



KEY HIGHLIGHTS FROM UNION BUDGET 2025-26

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UNION BUDGET 2025: DRIVING GROWTH & INCLUSION



Economic Stability & Growth – The budget focuses on fiscal discipline, sustainable growth, & strategic investments to boost India's economic trajectory.



Empowering Key Sectors – With reforms in taxation, agriculture, MSMEs, infrastructure, & AI, the government aims to drive innovation & self-reliance.



Inclusive Development – Social welfare initiatives, gig worker benefits, urban development, & education reforms ensure holistic progress for all.





TAX REFORMS



Income Tax Relief for Middle Class

The budget introduces significant relief for the middle class by exempting income up to ₹12 lakh per annum from taxation under the new tax regime. This move aims to boost household savings & consumption.



GST Simplification for MSMEs to Boost Ease of doing Business

TAX REFORMS – CHANGES

Category	Previous (FY 2024)	Revised (FY 2025)	Key Changes
Income Tax Slab (New Regime)	Up to ₹7 lakh (exempt)	Up to ₹12 lakh (exempt)	Increased exemption limit
Corporate Tax	22%	20%	Reduced tax rate for businesses
GST for MSMEs	18%	12%	Lower GST for small businesses
Customs Duty on Electronics	10%	5%	Reduced to boost manufacturing
Capital Gains Tax	20%	15%	Reduced to promote investments
Senior Citizens Tax Benefits	₹5 lakh exemption	₹7 lakh exemption	Higher exemption for retirees



AGRICULTURE & RURAL DEVELOPMENT

The Prime Minister Dhan-Dhaanya Krishi Yojana aims to boost productivity, irrigation, storage, and credit access in 100 low-yield districts, while the Mission for Aatmanirbharta in Pulses focuses on self-reliance in Tur, Urad, and Masoor production. (Source: PIB.GOV.IN)



PM Dhan-Dhaanya Krishi Yojana for boosting low-productivity districts.



Mission for Aatmanirbharta in Pulses to increase domestic production.



MSME & STARTUPS

1 Enhanced Credit Guarantee

Credit limit for MSMEs increased from ₹5 crore to ₹10 crore.

2 National Manufacturing Mission

Support for domestic manufacturing under 'Make in India.'

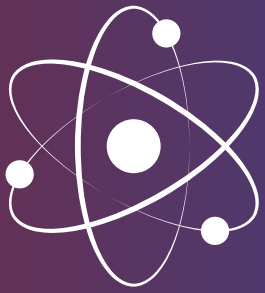
3 Simplified Compliance & Digital Support

Reduction in regulatory burdens & introduction of a single-window digital platform for MSME approvals and financing.

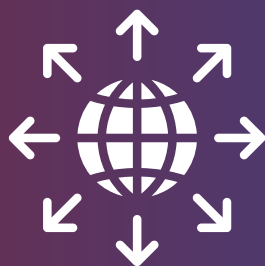
INVESTMENT & INFRASTRUCTURE



₹1 Lakh Crore Urban Challenge Fund – Boosting smart city development & urban infrastructure.



Nuclear Energy Mission – ₹20,000 crore allocated for research & development of small modular reactors.



Expansion of Rail & Highway Projects – Increased investment in high-speed rail corridors, expressways, & logistics hubs to improve connectivity.



50,000

Atal Tinkering
Labs to be set
up in schools

₹500 Cr

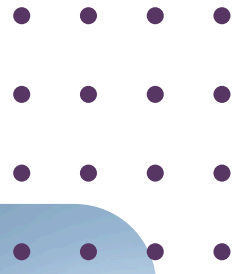
Allocated for AI
research & skill
development



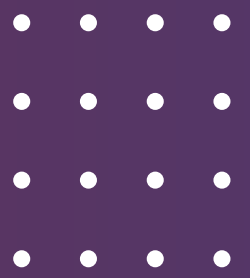
EDUCATION & SKILL DEVELOPMENT



The Education and Skill Development sector sees a major boost with the establishment of 50,000 Atal Tinkering Labs in schools to foster innovation and a ₹500 crore Centre of Excellence in AI to drive research & upskilling. Additionally, vocational training programs will be expanded to bridge the skill gap and enhance job readiness.



SOCIAL WELFARE & EMPLOYMENT



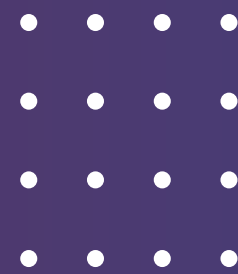
The Social Welfare & Employment sector sees a boost with enhanced support for gig workers through e-Shram cards, healthcare benefits, & financial aid, ensuring social security. Additionally, the PM SVANidhi Scheme expansion provides higher loan limits & UPI-linked credit cards to empower street vendors and small businesses.

- 01.** Millions of gig workers to receive e-Shram cards & health benefits.
- 02.** ₹30,000 credit limit under PM SVANidhi for small vendors.

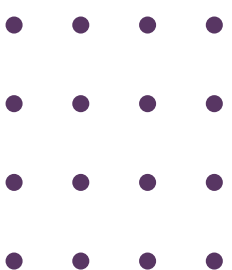


FINANCIAL SECTOR REFORMS

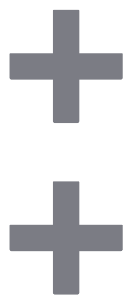
100% FDI in Insurance – Increased from 74% to 100% to boost foreign investment and sector growth.



Jan Vishwas Bill 2.0 – Decriminalizes 100+ legal provisions to simplify business regulations.



FISCAL MANAGEMENT

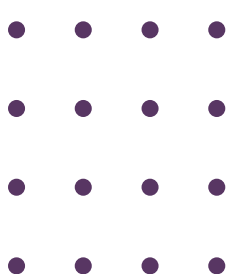


The Fiscal Management strategy in Budget 2025 focuses on reducing the fiscal deficit while ensuring sustainable economic growth. With improved revenue collection, strategic spending, and policy reforms, the government aims to strengthen financial stability and long-term development.



Fiscal Deficit Target set at 4.8% of GDP for FY-25, aiming to reduce it to 4.4% in FY-26.

Customs Duty Exemptions on 36 life-saving drugs to lower healthcare costs.



CUSTOMS & DUTIES



Basic Customs Duty (BCD) has been exempted on 36 lifesaving drugs and medicines for treating cancer, rare, and chronic diseases. Additionally, BCD on parts of open cells has been exempted to promote domestic manufacturing



Thank You

Note: This summary is based on the official press release from the Press Information Bureau dated February 1, 2025.

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