवल)	2. Tax Revenue (Net to Centre) <sup>1</sup>	2327251	2583499	2556960	2837409
3. कर भिन्न राजस्व	3. Non-Tax Revenue	401785	545701	531000	583000
4. पूंजी प्राप्तियां	4. Capital Receipts	1714411	1691312	1628527	1644936
5. ऋणों की वसूली	5. Recovery of Loans	26646	28000	26000	29000
6. अन्य प्राप्तियां	6. Other Receipts	33122	50000	33000	47000
7. उधार और अन्य देयताएं	7. Borrowings and Other Liabilities <sup>2</sup>	1654643	1613312	1569527	1568936
8. कुल प्राप्तियां (1+4)	8. Total Receipts (1+4)	4443447	4820512	4716487	5065345
9. कुल व्यय (10+13)	9. Total Expenditure (10+13)	4443447	4820512	4716487	5065345
10. राजस्व खाते पर जिसमें से	10. On Revenue Account of which	3494252	3709401	3698058	3944255
11. ब्याज भुगतान	11. Interest Payments	1063872	1162940	1137940	1276338
12. पूंजी खाते के सृजन हेतु सहायता अनुदान	12. Grants in Aid for creation of Capital Assets	303916	390778	299891	427192
13. पूंजी खाते पर	13. On Capital Account	949195	1111111	1018429	1121090
14. प्रभावी पूंजी व्यय (12+13)	14. Effective Capital Expenditure (12+13)	1253111	1501889	1318320	1548282
15. राजस्व घाटा (10-1)	15. Revenue Deficit (10-1)	765216	580201	610098	523846
16. प्रभावी राजस्व घाटा (15-12)	16. Effective Revenue Deficit (15-12)	461300	189423	310207	96654
17. राजकोषीय घाटा [9-(1+5+6)]	17. Fiscal Deficit [9-(1+5+6)]	1654643	1613312	1569527	1568936
18. प्राथमिक घाटा (17-11)	18. Primary Deficit (17-11)	590771	450372	431587	292598
		(2.0)	(1.4)	(1.3)	(0.8)

<sup>1</sup> केन्द्र द्वारा राज्यों को पिछले वर्षों के लिए देय निवल राशि होने के कारण सं.अ. 2024-25 में ₹12764 करोड़ की कमी की गई है।

<sup>2</sup> इसमें समूची राशि में अंतरण द्वारा कमी शामिल है।

टिप्पणी:

(i) एनएसओ द्वारा जारी सूचना के अन्तर्गत वर्ष 2025-26 के लिए जीडीपी अनुमान ₹356,97,923 करोड़ है और इसमें वर्ष 2024-2025 के लिए संशोधित अनुमान अर्थात् ₹324,11,406 करोड़ की राशि में 10.1% की वृद्धि हुई है।

(ii) इस दस्तावेज़ में प्रत्येक-वर्षके नई पूर्णकाल के कारण जोड़ में शामिल नहीं हो सकती।

(iii) कोष्ठक में दिये गए आंकड़े जीडीपी के प्रतिशत के रूप में हैं।

<sup>1</sup> RE: 2024-25 is reduced by ₹ 12,764 crore on account of net amount payable by Centre to the States for prior years.

<sup>2</sup> Includes drawdown of Cash Balance.

Notes:

(i) The GDP for FY 2025-26 is estimated at ₹ 356,97,923 crore, which is 10.1% over the Revised Estimates for FY 2024-25 of ₹ 324,11,406 crore released by NSO.

(ii) Individual items in this document may not sum up to the totals due to rounding off.

(iii) Figures in parentheses are as a percentage of GDP.

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