

THE C-SUITE INTELLIGENCE

INDIA UNION BUDGET 2025 DETAILED ANALYSIS

Comprehensive Analysis of India's Union Budget 2025: Key Announcements and Sectoral Allocations

Budget 2025 Breakdown: Sectoral Allocations, Economic Roadmap, and Market Insights



INDIA BUDGET 2025



INDIA UNION BUDGET 2025 DETAILED ANALYSIS

Navigating the Future - From **'India @100'** to **'Inclusive Growth 2.0'** in Budget 2025

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By Ravi Shekhar, Sanjay Kumar, Nitika Sharma, Mansi Singh & Shreyanshi Pandey

UNION BUDGET 2025

India's Union Budget 2025 sets the stage for a transformative journey, shifting from the vision of 'India @100' to 'Inclusive Growth 2.0.' Focused on sustainable development, innovation, and boosting economic self-reliance, this budget aims to empower key sectors, address regional disparities, enhance digital infrastructure, and drive holistic growth. It seeks to ensure the nation's resilience, economic prosperity, and competitiveness in a rapidly changing global landscape while fostering inclusivity and environmental sustainability.

KEY ANNOUNCEMENTS – FOR INDIAN ENERGY & INFRASTRUCTURE SECTOR

- **Clean Energy:** The Budget emphasizes investments in solar, wind, and green hydrogen, with significant policy reforms designed to accelerate the country's clean energy transition. The vision aligns with India's climate goals for a cleaner, greener future.
- **Power Sector:** With a focus on enhancing thermal efficiency, modernizing grids, and improving Discoms' financial health, Budget 2025 sets the stage for a resilient and future-ready power sector.
- **Hydrogen:** A robust push for green hydrogen with investments aimed at making India a global hub for hydrogen production and export, catalysing innovation, and supporting India's net-zero ambitions.
- **Shipbuilding & Maritime Sector:** The Budget outlines funds for maritime infrastructure, port modernization, and tax incentives aimed at enhancing India's position in global shipping.
- **Tourism:** Focus on infrastructure development, tax incentives, and skill development programs will rejuvenate India's tourism sector, aiming to position the country as a global tourism hub.

INDIA BUDGET 2025: ADVANCING THE GREEN TRANSITION

The Union Budget 2025 lays the foundation for India's next leap in power, renewables, and energy transition, reinforcing the nation's ambition to be a global clean energy powerhouse. A strong push for grid modernization, BESS (Battery Energy Storage Systems), and smart infrastructure signals the government's commitment to enhancing energy security and grid resilience.

With renewable energy at the heart of India's growth, increased allocations for solar, wind, and hybrid projects aim to accelerate capacity addition, ensuring a seamless shift towards a low-carbon economy. Green hydrogen emerges as a key frontier, with strategic incentives to make India a competitive producer and exporter, aligning with its **"Hydrogen Mission" goals**. The budget also reinforces green manufacturing, offering incentives for domestic solar PV, battery production, and advanced clean-tech solutions, reducing import dependence and boosting India's global competitiveness.



Carbon trading mechanisms and climate financing gain prominence, pushing industries to align with net-zero goals while ensuring a sustainable trade framework. In essence, Budget 2025 is a game-changer, setting the stage for a new energy era—where India leads the world in sustainable power, clean technology, and climate-conscious trade. *Eninrac Consulting deciphers the roadmap ahead—opportunities, challenges, and the way forward!*

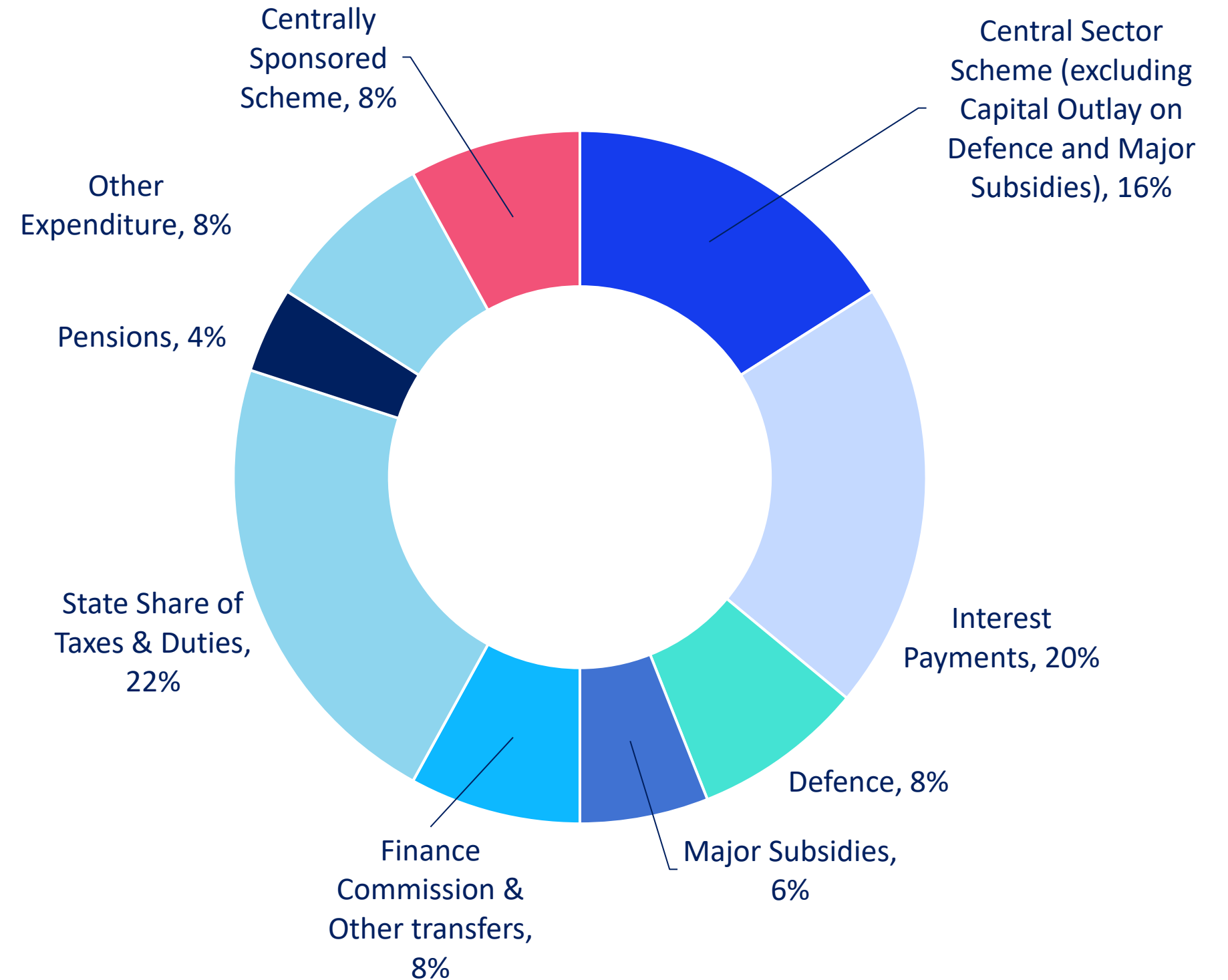
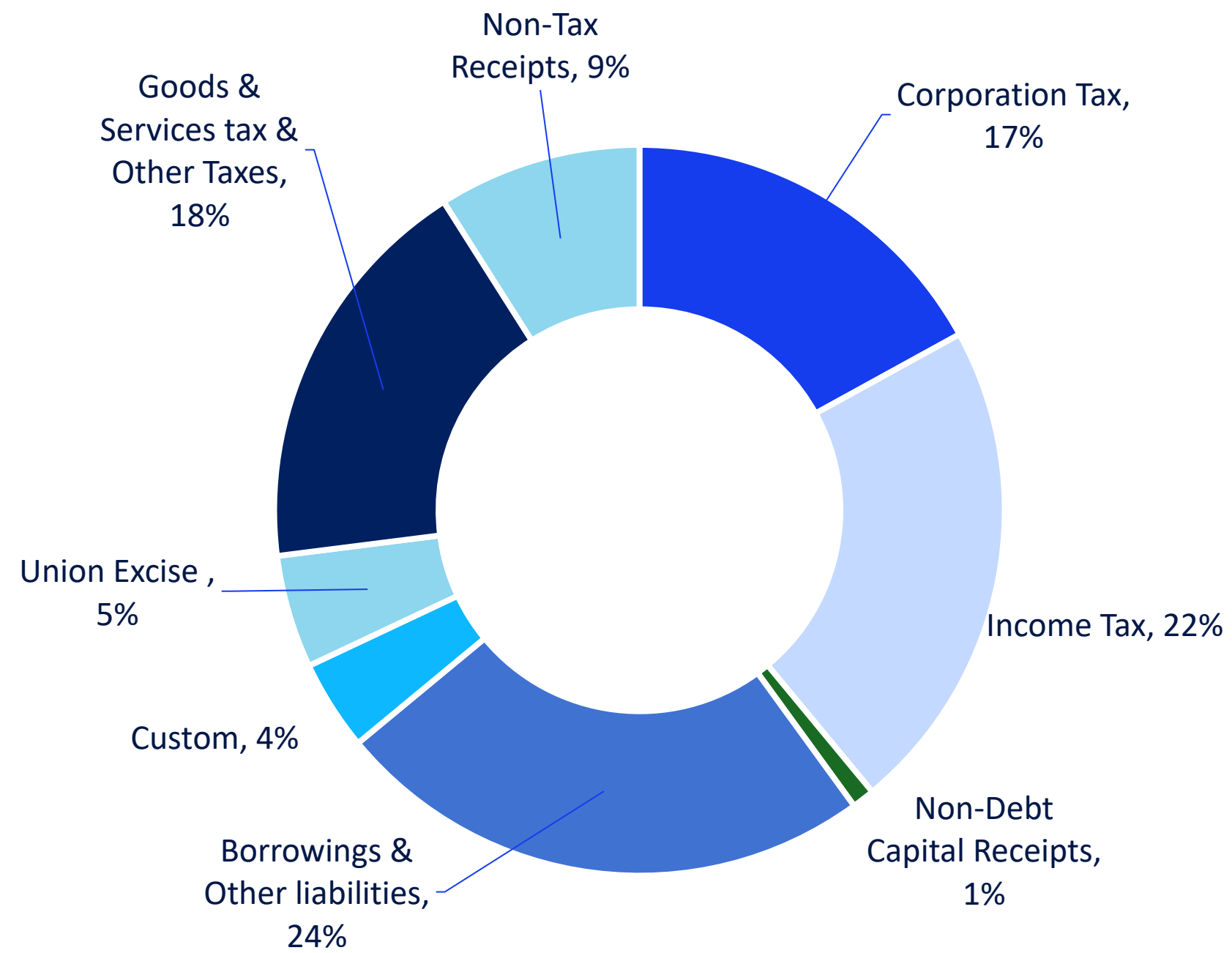
INDIA UNION BUDGET 2025-26

FINANCIAL SNAPSHOTS

	2023-2024 Actuals (In ₹ Crores)	2024-2025 Budget Estimates (In ₹ Crores)	2024-2025 Revised Estimates (In ₹ Crores)	2025-2026 Budget Estimates (In ₹ Crores)
Revenue Receipts	27,29,036	31,29,200	30,87,960	34,20,409
Capital Receipts	17,14,411	16,91,312	16,28,527	16,44,936
Total Revenue Receipts	44,43,447	48,20,512	47,16,487	50,65,345
Total Expenditure	44,43,447	48,20,512	47,16,487	50,65,345
Effective Revenue Deficit	4,61,300	1,89,423	3,10,207	96,654
Revenue Deficit	7,65,216	5,80,201	6,10,098	5,23,846
Fiscal Deficit	16,54,643	16,13,312	15,69,527	15,68,936
Primary Deficit	590,771	4,50,372	4,31,587	2,92,598

INDIA UNION BUDGET 2025 -26

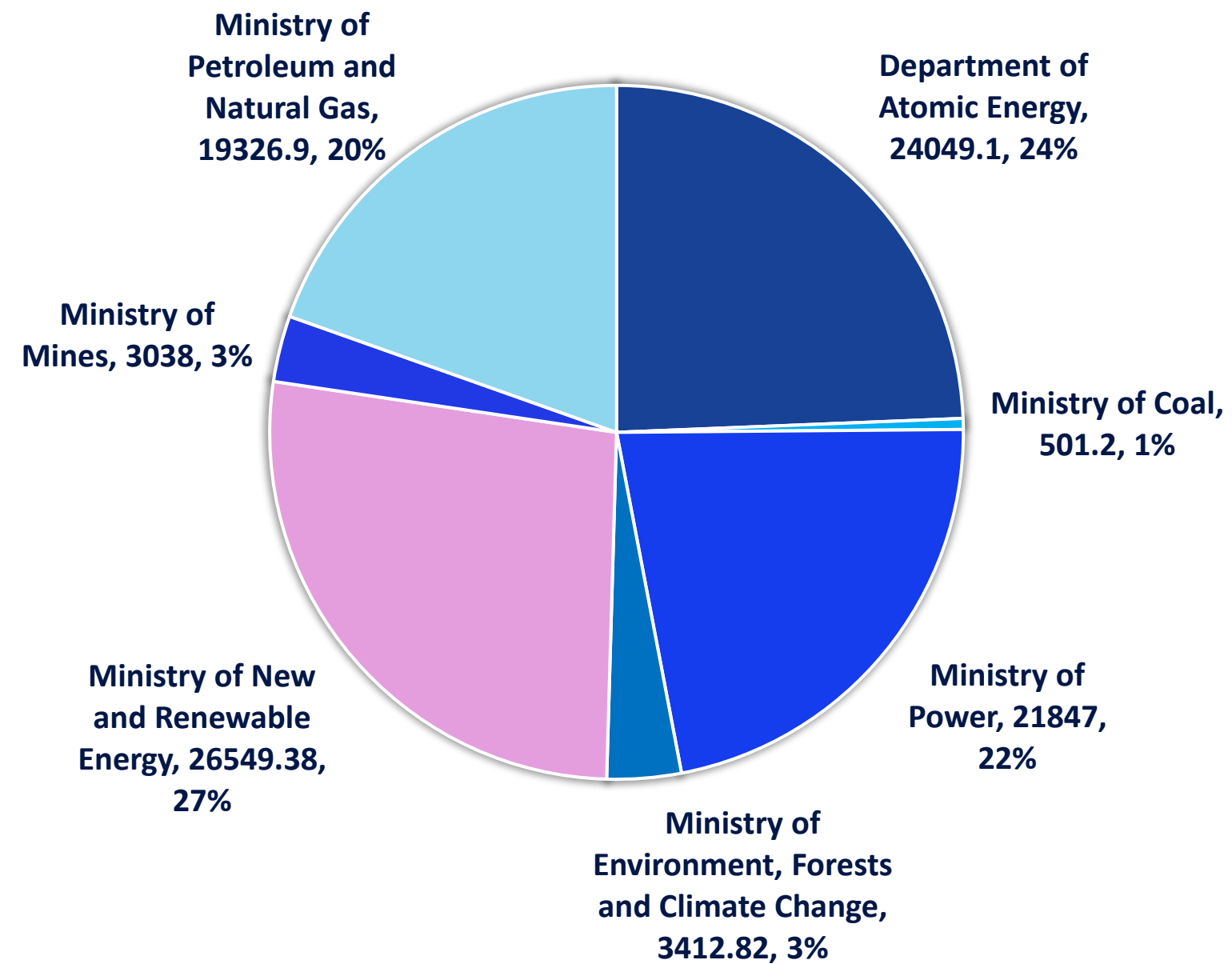
SUMMARY OF EXPENDITURE & INCOME 2025-26



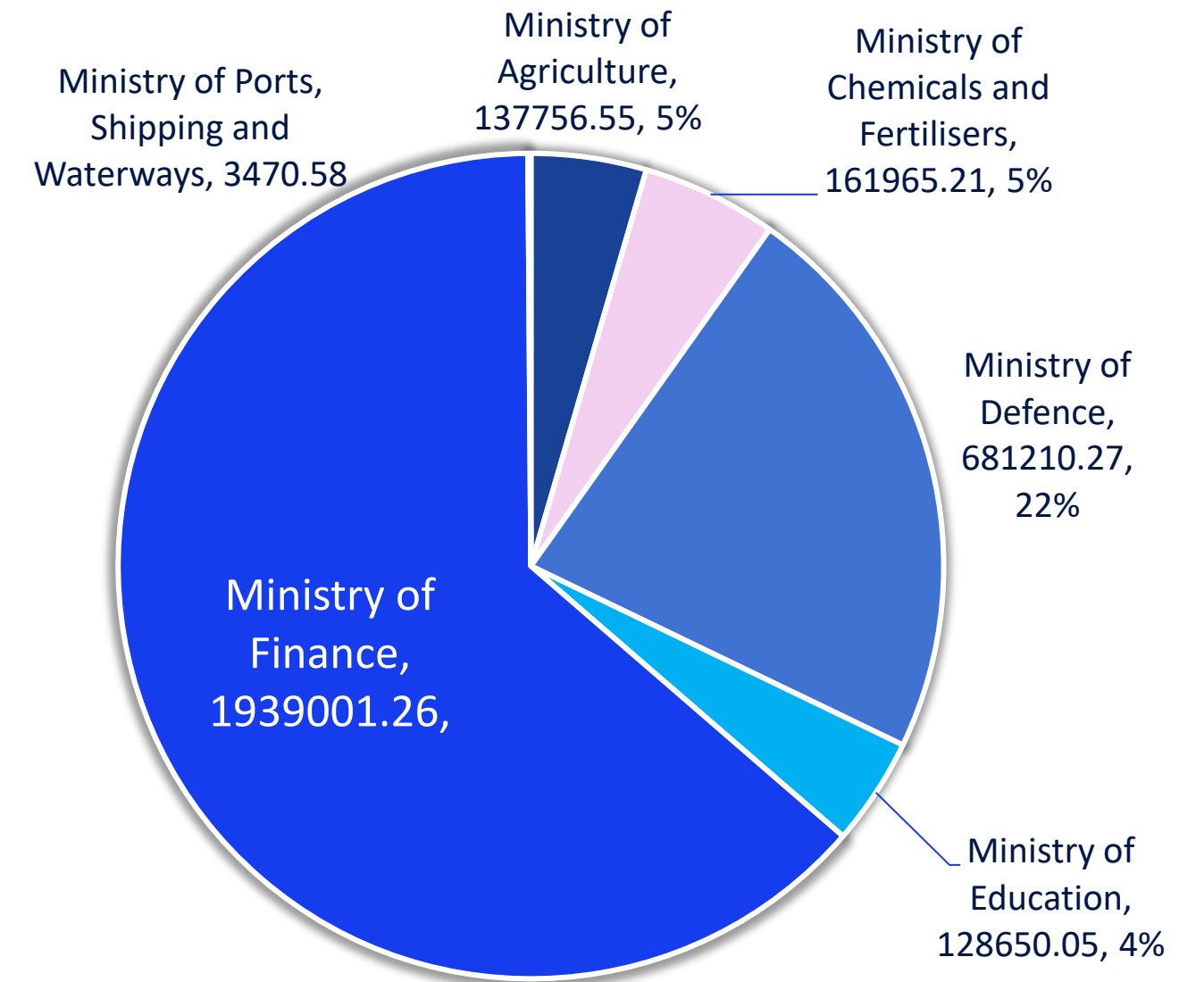
INDIA UNION BUDGET 2025 -26

KEY NUMBERS

Budget Estimates for 2025-2026 for Key Energy and Infrastructure Ministries



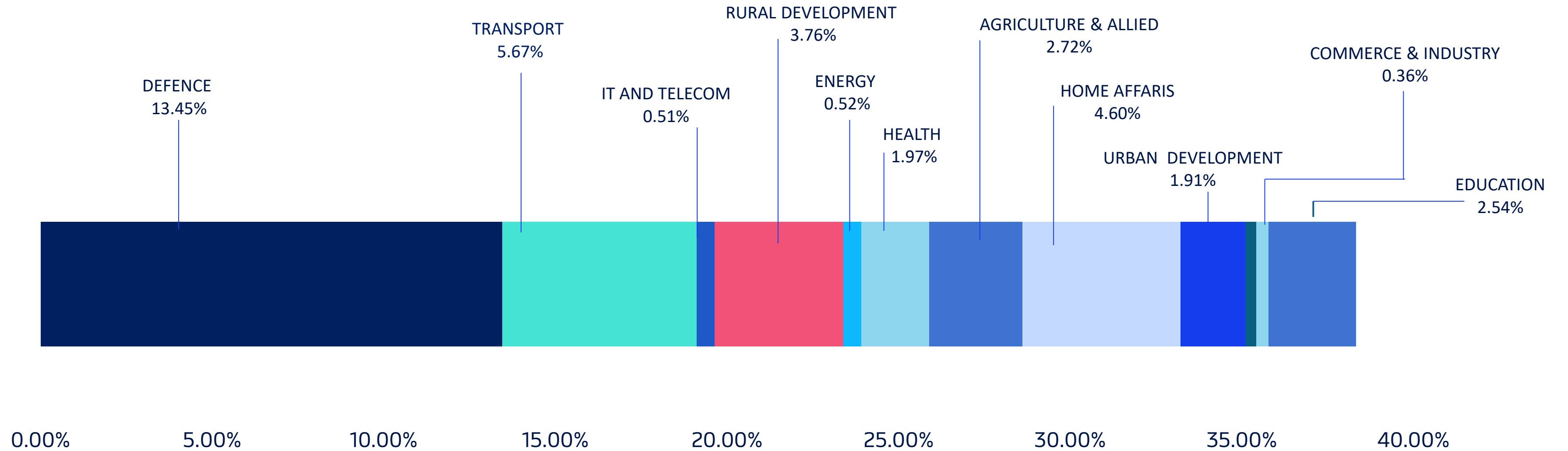
Budget Estimates for 2025-2026 for Key Other Ministries



INDIA UNION BUDGET 2025 -26

KEY NUMBERS

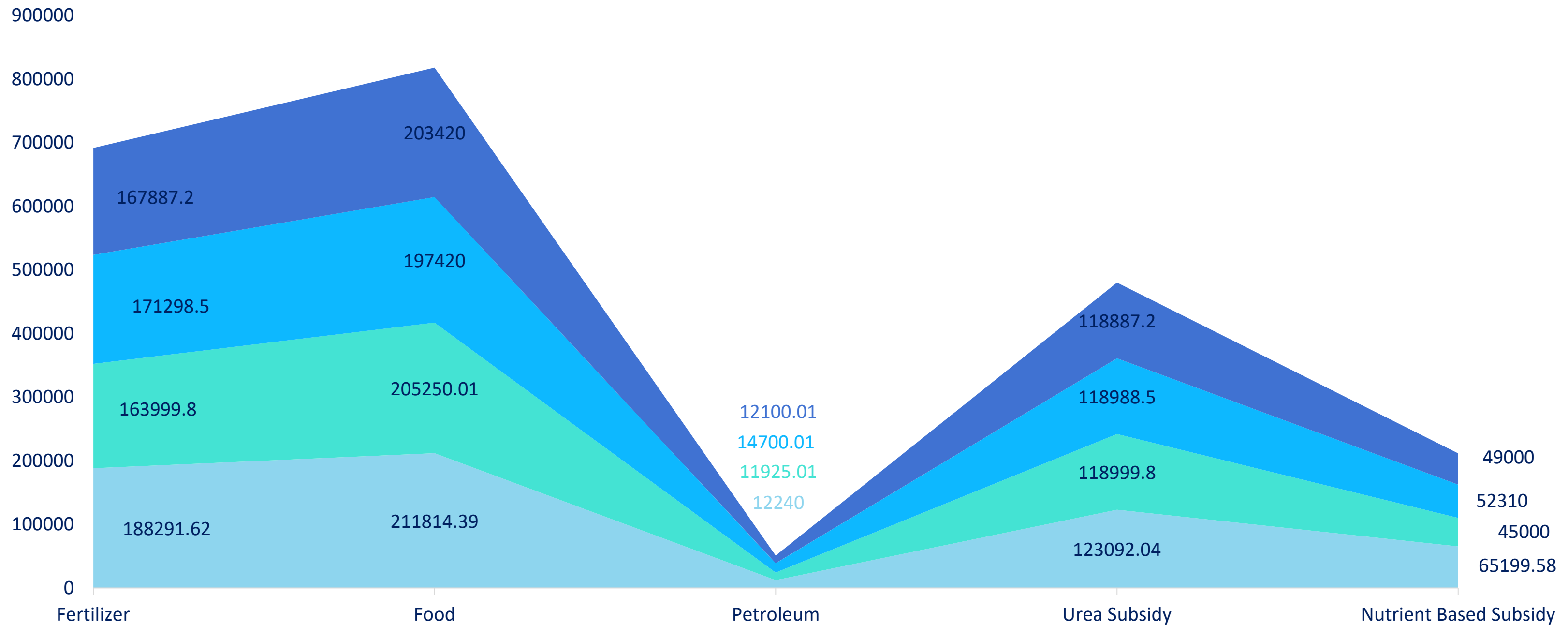
Percentage Share of Key Ministries in the Budget Expenditure for 2025-26



INDIA UNION BUDGET 2025 -26

KEY NUMBERS

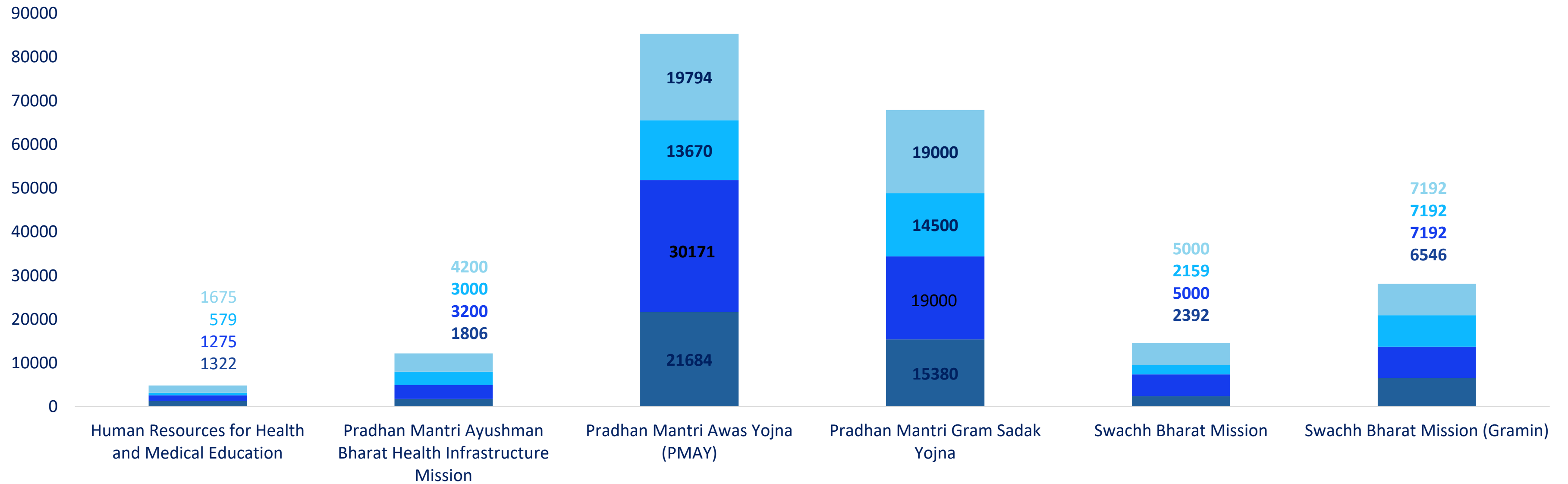
Subsidy (In INR Crores) offered by the Gol to key sectors



INDIA UNION BUDGET 2025 -26

KEY NUMBERS

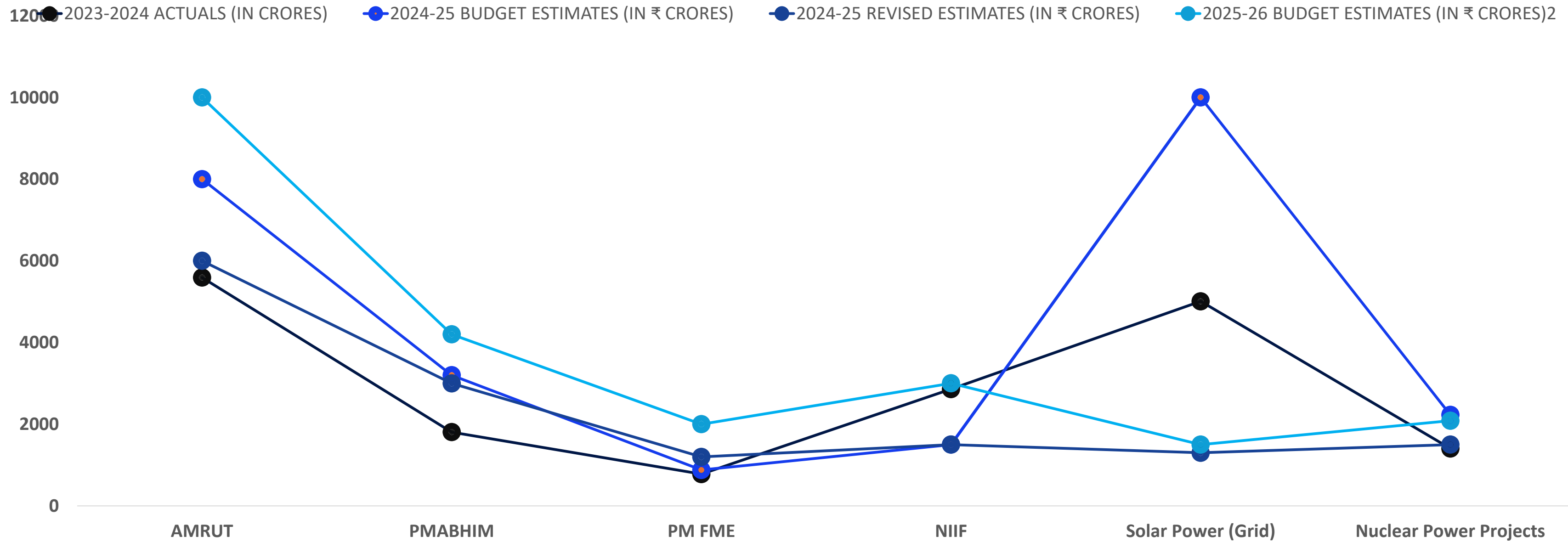
Outlay (In INR Crores) on Major Schemes on Social Sector Development



INDIA UNION BUDGET 2025 -26

KEY NUMBERS

Outlay (In INR Crores) on Major Schemes on Industry and Infrastructure Development



INDIA UNION BUDGET 2025 -26 KEY IMPLICATIONS



POWER SECTOR
Impact - Positive +



NUCLEAR ENERGY
Impact - Positive +



CLEAN MANUFACTURING
Impact - Positive +



CRITICAL MINERALS
Impact - Positive



SHIPBUILDING
Impact - Positive +



MARITIME SECTOR
Impact - Positive



**GREEN HYDROGEN
SECTOR**
Impact - Positive +



TOURISM SECTOR
Impact – Marginally
Positive

RATINGS - LEGEND

RATINGS	DEFINITION
Positive Plus	Predominantly Positive Proposals
Positive	Positive Proposals
Marginally Positive	Positive Proposals but lacks industry expectations at large



Power Sector

Budget 2025 boosts thermal efficiency, modernizes grids, and strengthens DISCOM financial stability

Positive +

Positive +

Thermal Power Efficiency: The budget proposes initiatives to enhance the efficiency of existing thermal power plants through technological upgrades and stricter emission norms, contributing to reduced environmental impact and improved performance.

Positive

Financial Support for DISCOMs: The budget includes measures to provide financial support to Distribution Companies (DISCOMs), aiming to improve their financial health and operational efficiency.

Marginally Positive

Coal Supply Chain Improvements: The budget outlines plans to streamline the coal supply chain, ensuring timely availability of coal to thermal power plants, thereby reducing operational disruptions.



Nuclear Sector

Budget 2025 accelerates nuclear expansion, enhances reactor efficiency, and enables private investment

Positive +

Positive +

Nuclear Energy Mission: The government plans to establish a Nuclear Energy Mission with a budget allocation of ₹200 billion, aiming to develop at least 100 GW of nuclear energy by 2047, with an immediate target of 20 GW by 2032.

Positive

Private Sector Participation: The budget proposes amending the Civil Liability for Nuclear Damage Act of 2010 and the Atomic Energy Act of 1962 to attract private investments, facilitating the development of small modular reactors (SMRs) and expanding nuclear power infrastructure

Marginally Positive

Policy Framework Development: While the proposed amendments are a step forward, further clarity on timelines and detailed policy frameworks is needed to fully realize the potential benefits for the nuclear sector.



Clean Manufacturing

Budget 2025 promotes green manufacturing, supports technology upgrades, and fosters sustainable production practices

Positive +

Positive +

National Manufacturing Mission: The budget proposes the establishment of a National Manufacturing Mission, focusing on enhancing manufacturing capabilities, promoting sustainable practices, and fostering innovation across various sectors

Positive

Customs Duty Exemptions on Critical Minerals: The government has removed customs duties on waste and scrap of critical minerals, including antimony, cobalt, tungsten, copper, lithium-ion battery, lead, zinc, and cobalt powder. This decision aims to secure the availability of these materials for manufacturing in India.

Marginally Positive

Policy for Recovering Critical Minerals: The government plans to introduce a policy to recover critical minerals from mining by-products, aiming to reduce dependency on imports and enhance domestic supply chains.



Critical Minerals

Budget 2025 enhances critical mineral supply chains, promotes sustainable extraction, and boosts resource security

Positive

Positive +

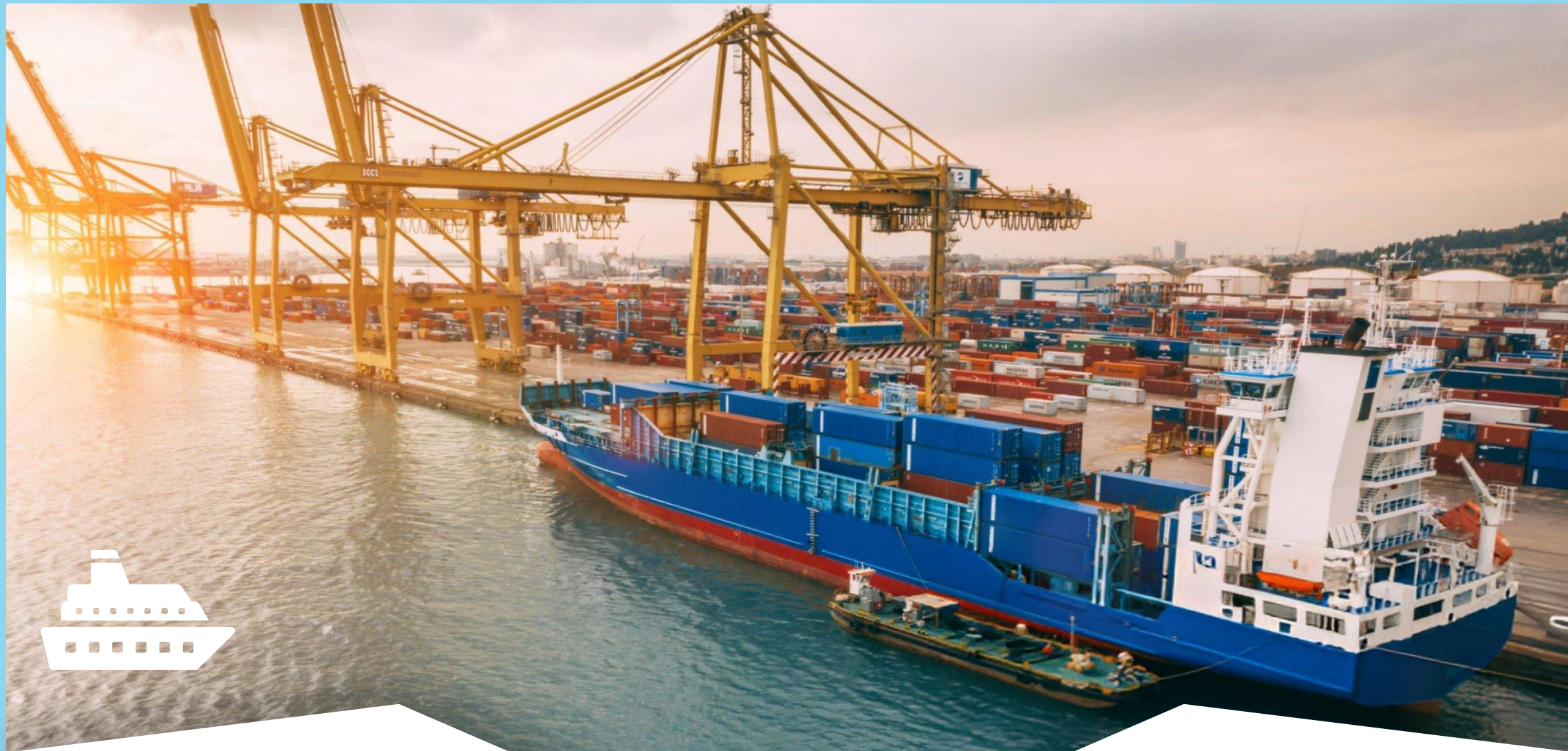
National Critical Mineral Mission: The Union Cabinet has approved a ₹16,300 crore National Critical Mineral Mission, focusing on boosting domestic production and exploration of critical minerals until 2030-31. This initiative underscores India's commitment to securing essential raw materials for its growing economy.

Positive

Customs Duty Exemptions: The government has removed customs duties on waste and scrap of critical minerals, including antimony, cobalt, tungsten, copper, lithium-ion battery, lead, zinc, and cobalt powder. This decision aims to secure the availability of these materials for manufacturing in India.

Marginally Positive

Policy for Recovering Critical Minerals: The government plans to introduce a policy to recover critical minerals from mining by-products, aiming to reduce dependency on imports and enhance domestic supply chains.



Shipbuilding Sector

Budget 2025 enhances shipbuilding capabilities, supports infrastructure upgrades, and strengthens industry competitiveness.

Positive +

Positive +

Shipbuilding Clusters and Infrastructure: The budget proposes the promotion of shipbuilding clusters to increase the range, categories, and capacity of ships. This includes additional infrastructure facilities, skill development, and technology to develop the entire ecosystem, fostering a more robust and competitive shipbuilding industry.

Positive

Maritime Development Fund: The government has established a ₹25,000 crore (approximately \$3 billion) Maritime Development Fund to provide long-term financial support to the shipbuilding and repair industry. The government will contribute 49% to the fund, with the remaining amount to be mobilized from ports and private investments. This initiative aims to enhance India's maritime infrastructure and manufacturing capabilities.

Marginally Positive

Tax Incentives and Exemptions: The government plans to extend a 10-year import tax exemption on inputs needed for shipbuilding and shipbreaking activities. Additionally, credit notes will be issued for shipbreaking in Indian yards to incentivize the scrapping of old vessels and the building of new ones. These measures aim to reduce operational costs and encourage domestic shipbuilding activities.



Maritime Sector

Budget 2025 enhances maritime infrastructure, supports fleet modernization, and strengthens industry growth

Positive

Positive +

Port Infrastructure Upgrades: The budget includes significant investments in port infrastructure, with a focus on improving capacity and efficiency, and making them more sustainable. The measures are intended to modernize facilities, increase throughput, and reduce operational bottlenecks, ultimately boosting trade and logistics.

Positive

Maritime Development Fund: The government has established a ₹25,000 crore (approximately \$3 billion) Maritime Development Fund to provide long-term financial support to enhance India's maritime infrastructure. The government will contribute 49% of the fund, with the remaining portion to be mobilized from ports and private investments. This initiative is aimed at strengthening India's maritime capabilities.

Marginally Positive

Tax Incentives and Exemptions: There is a proposal to extend a 10-year import tax exemption on inputs related to the maritime industry. While this aims to reduce operational costs and incentivize investment, the effectiveness will depend on how well these exemptions are implemented and utilized by stakeholders.



Green Hydrogen Sector

Budget 2025 accelerates hydrogen production, supports infrastructure development, and strengthens sectoral investments

Positive +

Positive +

Tax Reforms and Incentives: The budget proposes reducing GST rates on green hydrogen and ammonia, offering relaxations on the setup of production plants in Special Economic Zones (SEZs) and Export Oriented Units (EOUs), and lowering customs duties on essential materials for such plants. These measures aim to make green hydrogen production more cost-effective and attractive to investors.

Positive

Enhanced Funding for Green Hydrogen Initiatives: The government has allocated significant resources to the National Green Hydrogen Mission, aiming to position India as a global hub for green hydrogen production, usage, and export. This funding is expected to accelerate the development of green hydrogen infrastructure and technology.

Marginally Positive

Support for Domestic Manufacturing: The budget includes provisions to support domestic manufacturing of electrolyzers and other critical components for green hydrogen production. While this is a positive step, the impact will depend on the scale and implementation of these measures.



Tourism Sector

Budget 2025 enhances tourism infrastructure, promotes sustainable development, and strengthens sectoral growth

Marginally Positive

Positive +

Tax Reforms and Incentives: The government proposes reducing GST rates on tourism-related services and offering tax incentives for investments in the hospitality sector. These measures are designed to make tourism services more affordable and encourage private sector investment in the industry.

Positive

Infrastructure Development: The budget allocates significant funds for enhancing tourism infrastructure, including the development of new tourist circuits, improvement of amenities at existing sites, and promotion of lesser-known destinations. This initiative aims to boost domestic and international tourism by providing better facilities and experiences.

Marginally Positive

Skill Development Programs: The budget includes provisions for skill development and training programs aimed at enhancing the quality of service in the tourism and hospitality sectors. While this is a positive step, the impact will depend on the scale and implementation of these programs.

About Eninrac

Eninrac Consulting is a global market research and advisory firm that specializes in providing comprehensive insights and strategic solutions across various industries. Our services are designed to help businesses navigate market complexities, identify growth opportunities, and achieve sustainable success.

Eninrac's USP lies in its ability to deliver pragmatic, data-driven solutions tailored to the unique needs of each client. By maintaining close collaboration and adopting a hands-on approach, they ensure that their insights are actionable and aligned with clients' strategic objectives. This personalized guidance through diverse markets and cultures sets them apart in the consulting landscape. By leveraging the services offered, Eninrac Consulting empowers businesses to improve processes, understand customers, and solve problems effectively, thereby driving growth and maintaining a competitive edge in their respective industries.

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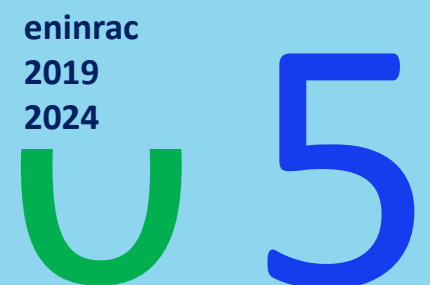
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2024 marks our 5th anniversary as a performance leader, delivering superior research and advisory services.