

# UNION BUDGET: 2025



RENEWABLE



MARITIME



TOURISM



AGRICULTURE

# Key Highlights from Union Budget 2025



## Maritime and Ship building

Maritime Development Fund: ₹25,000 crore for long-term financing of maritime projects.



## Income Tax

Income Tax Relief: No income tax for income up to ₹12 lakh (₹12.75 lakh for salaried individuals).



## Agriculture and Fertilizer

Urea Supply: New plant at Namrup, Assam with a capacity of 12.7 lakh metric tons.



## Aviation and Tourism

UDAN Scheme: 120 new destinations to be added with a goal of carrying 4 crore passengers over the next 10 years.



## Insurance

FDI in Insurance: Limit raised from 74% to 100%.



## Makhana Initiative

Makhana Board: Established to improve the production and marketing of makhana.



## Kisan Credit Cards (KCC)

Kisan Credit Cards (KCC): Loan limit increased from ₹3 lakh to ₹5 lakh for ₹7.7 crore farmers.



## Financial Support to States

Interest-Free Loans to States: ₹1.5 lakh crore allocated for capital expenditure and reforms.



## Tax Deduction Limits

Senior citizens: ₹50,000 to ₹1 lakh; TDS on rent raised to ₹6 lakh; TCS on LRS increased to ₹10 lakh.



## Fiscal Deficit Targets

Fiscal Deficit: Targeted at 4.4% of GDP for FY26, down from 4.8% for FY25.



## POWER & UTILITIES



### BUDGET ALLOCATION

- Allocated ₹ 26549 Cr in FY26 v/s ₹ 17,298 Cr in FY25.
- Total Allocation up by 53%.



### IMPACT

- Enhanced funding for power distribution.
- Capacity Expansion in Solar Segments.



### FOCUS AREA

Focus on accelerating clean tech manufacturing—

- Solar PV cells, EV batteries.
- Motors and controllers, electrolyzers.
- Wind turbines, ultra-high voltage transmission equipment.

## KEY INSIGHTS :-

- Govt has proposed to set up Nuclear Energy Mission for R&D of Small Modular Reactors with an outlay of Rs.20,000 crore.
- Govt's move is a step toward increasing India's nuclear power capacity from 8,180 MW to 100 GW by 2047.
- Govt has increased allocation to the PM Surya Ghar Muft Bijli Yojana from Rs. 11,100 cr in FY25RE to Rs. 20,000 cr in FY26BE.

### KEY STOCKS

- |                   |               |
|-------------------|---------------|
| • Waaree Energies | • TATA Power  |
| • HBL Power       | • Adani Green |





## AGRICULTURE



### BUDGET ALLOCATION

- Allocated ₹ 1,71,437 Cr in FY26 v/s ₹ 1,40,859 Cr in FY25.
- Total Allocation up by 18%.



### IMPACT

- Enhanced productivity via HYV seed .
- Cost reduction of fertilizers via more fund infusion.



### FOCUS AREA

- Focus on High Yielding Seeds.
- Improve the production in low productive districts.
- Increase production of pulses and makhana.
- Financial assistance to farmers via increased KCC limits.

## KEY INSIGHTS :-

- Urea plant with annual capacity of 12.7 lakh metric tons will be set up at Namrup, Assam.
- To implement private sector driven research, development and innovation allocation of INR20,000 crore.
- Financial aid for Western Koshi Canal ERM Project to benefit farmers across 50,000 hectares in Bihar's Mithilanchal region.
- Increase credit limit for farmers on KCC 3 Lakh to 5 Lakh.

### KEY STOCKS

- |                     |                       |
|---------------------|-----------------------|
| • Kaveri Seeds      | • Chambal Fertilizers |
| • Deepak Fertilizer | • Godrej Agrovet      |





## AUTOMOBILE



### BUDGET COVERS

- Boost in subsidies for electric two-wheelers and commercial vehicles.
- Reduction in effective rates.



### IMPACT

- Strengthening of EV supply chains and battery production.
- Income tax relief could drive demand in entry-level auto segments.



### FOCUS AREA

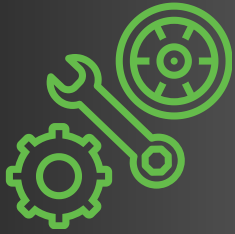
- Adoption of electric mobility solutions
- Exemption of custom duty on 35 additional capital goods for EV battery manufacturing.
- Promoting EV manufacturing.

## KEY INSIGHTS :-

- Custom duty on waste and scrap of Lithium-Ion Battery reduced from 5% to NIL. Allocated Rs 4,000 crore for EV growth & clean mobility.
- Tariff reduction on imported cars from 125% to 70%, motorcycles 100% to 70% and PV 40% to 20%.
- Allocation of Rs 1310 crore on PM-eBus Sewa Scheme.
- Increased TDS thresholds and the removal of higher rates for non-filers to simplify tax compliance.

## KEY STOCKS

- |                 |                 |
|-----------------|-----------------|
| • Amara Raja    | • Exide         |
| • Hero Motocorp | • Ashok Leyland |



## IT AND TECHNOLOGY



### BUDGET ALLOCATION

- Allocated ₹95,298Cr in FY26 v/s ₹1,17,869Cr in FY25.



### IMPACT

- Boost towards India's AI Mission.
- More digitalized methods of trading & contracting.



### FOCUS AREA

- Space technology.
- India's Mission AI.
- Promoting EV manufacturing.
- Set-up as a unified platform 'BharatTradeNet' (BTN).

## KEY INSIGHTS :-

- Planning to set up a National Digital Repository of Indian knowledge systems for knowledge sharing under the Gyan Bharatam Mission.
- Encouraging measures for the IT sector include INR2,000 crore allocation for India AI mission, INR500 crore for setting up Centre of Excellence in AI for Education, and launching a Deep Tech Fund to accelerate cutting-edge tech.

## KEY STOCKS

- |                     |                     |
|---------------------|---------------------|
| • TCS               | • Infosys           |
| • KPIT Technologies | • Kaynes Technology |





# TELECOM



## BUDGET ALLOCATION

- Allocated ₹ 28,400Cr in FY26 v/s ₹13,700Cr in FY25.



## IMPACT

- Expansion of telecom networks and digital inclusion.
- Strengthening of Make-in-India initiative in telecom.



## FOCUS AREA

- Broadband connectivity to government secondary school and PHCs.
- 5G infrastructure and rural connectivity.
- Enhance optical fiber infrastructure in rural areas.

## KEY INSIGHTS :-

- BCD reduced from 20% to 10% on carrier grade ethernet switches making it at par with non-carrier grade ethernet switches.
- Conditional exemption rate to continue up to 31 March 2027 for goods for the manufacture of telecommunication grade optical fibres or optical fibre cables.
- Reduction in BCD rates of various components for manufacture of certain mobile phone parts.

## KEY STOCKS

- |                 |                  |
|-----------------|------------------|
| • Bharti Airtel | • Indus tower    |
| • Tata Com.     | • Bharti Hexacom |



## TRAVEL & TOURISM



### BUDGET COVERS

- Swadesh Darshan 2.0 scheme increased outlay by 42.86%.
- PRASHAD Scheme's outlay increased by 50%.



### IMPACT

- Promotion of heritage tourism.
- Boost for rural and eco-tourism projects.



### FOCUS AREA

- Employment Led Tourism Growth.
- UDAN - Regional Connectivity Scheme.
- Medical Tourism and Heal in India will be promoted in partnership with the private sector.

## KEY INSIGHTS :-

- Top 50 tourist destination sites to be developed in partnership with states to benefit companies like Indian Hotels, Lemon Tree Hotels, Easy Trip Planners etc. Hotels in those destinations will be included in the infrastructure HML.
- The modified UDAN scheme will add 120 destinations and serve 4 crore passengers in 10 years, boosting regional connectivity. It supports smaller airports and helipads, benefiting firms like InterGlobe Aviation and GMR Airports.

## KEY STOCKS

- |                      |              |
|----------------------|--------------|
| • Indian Hotels      | • Lemon Tree |
| • Easy Trip planners | • ITC Hotels |





## HEALTH AND PHARMA



### BUDGET ALLOCATION

- Allocated ₹98,311Cr in FY26 v/s ₹88,032Cr in FY25.
- Outlay increased by 18.18% for Ayushman Bharat scheme.



### IMPACT

- Strengthening of primary and secondary healthcare facilities.
- Boost to medical research and health insurance accessibility.



### FOCUS AREA

- Setting up of Day Care Cancer Centres in all district hospitals.
- Medical Tourism and Heal in India will be promoted in partnership with the private sector

## KEY INSIGHTS :-

- BCD exemption on 36 new lifesaving drugs and related bulk drugs with effect from 2 February 2025.
- 5% concessional BCD on six new lifesaving drugs and their bulk drugs used in their manufacture with effect from 2 February 2025.

### KEY STOCKS

- Apollo Hospitals
- Cipla
- ICICI Lombard
- Sun Pharmaceutical



## MARITIME & SHIPMENT



### BUDGET COVERS

- Sagarmala Programme scheme increased outlay by 40%.
- Shipbuilding Subsidy Scheme's outlay increased by 33.33%.



### IMPACT

- Strengthened port logistics and trade infrastructure.
- Boost for India's maritime economy.



### FOCUS AREA

- Large vessels eligible for ECBs & insurance funding.
- Increased funding for port modernization and expansion.
- Vision to rank among the top five shipbuilding nations by 2047.

## KEY INSIGHTS :-

- The existing tonnage tax scheme, which currently applies only to sea-going ships, will be extended to inland vessels registered under the Indian Vessels Act, 2021, to encourage inland water transport in India.
- The Ministry of Ports, Shipping, and Waterways' budget allocation for 2025-26 has increased by 21%, reaching ₹3,471 crore, with ₹1,709 crore for revenue and ₹1,761 crore for capital expenditure, compared to ₹2,859 crore in 2024-25.

## KEY STOCKS

- |                             |   |
|-----------------------------|---|
| • Cochin Shipyard           | • G.E. Shipping                         |
| • Mazagon Dock Shipbuilders | • Garden Reach Shipbuilders & Engineers |





## MATERIALS & CHEMICALS



### BUDGET COVERS

- Recovery of critical minerals is to be brought, outlay of ₹16,300 cr.
- PLI scheme for chemicals increased by 33.33%.



### IMPACT

- Enhanced domestic chemical production.
- Boost for exports of specialty chemicals and petrochemicals.
- Positively impact the mining sector.



### FOCUS AREA

- Specialty Chemicals Export Promotion.
- Green Chemistry Incentive Program.
- Recovery of critical minerals to be brought out.

## KEY INSIGHTS :-

- The budget scrapped custom duty on waste and scrap of some critical minerals.
- Cut in custom duties on chemicals such as Phosphoric Acid, Glycerol crude, glycerol waters, glycerol lye, etc.
- A policy for recovery of critical minerals is to be brought out (National Critical Mineral Mission). Rs. 16,300 crore is the expected outlay over 7 years out of which Rs.410 crores are to be spent in current year.

## KEY STOCKS

- |                  |                       |
|------------------|-----------------------|
| • NMDC           | • Aarti Industries    |
| • Tata Chemicals | • Pidilite Industries |