

भारतीय बजट 2026-2027 की मुख्य विशेषताएं
インド予算2026-2027のハイライト
Hindistan Bütçesinin Önemli Noktaları 2026-2027

Highlights of Indian Budget 2026-2027

Højdepunkter i det indiske budget 2026-2027

Faits saillants de l'Inde Budget 2026-27

Aspetti salienti del bilancio indiano 2026-2027
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2026-2027년 인도 예산의 하이라이트

Key

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General Budget



Economic Statecraft



Multipolar Geo-Political risks affecting Global trade

Diversification and multiple free trade agreements in various countries soften US tariffs

Trade Frictions

Secure Growth at 6.6% in 2025-26 amid external concerns

4th largest economy globally, aspiring 3rd in future

Continual Growth

Exports USD 825.3 billion in FY2025-26, growth of 5.9%

Foreign exchange reserves USD 701.4 billion (Jan 25)

Tough Trade

Growth to continue upwards of 6% in 2026-27

Geopolitical influence stronger

Ultra-nationalism and skepticism to trade agreement may lead to concentrated global trade imbalances

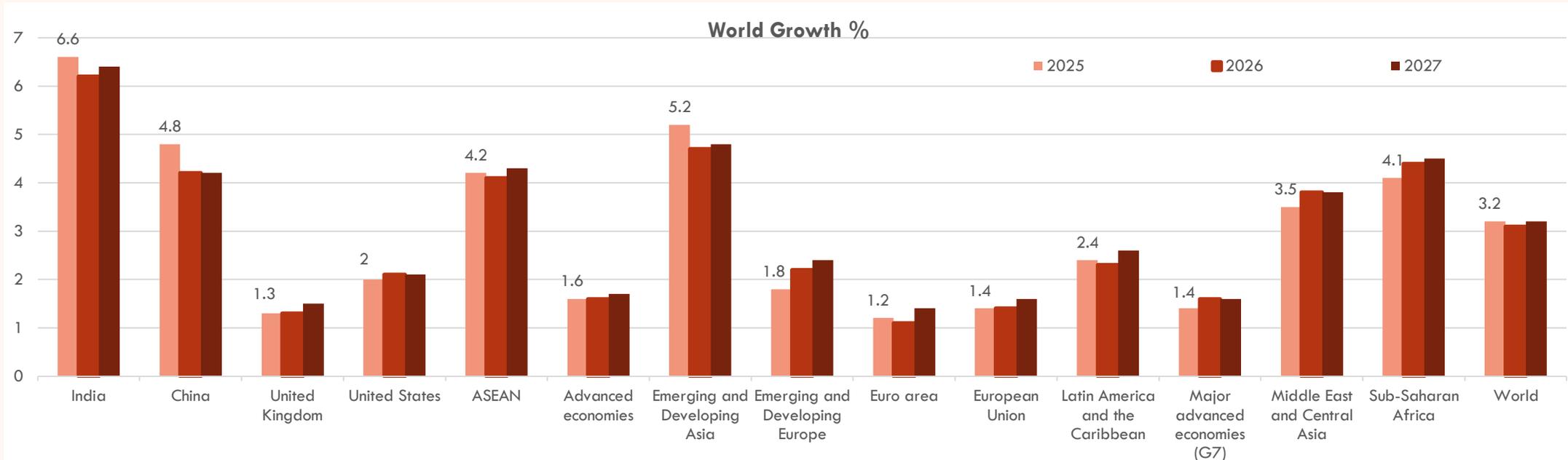
Moving Ahead

Tariff and global uncertainties - Economic statecraft can manifest as either 'carrots' or 'sticks'

Trade, capital and other tools engaged by US as statecraft

Economic Survey

Growth Amidst Security



Source: IMF

- India's real GDP grew @ 6.6% in 2025 and projected to grow @ 6.2-6.4% in 2026 and 2027
- Weaponisation of energy and finance during geopolitical conflicts, and the growing use of export controls in advanced-technology sectors have underscored the limits of efficiency-driven global integration
- Advanced and emerging economies alike are therefore re-evaluating their exposure to concentrated supply chains, critical raw materials, and key technologies, often under the pretext of security

Fiscal Poised



“India has sharpest declines in inflation, Importantly, this disinflation has occurred alongside robust GDP growth. This underscores India’s strong macroeconomic fundamentals and its ability to sustain growth while effectively managing price pressures, or in other words, without overheating.”

Source: Economic Survey

Hovering Tax

Tax to GDP ratio is 11.5% (FY24-25) vs 11.9% (FY24-25)

Direct tax to GDP – 6.8%

Indirect tax to GDP – 4.7%

Non corporate tax major driver

Agile Revenue Deficit

Reduced Revenue deficit - 1.7% (FY25-26) of GDP compared to 1.9% (FY24-25)

Easy Fiscal Deficit

Fiscal deficit of 4.8% (FY25-26) of GDP similar compared to FY24-25

Tamed Inflation

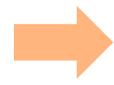
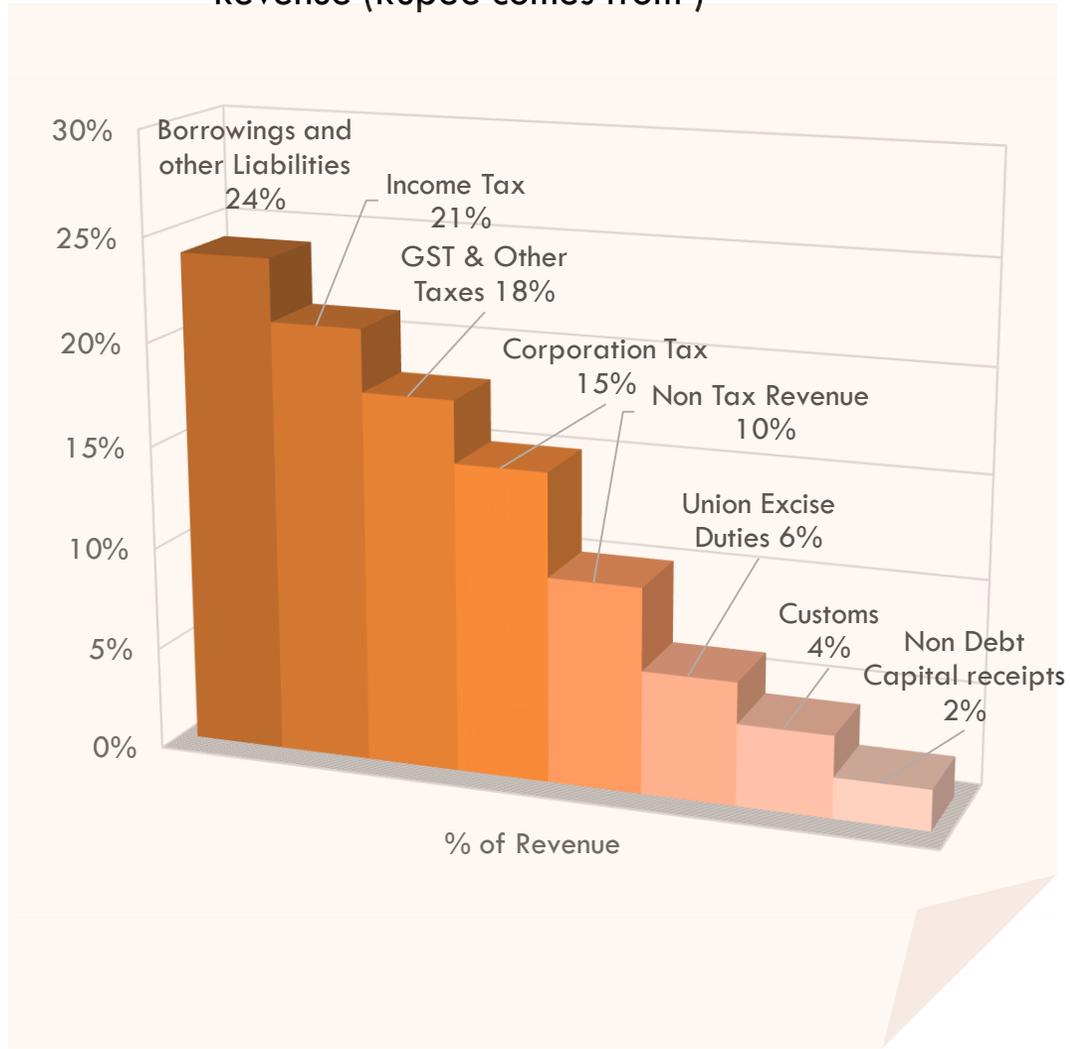
Inflation (Wholesale - WPI) 0.04% (FY25-26) vs 2.27% (FY24-25)

Consumer Inflation (CPI) lower at 1.7% (FY25-26) vs 4.6% (FY24-25)

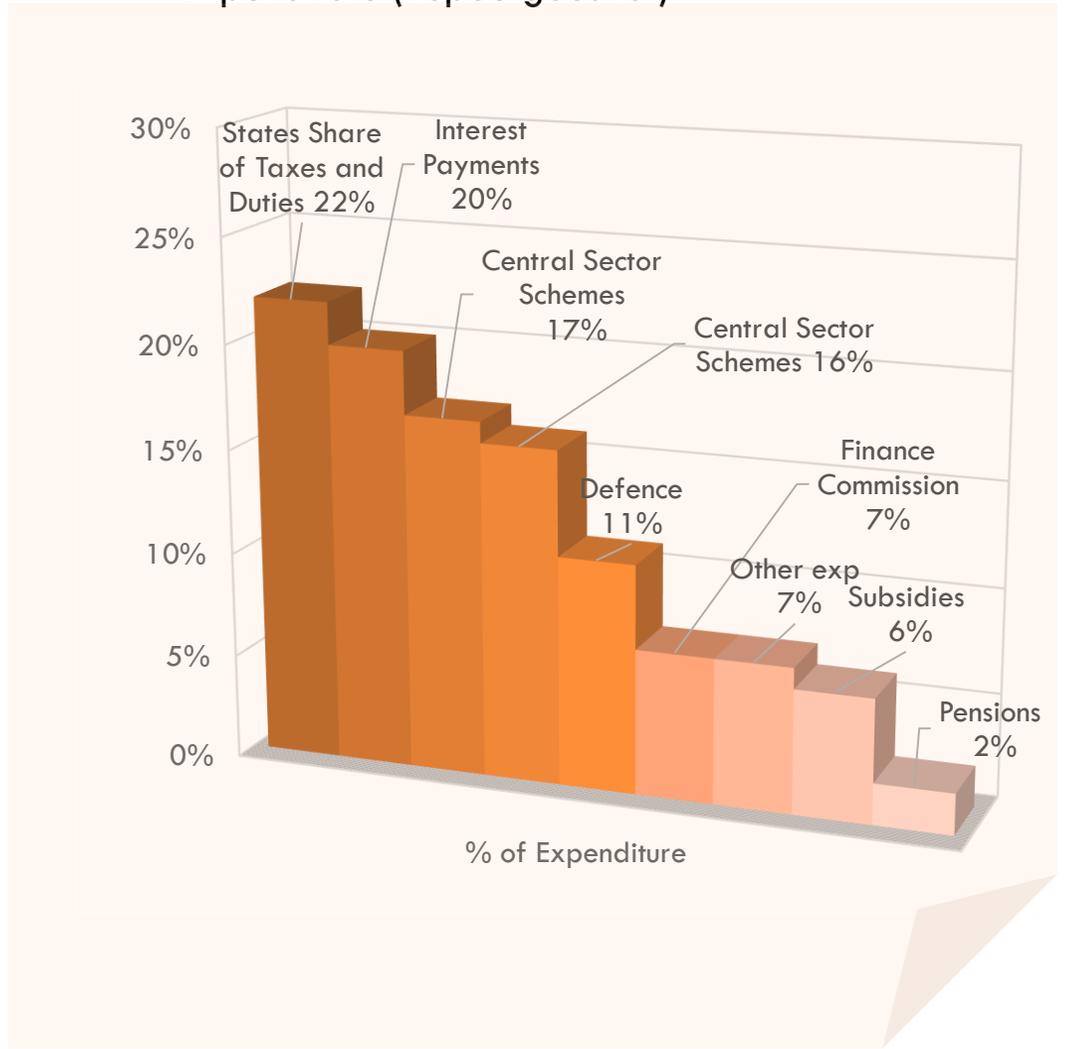
Overall Budget



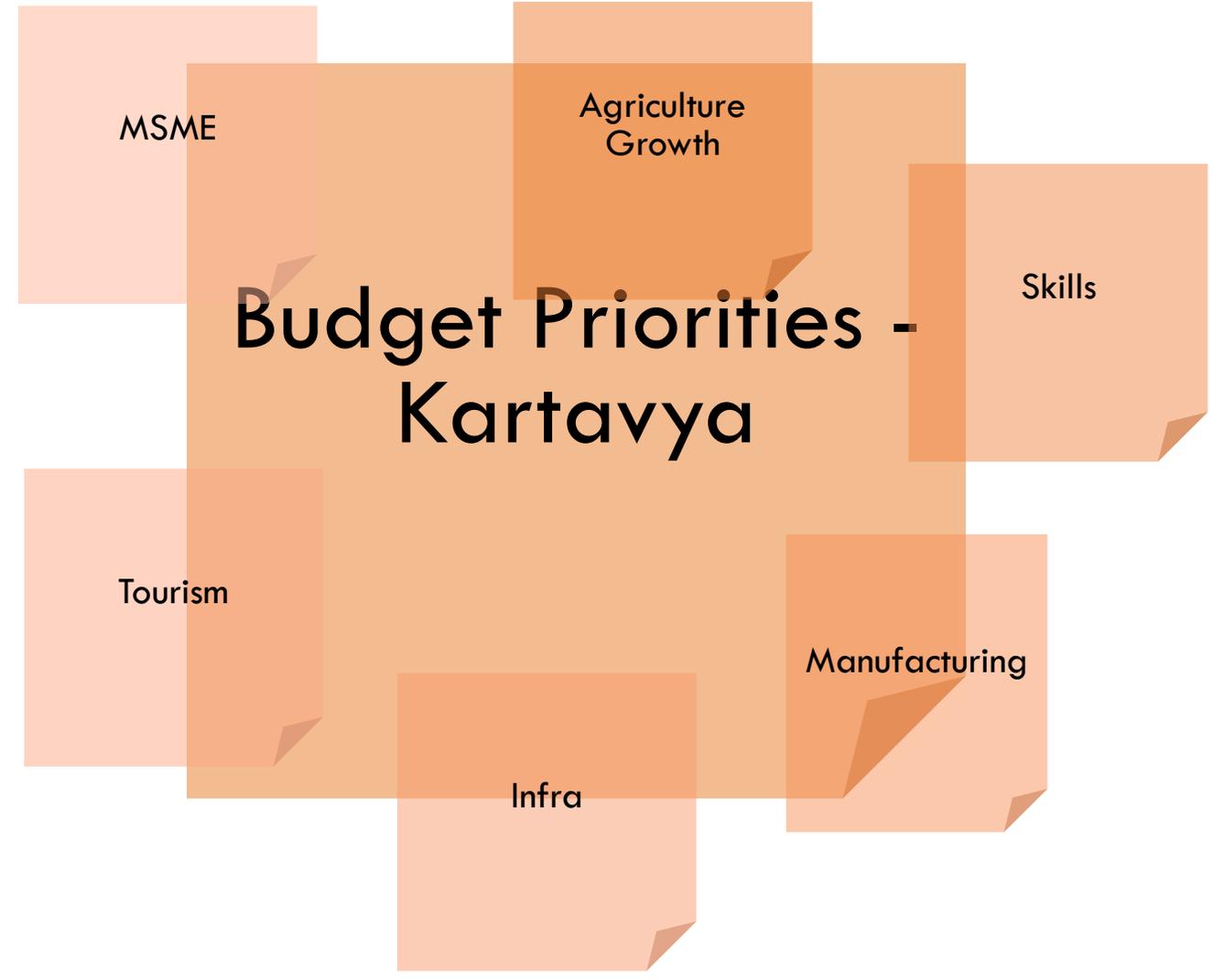
Revenue (Rupee comes from)



Expenditure (Rupee goes to)



Budget Priorities



Boosting Agriculture Productivity



Enriching Agriculture

- Coconut promotion Scheme to increase production and enhance productivity
- Supporting high value agriculture - Indian Cashew & Cocoa Programmes
- Focused cultivation and post-harvest processing of Sandalwood

Animal Husbandary and Fisheries Push

- Loan-linked capital subsidy support scheme for establishment of veterinary and para-vet colleges, veterinary hospitals, diagnostic laboratories and breeding facilities in the private sector
- Integrated development of 500 reservoirs and Amrit Sarovars, Strengthening fisheries value chain in coastal areas and enabling market linkages for start-ups and women-led groups together with Fish FPOs

Entrepreneurship with Tech

- Support entrepreneurship in the sector to facilitate job creation in Rural and Peri-urban areas
- Boost engagement and relevance by aligning training with employee roles
- Integrating AgriStack portals and the ICAR package on agricultural practices with AI systems

New Skill and Education



New Design Centres

- India's design industry is booming but short on local designers. Indian design industry is expanding rapidly - establish through challenge route, a new National Institute of design to boost design education and development of eastern region of India
- Orange Economy - India's AVGC (Animation, Visual Effects, Gaming, Comics) sector is booming and will need 2 million professionals by 2030. Proposal for supporting the Indian Institute of Creative Technologies, Mumbai, to establish AVGC Content Creator Labs in 15,000 secondary schools and 500 colleges

New Medical Tourism

- New five Regional Medical Hubs, in partnership with the private sector. These Hubs will serve as integrated healthcare complexes that combine medical, educational and research facilities
- AYUSH Centres, Medical Value Tourism Facilitation Centres and infrastructure for diagnostics, post-care and rehabilitation
- These Hubs will provide diverse job opportunities for medical professionals including doctors and allied health professionals

New Edu-Hubs

- New 5 University Townships in the vicinity of major industrial and logistic corridors. These planned academic zones will host multiple universities, colleges, research institutions, skill centres and residential complexes
- 4 Telescope Infrastructure facilities will be set up or upgraded - the National Large Solar Telescope, the National Large Optical-infrared Telescope, the Himalayan Chandra Telescope and the COSMOS-2 Planetarium

Lift Manufacturing



Biopharma SHAKTI (Strategy for Healthcare Advancement through Knowledge, Technology and Innovation)

- Build the ecosystem for domestic production of biologics and biosimilars Proposal for Biopharma SHAKTI with an outlay of ₹ 10,000 crores over the next 5 years
- Biopharma-focused network - 3 new National Institutes of Pharmaceutical Education and Research (NIPER) and upgrading 7 existing ones
- Create a network of over 1000 accredited India Clinical Trials sites

Electronics and rare earth focus

- India Semiconductor Mission (ISM) 2.0 to produce equipment and materials, design full-stack Indian IP, and fortify supply chains. Focus on industry-led research and training centres to develop technology and skilled workforce
- Electronics Components Manufacturing Scheme increase in outlay to ₹40,000 crore to capitalise on the momentum
- Support the mineral-rich States of Odisha, Kerala, Andhra Pradesh and Tamil Nadu to establish dedicated Rare Earth Corridors to promote mining, processing, research and manufacturing

Core Goods Manufacturing

- CPSEs will establish Hi-Tech Tool Rooms at two locations as digitally enabled automated service bureaus to locally design, test, and mass-produce high-precision components at lower costs
- Scheme for Enhancement of Construction and Infrastructure Equipment (CIE) will boost domestic manufacturing of advanced, high-value CIE—from apartment lifts and fire-fighting gear to tunnel-boring machines for metros and high-altitude roads
- National Fibre Scheme for self-reliance in natural fibres such as silk, wool and jute, man-made fibres, and new-age fibres
- Dedicated initiative for Sports goods promote manufacturing, research and innovation in equipment design as well as material sciences

Grow Infra



Bullet Trains and Seaplanes

- Promote environmentally sustainable passenger systems, develop seven High-Speed Rail corridors between cities as 'growth connectors', namely i) Mumbai-Pune, ii) Pune-Hyderabad, iii) Hyderabad-Bengaluru, iv) Hyderabad-Chennai, v) Chennai-Bengaluru, vi) Delhi-Varanasi, vii) Varanasi-Siliguri
- To boost last-mile/remote connectivity and tourism, incentives will promote seaplane manufacturing indigenization. A new Seaplane Viability Gap Funding (VGF) Scheme will also support operations

Cargo

- New Dedicated Freight Corridors connecting Dankuni in the East, to Surat in the West
- Operationalise 20 new National Waterways (NW) over next 5 years, starting with NW-5 in Odisha to connect mineral rich areas of Talcher and Angul and industrial centres like Kalinga Nagar to the Ports of Paradeep and Dhamra
- Coastal Cargo Promotion Scheme for incentivising a modal shift from rail and road, to increase the share of inland waterways and coastal shipping from 6 % to 12 % by 2047

Construction fund

- Strengthen the confidence of private developers regarding risks during infrastructure development and construction phase- Set up an Infrastructure Risk Guarantee Fund to provide prudently calibrated partial credit guarantees to lenders
- REITs have emerged as a successful instrument for asset monetisation. Accelerate recycling of significant real estate assets of CPSEs through the setting up of dedicated REITs

Expedition India



New Tourism School

- Proposal for new a National Institute of Hospitality by upgrading the existing National Council for Hotel Management and Catering Technology. It will function as a bridge between academia, industry and the Government
- Pilot scheme for upskilling 10,000 guides in 20 iconic tourist sites through a standardized, high-quality 12-week training course in hybrid mode, in collaboration with an Indian Institute of Management
- National Destination Digital Knowledge Grid will be established to digitally document all places of significance—cultural, spiritual and heritage. It will create a new ecosystem of jobs for local researchers, historians, content creators and technology partners

Knowledge update

- 15 archeological sites including Lothal, Dholavira, Rakhigarhi, Adichanallur, Sarnath, Hastinapur, and Leh Palace into vibrant, experiential cultural destinations. Excavated landscapes will be opened to the public through curated walkways.
- Immersive storytelling skills and technologies will be introduced to help conservation labs, interpretation centres, and guides

Outdoor calling

- Develop ecologically sustainable Mountain trails in Himachal Pradesh, Uttarakhand and Jammu and Kashmir; Araku Valley in the Eastern Ghats and Podhigai Malai in the Western Ghats
- Turtle Trails along key nesting sites in the coastal areas of Odisha, Karnataka and Kerala
- Bird watching trails along the Pulikat lake in Andhra Pradesh and Tamil Nadu

Finance India



Developed India - Viksit Bharat

- High Level Committee on Banking for Viksit Bharat”, to comprehensively review the sector and align it with India’s next phase of growth, while safeguarding financial stability, inclusion and consumer protection

Developed NBFC and Bond Market

- A vision for NBFCs in Viksit Bharat sets clear targets for credit disbursement and tech adoption. To scale public sector NBFCs and boost efficiency, the step is restructuring Power Finance Corporation and Rural Electrification Corporation
- Corporate Bonds - Introduce a market making framework with suitable access to funds and derivatives on corporate bond indices. Introduce total return swaps on corporate bonds
- Municipal Bonds - Incentive of ₹100 crore for a single bond issuance > ₹1000 crore. Current scheme under AMRUT which incentivises issuances up to ₹200 crore, will also continue to support smaller and medium towns

Invest in India

- Individual Persons Resident Outside India (PROI) will be permitted to invest in equity instruments of listed Indian companies through the Portfolio Investment Scheme.
- Proposed to increase the investment limit for an individual PROI under this scheme from 5% to 10%, with an overall investment limit for all individual PROIs to 24%, from the current 10%

MSME Champion



MSME Equity

Dedicated ₹10,000 crore SME Growth Fund, to create future Champions, incentivizing enterprises based on select criteria

Top up the Self-Reliant India Fund set up in 2021, with ₹2,000 crore to continue support to micro enterprises and maintain their access to risk capital

MSME Support

Mandate TReDS as the transaction settlement platform for all purchases from MSMEs by CPSEs, serving as a benchmark for other corporates

Credit guarantee support mechanism through CGTMSE for invoice discounting on TReDS platform

MSME Debt

Link GeM with TReDS for sharing information with financiers about government purchases from MSMEs, encouraging cheaper and quicker financing
TReDS

Receivables as asset-backed securities, helping develop a secondary market, enhancing liquidity and settlement of transactions

MSME Professionals

Government to facilitate Professional Institutions such as ICAI, ICSI, ICMAI to develop a cadre of 'Corporate Mitras', especially in Tier-II and Tier-III towns

These accredited para-professionals will help MSMEs meet compliance requirements at affordable costs

Tax Proposals



Direct and Indirect Tax Highlights



Direct Tax

Indirect Tax



Direct Taxes

New Tax Act

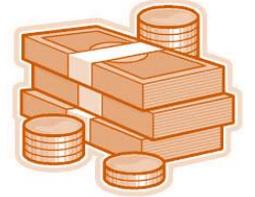
- New Income Act from 1 Apr 25. The simplified Income Tax Rules and Forms will be notified shortly, giving adequate time to taxpayers to acquaint themselves with its requirements

No Change in Income Tax Rates

- No Change in Income tax rates

<i>Tax rates as per last budget in "New tax regime" for representation purpose only. Actual Rate awaited as per New Tax Act</i>	
Taxable Income Slab (Rs.)	Tax rates
4-8 Lakh (earlier 3-7)	5%
8-12 Lakh (earlier 7-10)	10%
12-16 Lakh (earlier 10-12)	15%
16-20 Lakh (earlier 12-15)	20%
20-24 lakh (earlier NA)	25%
Above 24 Lakh (earlier above 15)	30%

Direct Taxes



Tax returns

- Extend time available for revising returns from 31st December to up to 31st March with the payment of a nominal
- Proposal - Stagger the timeline for filing of tax returns. Individuals with ITR 1 and ITR 2 returns will continue to file till 31st July
- Non-audit business cases or trusts tax returns are proposed to be allowed time till 31st August

Foreign asset reporting

- One-time 6-month foreign asset disclosure scheme for taxpayers to disclose income or assets below certain size
- Did not disclose their overseas income or asset – Upto 1 crore – Pay 30% of Fair Market Value (Assets) / Undisclosed Income as additional tax and get Immunity from prosecution and penalty
- Disclosed overseas income and/or paid due tax, but could not declare the asset - Upto 5 crore asset – pay 1 lakh and get immunity from prosecution and penalty

TCS

- TCS rate on the sale of overseas tour program package from the current 5% and 20% to 2% without any stipulation of amount
- TCS rate - pursuing education and for medical purposes under Liberalized Remittance Scheme (LRS) 5% to 2%

Direct Taxes



TDS

- Supply of manpower services is proposed to be specifically brought within the ambit of payment to contractors for the purpose of TDS to avoid ambiguity. Thus, TDS on these services will be at the rate of either 1% or 2%
- Scheme for small taxpayers wherein a rule-based automated process will enable obtaining a lower or nil deduction certificate instead of filing an application with the assessing officer

House property TDS

- Resident individuals or HUFs need not obtain TAN to deduct TDS on immovable property transfers from non-residents. Instead, deduct and report via PAN, like resident-to-resident transactions

PF ESI deduction for employer

- Employers can deduct employee contributions to provident/superannuation funds or ESI if credited by the return filing due date



Direct Taxes

Sovereign Gold Bonds Capital Gain

- Sovereign Gold Bonds capital gains tax exemption limited to individuals subscribing at original issue and holding till maturity redemption
- Exemption now applies uniformly to all SGB issuances by RBI

No Interest against Dividend income

- No interest deduction allowed on dividend or mutual fund income; existing provision with ceiling omitted

IFSC tax rationalised

- IFSC units' deduction period extended to 20 consecutive years out of 25 (units) or 20 years (OBUs). Post-deduction business income taxed at 15%
- IFSC treasury centres exempt from deemed dividend if parent/principal listed outside India and transactions with specified foreign group entities



Direct Taxes

Cooperatives

- Deduction - Primary Cooperative Society - include supply of cattle feed, cotton seed produced by members
- Inter-cooperative society dividend income as deduction under the new tax regime to the extent it is further distributed to its members
- Allow exemption for a period of 3 years, to dividend income received by a notified national co-operative federation, on investments made in companies up to 31.1.2026 (if further distributed to members Coop Soc)

IT Safe Harbour

- Multiple services clubbed under a single category of Information Technology Services with common safe harbour margin of 15.5% applicable to all
- Threshold for availing safe harbour for IT services enhanced substantially from ₹300 crore to ₹2,000 crore
- Approved by an automated rule-driven process without physical examination. Once applied by an IT Services company, the same safe harbour can be continued for a period of 5 years at a stretch at its choice

IT Advance Pricing Agreement

- IT services companies conclude Advance Pricing Agreement (APA), Fast track Unilateral APA process for IT services and endeavour to conclude it within a period of 2 years. The period of 2 years can be extended by a further period of 6 months on taxpayer's request
- Extend the facility of modified returns available to the entity entering APA to its associated entities

Direct Taxes



Data Centre

- Tax holiday till 2047 to any foreign company that provides cloud services to customers globally by using data centre services from India on condition that provide services to Indian customers through an Indian reseller entity
- Safe harbour of 15% on cost in case the company providing data centre services from India is a related entity

Toll Manufacturing

- Exemption from income tax for 5 years, to any non-resident who provides capital goods, equipment or tooling, to any toll manufacturer in a bonded zone
- Safe harbour to non-residents for component warehousing in a bonded warehouse at a profit margin of 2% of the invoice value. The resultant tax of about 0.7 % will be much lower than in competing jurisdictions

Non Resident tax exemption

- Exemption to global (non-India sourced) income of a non-resident expert, for a stay period of 5 years under notified schemes
- Exemption from Minimum Alternate Tax (MAT) to all non-residents who pay tax on presumptive basis



Direct Taxes

Buy-back tax

- Tax buyback for all types of shareholders as Capital Gains. However, to disincentivize misuse of tax arbitrage, promoters will pay an additional buyback tax
- This will make effective tax 22 percent for corporate promoters. For non-corporate promoters the effective tax will be 30 percent

STT and TCS

- STT on futures will rise to 0.05% from 0.02%. STT on options premium and exercise will both increase to 0.15% from 0.1% and 0.125%, respectively
- TCS rate for sellers of alcoholic liquor, scrap, and minerals will be rationalized to 2% (from higher rates). TCS on tendu leaves will drop from 5% to 2%

MAT Sunset

- Set-off of brought forward MAT credit is proposed to be allowed to companies only in the new regime. Set-off using available MAT credit is proposed to be allowed to an extent of 1/4th of the tax liability in new regime
- MAT will become the final tax, with no further credit accumulation from April 1, 2026. Its rate will drop to 14% from 15%. Brought-forward MAT credit till March 31, 2026, remains available for set-off

Indirect Taxes



Marine, leather, and textile

Duty-free import limit for specified inputs used in processing seafood exports will rise from 1% to 3% of the previous year's FOB export turnover value

Similarly available for exports of leather or synthetic footwear, to exports of Shoe Uppers as well

Extend time period for export - final product - current 6 months to 1 year

Energy

Basic customs duty (BCD) exemption for capital goods used in manufacturing Lithium-Ion Cells for batteries now extend to battery energy storage systems

BCD exemption to sodium antimonate imports used in solar glass manufacturing

BDC exemption on imports for Nuclear Power Projects to extend till 2035, cover all nuclear plants, regardless of capacity

Aviation

BCD exemption will apply to components and parts required for manufacturing civilian, training, and other aircraft

BCD exemption on raw materials imported for manufacture of parts of aircraft to be used in maintenance, repair, or overhaul requirements by Units in the Defence sector

Electronics and SEZ

BCD exemption on n specified parts used in the manufacture of microwave ovens

A special one-time measure will allow eligible SEZ manufacturing units to sell to the Domestic Tariff Area (DTA) at concessional duty rates, limited to a prescribed proportion of their exports. Regulatory changes will ensure a level playing field for DTA units

Ease of Living

Tariff rate on all dutiable goods imported for personal use will drop from 20% to 10%

BCD exemption on on 17 cancer drugs or medicines

7 more rare diseases - qualify import duty exemptions personal import of drugs, medicines, and Food for Special Medical Purposes (FSMP) used in treatment

Indirect Taxes – Custom Process Reform



Authorised Economic Operator

Duty deferral period for Tier 2 and Tier 3 Authorised Economic Operators (AEO) extended 15 to 30 days

Eligible manufacturer-importer get same duty deferral facility, encouraging to become full-fledged Tier 3 AEOs

Government agencies encouraged to leverage AEO accreditation – cargo clearance

Advance ruling

Advance ruling validity, binding on Customs, will extend from 3 to 5 years for greater certainty and better business planning

Fast clearance

Trusted importers' bill of entry filing, upon goods arrival, will auto-notify Customs for instant clearance on arrival

Trusted importers recognized in risk system to minimize checks. E-sealed exports get factory-to-ship clearance

Customs warehousing to become operator-centric with self-declarations, e-tracking, and risk audits—cutting delays and costs

Easy compliance

₹10 lakh e-commerce export cap removed for small businesses/artisans /startups. Tech to improve rejected/returned consignment handling

Indian fishermen to tap deep-sea resources duty-free. High Seas catch: zero duty. Foreign landings: treated as exports

Ease of Living

Baggage clearance rules for international travel will be revised to raise duty-free allowances in line with modern realities and clarify temporary goods carriage

Honest taxpayers settling dues can now close cases by paying an additional amount in lieu of penalty, avoiding negative connotations

