

1. What is the Budget?

- The **Budget** is a financial plan of the government for a year.
- It includes expected **income (receipts)** and **expenses (expenditures)**.
- It is prepared by the **Department of Economic Affairs (DEA)** under the Ministry of Finance.

Example: If a household plans to spend ₹50,000 on groceries, rent, and savings while earning ₹60,000 per month, they are making a budget for themselves. The government does the same for the entire country.

2. Budget Process (How It Works?)

1. **Presented in Parliament** by the Finance Minister.
2. **Debated in Lok Sabha & Rajya Sabha** (General Discussion).
3. **Committees review** specific parts of the budget.
4. **Voting on the Budget** in Lok Sabha.
5. **Approval of the Finance Bill & Appropriation Bill** (final step).

Example: Think of it like a school or college making a plan for an annual event. They decide the budget, get approval from teachers, and allocate funds for different activities like sports, cultural events, and prizes.

3. Two Parts of the Budget

1. **Revenue Budget** (Day-to-day government expenses like salaries, subsidies, pensions).
2. **Capital Budget** (Money spent on long-term projects like highways, railways, schools).

Example: Paying teachers' salaries every month is part of the **Revenue Budget**, while building a new school is a **Capital Budget** expense.

4. Key Highlights of Budget 2025-26

Theme: *Sabka Vikas* (Development for All)

Total Revenue Expected: ₹34.2 lakh crore

Total Expenditure Planned: ₹39.4 lakh crore

Fiscal Deficit: 5.7% of GDP (Government spending more than its income).

Example: Imagine a person earning ₹40,000 but spending ₹45,000. The extra ₹5,000 they need to borrow is their **deficit**. Similarly, the government borrows money to cover its deficit.

5. Important Announcements

A. Agriculture & Rural Development

- **PM Dhan-Dhaanya Krishi Yojana:** Helping **100 underdeveloped agricultural districts**.
- **Mission for Cotton Productivity:** Improve cotton farming for better quality textiles.
- **Mission for Pulses (Tur, Urad, Masoor):** Government will buy unlimited pulses for 4 years.
- **Enhanced Credit for Farmers:** Kisan Credit Card limit increased from ₹3 lakh to ₹5 lakh.
- **New Urea Plant in Assam** to boost fertilizer production.

Example: A farmer in Punjab growing wheat can now get **higher credit through Kisan Credit Card** and **sell pulses at a guaranteed price to the government**, ensuring a steady income.

B. Industry & MSMEs (Small Businesses)

- **Customized Credit Cards for Small Businesses:** ₹5 lakh limit for micro-enterprises.
- **New Manufacturing Mission:** Boost “Make in India” & support climate-friendly production.
- **Toy Industry Growth Plan:** Make India a global leader in toy production.
- **Support for Startups:** ₹10,000 crore “Fund of Funds” for new businesses.

Example: A small furniture shop in Ludhiana can now apply for a **₹5 lakh business loan easily** under the new MSME scheme, helping them expand and hire more workers.

C. Education & Healthcare

- **Saksham Anganwadi & Poshan 2.0:** Nutrition support for **8 crore children & 1 crore women**.
- **10,000 more Medical College Seats** to improve healthcare education.

- **50,000 Atal Tinkering Labs** in government schools to boost innovation.
- **AI Research Centers in Education** (₹500 crore allocated).
- **Day Care Cancer Centers in District Hospitals** to expand cancer treatment access.

Example: A student in Amritsar studying AI can now get **better education through new AI research centers**, leading to more job opportunities in tech industries.

D. Infrastructure & Economy 🚧💰

- **Jal Jeevan Mission Extended to 2028** (Safe drinking water for all rural households).
- **50-Year Interest-Free Loan of ₹1.5 lakh crore for States** for infrastructure.
- **New Nuclear Energy Mission** (100 GW nuclear energy target by 2047).
- **Urban Challenge Fund of ₹1 lakh crore** to improve Indian cities.
- **More PPP (Public-Private Partnerships)** for big infrastructure projects.

Example: A village in Punjab without clean drinking water will now benefit from the **extended Jal Jeevan Mission**, ensuring every household gets tap water.

E. Exports & Global Trade 🌐📦

- **New BharatTradeNet (BTN)** for international trade facilitation.
- **Boost to Global Capability Centers (GCCs)** in Tier-2 cities.
- **Support for Electronics & Industry 4.0** (Make India a global supplier).

Example: A textile business in Ludhiana exporting garments can now benefit from **easier trade policies and export subsidies**.

6. Tax Reforms & Personal Finance 🏛️

For Middle-Class Taxpayers:

- **No tax on income up to ₹12 lakh under the new tax regime.**
- **Standard Deduction increased to ₹75,000.**
- **TDS (Tax Deducted at Source) limit for rent increased to ₹6 lakh.**
- **Higher exemption limits for senior citizens on bank interest.**

Example: If a teacher in Chandigarh earns ₹10 lakh per year, they will **pay zero tax** under the new tax regime.

For Businesses & Startups:

- **Extended tax benefits for startups till 2030.**
- **New presumptive tax scheme for international companies.**

Example: A new IT startup in Mohali will now **get tax benefits for five more years**, encouraging more businesses to grow.

7. Key Schemes for Common People

- **PM SVANidhi Scheme Revamp:** ₹30,000 loan limit for street vendors via UPI-linked credit cards.
- **Social Security for Gig Workers:** Healthcare & pension benefits under the **e-Shram** portal.
- **Better Pension Schemes:** Improvements in **National Pension Scheme (NPS)**.

Example: A street vendor in Jalandhar selling fruits can now **get a ₹30,000 loan via UPI without visiting a bank**, helping them expand their business.

8. Government's Focus Areas

 **Viksit Bharat Goals (India @100 by 2047):**

- **Zero Poverty**
- **100% High-Quality Education**
- **Affordable Healthcare for All**
- **70% Women in Workforce**
- **India as the Global Food Leader**

Example: A farmer in Punjab will get **better irrigation facilities, higher-quality seeds, and more credit access**, making India the “Food Basket of the World.”

Final Thoughts

The Union Budget 2025-26 focuses on **agriculture, industry, digital economy, and social security**. While **tax benefits for middle-class** and **startup support** are major highlights, the **focus on infrastructure and nuclear energy** signals a long-term growth plan.