



# Overview of Union Budget 2025-26

Date of Publication: 05.02.2025

## Union Budget 2025-26: A Paradigm Shift Towards Inclusive Growth and Viksit Bharat

- 🕒 The Union Minister for Finance presented the Union Budget for 2025-26, which sought to orchestrate a symphony of economic reforms aimed at realizing the vision of a '**Viksit Bharat**'—a developed and prosperous India. The theme of the Budget was "**Sabka Vikas**" (Development for All), emphasizing balanced growth across all regions, sectors, and demographics, with a keen focus on inclusivity. The Union Budget for 2025-26 is underpinned by a robust strategic framework that envisions agricultural resilience, MSME growth, large-scale investments, and a surge in exports. The Finance Minister enunciated a forward-looking fiscal policy, positioning these four engines—Agriculture, MSME, Investment, and Exports—as the catalysts for propelling India's transition into a global economic powerhouse. The Government's agenda incorporates transformative reforms in the spheres of taxation, infrastructure development, financial services, and technology

## Agriculture: The Bedrock of Viksit Bharat

- ⌚ Agriculture remains the cornerstone of India's economic edifice. The budget introduces several agrarian reforms aimed at improving productivity, fostering sustainability, and ensuring food security. A pivotal initiative is the **"Prime Minister Dhan-Dhaanya Krishi Yojana"**, targeting 100 districts with low agricultural productivity. This initiative is designed to enhance crop diversification, improve irrigation systems, and bolster post-harvest storage infrastructure
- ⌚ In a significant move to achieve self-sufficiency in pulses, the Government will launch a six-year **"Mission for Aatmanirbharta in Pulses"**, focusing particularly on Tur, Urad, and Masoor. Furthermore, the loan limits under the Kisan Credit Card scheme will be enhanced from ₹3 lakh to ₹5 lakh, facilitating greater access to affordable credit for farmers

## MSMEs: Catalysts for Growth and Export Potential

- ⌚ Micro, Small, and Medium Enterprises (MSMEs) are acknowledged as the lifeblood of India's export economy, contributing 45% of export value. The Budget proposes a significant overhaul in MSME development, with the Government pledging to increase credit availability by enhancing guarantee cover, thus empowering these enterprises to scale operations and innovate. Additionally, a dedicated scheme will provide up to ₹ 2 crore in loans to first-time women, SC, and ST entrepreneurs
- ⌚ A National Manufacturing Mission for MSMEs will be launched, underscoring the Government's commitment to enhancing the **"Make in India"** initiative. Furthermore, the Government will expedite the development of India as a global hub for toys, emphasizing the **'Made in India'** brand

## Investment: Infrastructure and Innovation as Key Pillars

- ⌚ The Budget articulates a strategic vision to boost both infrastructure and innovation. Under the **"Investment in People"** initiative, the establishment of 50,000 Atal Tinkering Labs in government schools over the next five years will equip the nation's youth with the skills necessary for participating in the modern economy. In a bid to strengthen technological capabilities, a Centre of Excellence in Artificial Intelligence with an outlay of ₹500 crore will be launched to integrate AI into India's educational system
- ⌚ For the broader economy, the Budget prioritizes infrastructural investments, including the extension of the Jal Jeevan Mission and a proposed ₹1 lakh crore Urban Challenge Fund aimed at transforming cities into growth hubs
- ⌚ The proposal for a second Asset Monetization Plan 2025-30 seeks to raise ₹10 lakh crore in capital by monetizing existing assets, which will subsequently be reinvested into new projects, propelling long-term economic growth

## Exports: Expanding Global Footprints

- ⌚ Exports are regarded as the fourth engine for economic growth. To enhance India's competitiveness on the global stage, the Budget outlines a slew of measures aimed at increasing exports, particularly from MSMEs. The introduction of '**Bharat Trade Net**', a digital public infrastructure, will streamline trade documentation and financing solutions, making India's trade ecosystem more efficient and transparent
- ⌚ The Government also pledged to support domestic manufacturing capacities to align with global supply chains, especially in emerging industries such as electronics. The establishment of a National Framework for Global Capability Centres (GCCs) in Tier 2 cities is expected to enhance India's role in the global business ecosystem

## Reforms and Fiscal Consolidation: Fuel for Sustainable Growth

- ⌚ Reforms are viewed as the fuel that will drive India's economic engines. The Budget emphasizes the continuation of the Government's commitment to regulatory reforms, ease of doing business, and decriminalization of archaic laws. The introduction of the "**Jan Vishwas Bill 2.0**" will decriminalize over 100 provisions, facilitating smoother business operations
- ⌚ Furthermore, the introduction of an Investment Friendliness Index will foster healthy competition among states, encouraging them to adopt business-friendly policies. The Government has also increased the fiscal deficit target for FY 2025-26 to 4.4% of GDP, with a clear roadmap for fiscal consolidation

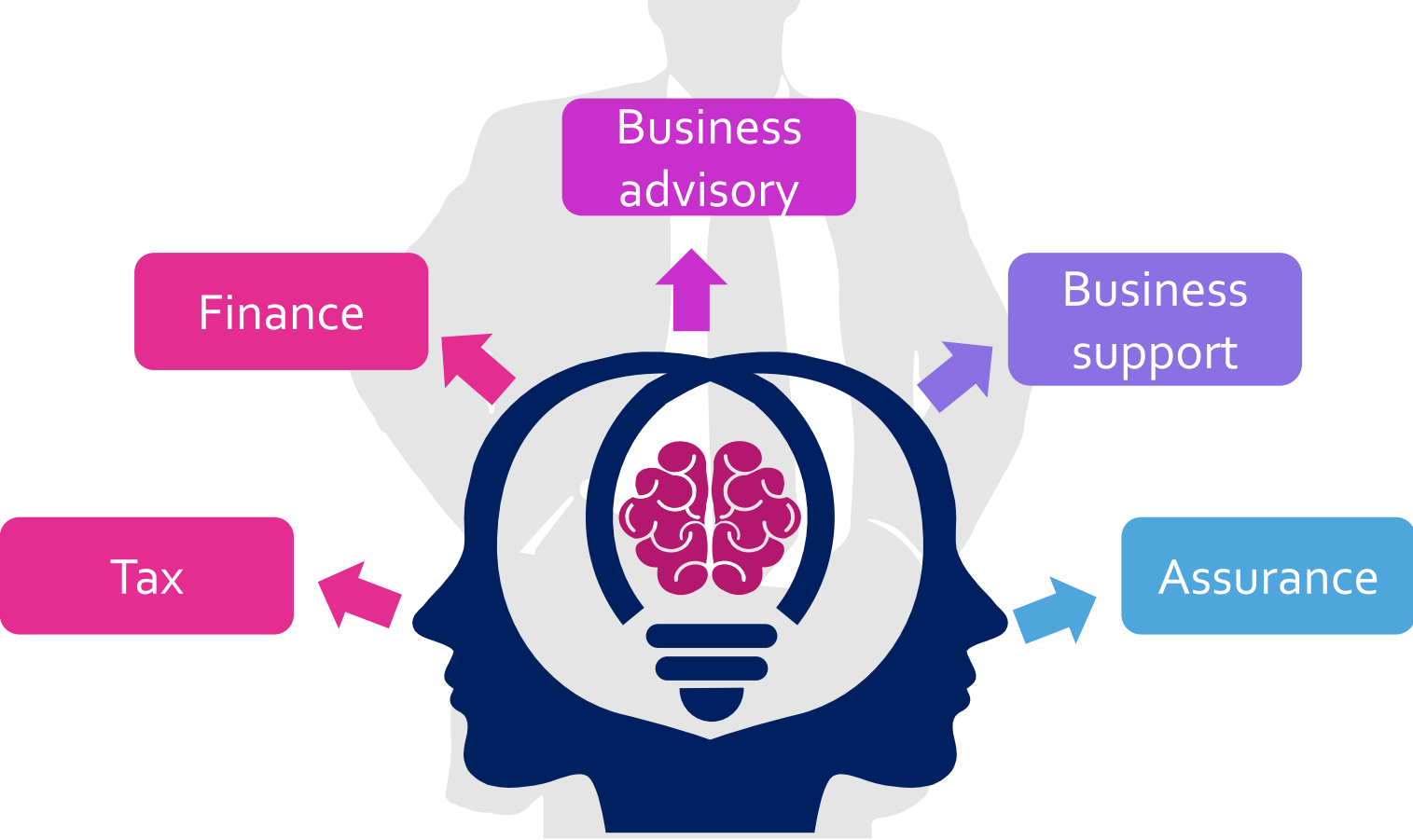
- ⌚ A hallmark of the 2025-26 Budget is the restructuring of income tax slabs under the new tax regime, significantly benefiting the salaried middle class. The Finance Minister proposed an increase in the NIL tax slab to ₹12 lakh per annum (an average income of ₹1 lakh per month). Consequently, salaried individuals earning up to ₹12.75 lakh annually will no longer be liable to pay income tax, following a standard deduction of ₹75,000. This move is expected to stimulate consumption, savings, and investment, thus catalyzing economic activity.
- ⌚ Moreover, the Budget introduces several rationalizations in the tax structure, such as the doubling of the TDS exemption limit for senior citizens, the decriminalization of delays in TDS and TCS payments, and the extension of the time limit for filing updated income tax returns from two years to four years



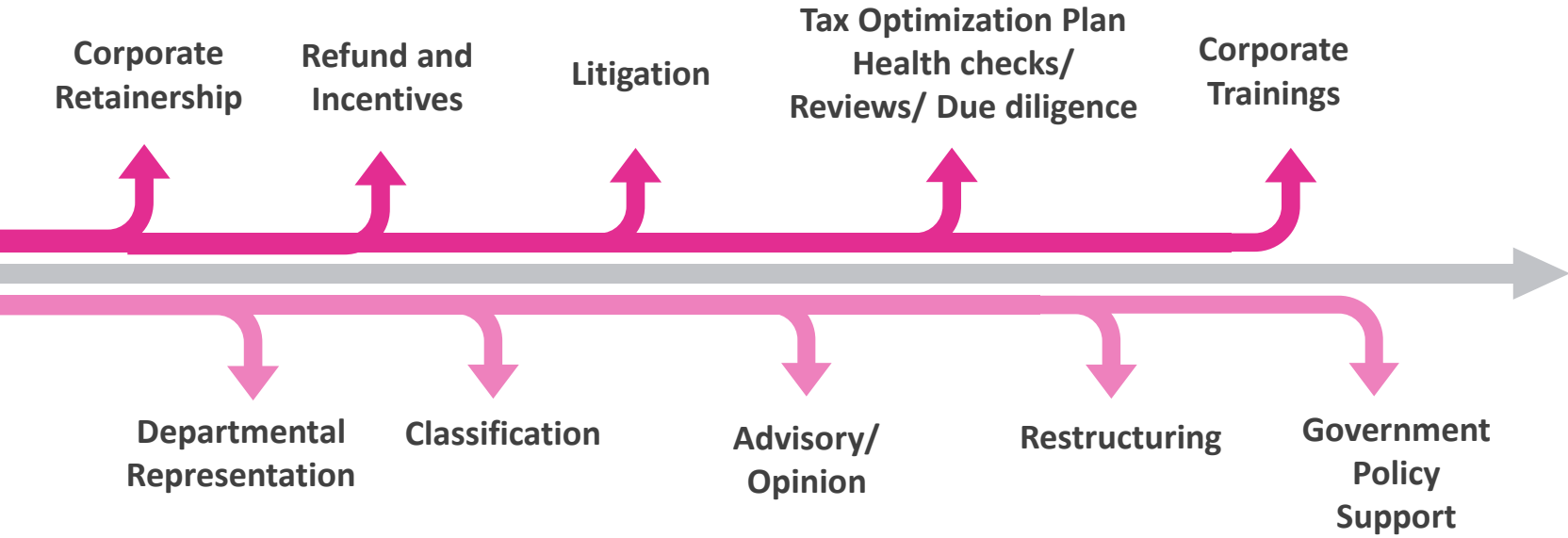
# Customs Duty Reforms: Promoting Domestic Manufacturing

- ⌚ The Union Budget introduces several reforms in the customs duty framework aimed at promoting indigenous manufacturing and value addition. The Budget proposes a rationalization of customs duties, with notable exemptions, including the removal of duties on 36 lifesaving drugs and medicines for cancer, rare diseases, and chronic ailments. Additionally, a reduction in Basic Customs Duty (BCD) on lithium-ion batteries and raw materials for shipbuilding is expected to boost the domestic manufacturing of green technologies and maritime infrastructure.
- ⌚ By focusing on agriculture, MSMEs, investment, and exports, while simultaneously undertaking structural reforms in taxation, infrastructure, and regulatory frameworks, the Government aims to catalyze a transition toward a prosperous, self-reliant, and globally competitive India.
- ⌚ With a fiscal roadmap that emphasizes balanced growth, the Union Budget of 2025-26 is poised to usher in a new era of inclusive development, ensuring that every citizen—regardless of region, class, or gender—benefits from India's growth story. This paradigm shift by the Government is not merely a financial strategy; it is a commitment to transforming India into a Viksit Bharat, where opportunities abound, prosperity flourishes, and the nation stands tall on the global stage.

# What do we do?...



# ... What do we do?



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05/02/2025



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