

UNION BUDGET 2026-27

Building a Resilient & Future-Ready
India | Focus on West Bengal Growth

Focus on Growth, Reform & Inclusive Development



Union Budget 2026–27

Building a Resilient, Inclusive and Future-Ready India

The Union Budget 2026–27 marks a pivotal milestone in India’s economic journey. Anchored in the visions of Atmanirbhar Bharat and Viksit Bharat, it advances a forward-looking strategy focused on manufacturing strength, infrastructure expansion, enterprise empowerment, and human capital development.



Total Expenditure	Increase over RE 2025–26	Revenue Expenditure	Capital Expenditure
₹53,47,315 crore	7.7%	+6.6%	+11.5%

Manufacturing and Atmanirbhar Bharat

The Budget strengthens strategic sectors to reduce import dependence and enhance competitiveness.

Major Initiatives

- Biopharma SHAKTI – ₹10,000 crore (5 years)
- Semiconductor Mission 2.0
- Electronics Components Scheme – ₹40,000 crore
- Rare Earth Corridors in key states
- Support for chemicals, textiles, capital goods & sports goods



These initiatives position India as a competitive global manufacturing hub.

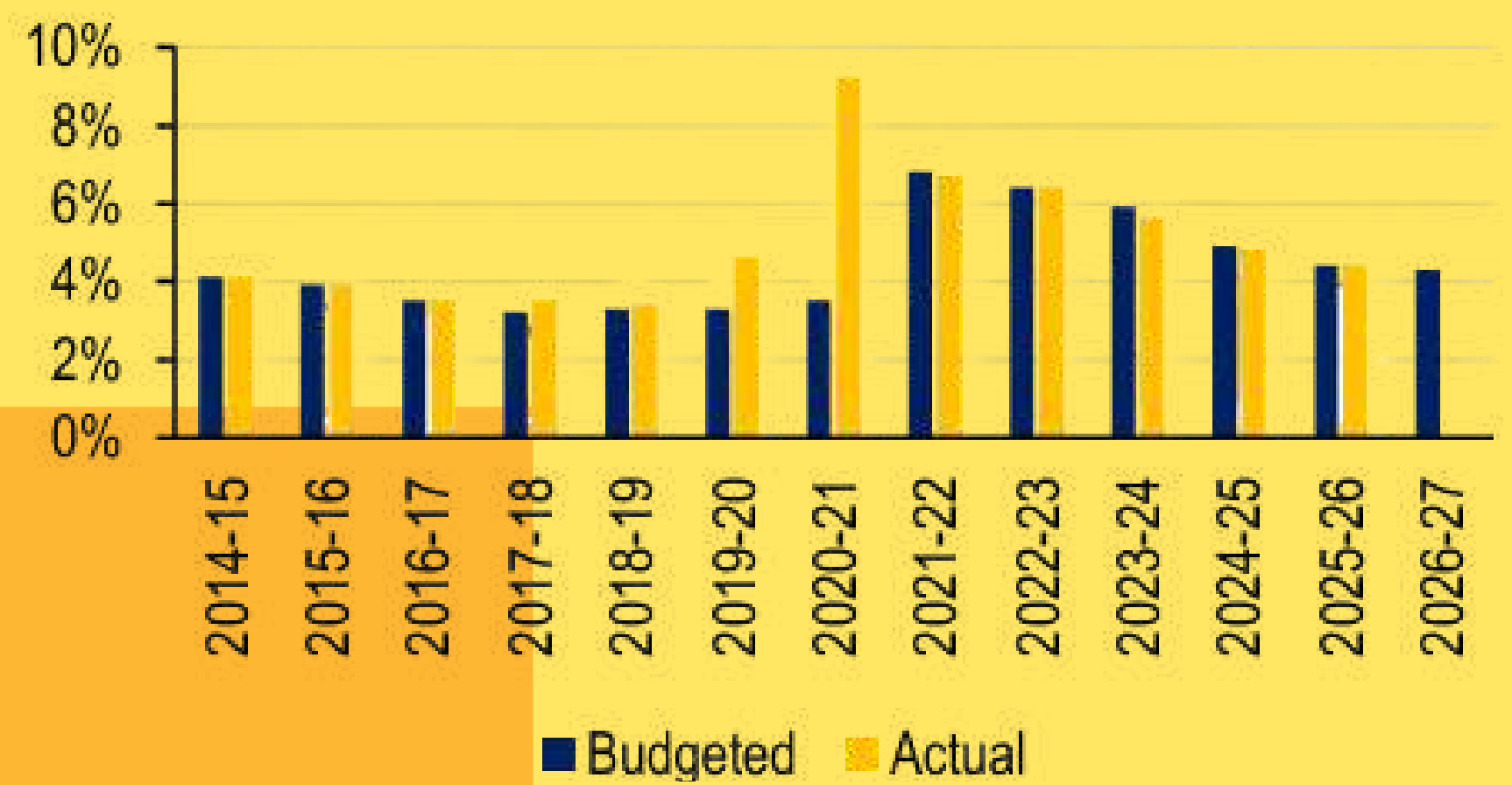
Macroeconomic Stability with Fiscal Discipline

The government reaffirms its commitment to fiscal responsibility, targeting a fiscal deficit of 4.3% of GDP—down from 4.4% in 2025-26.

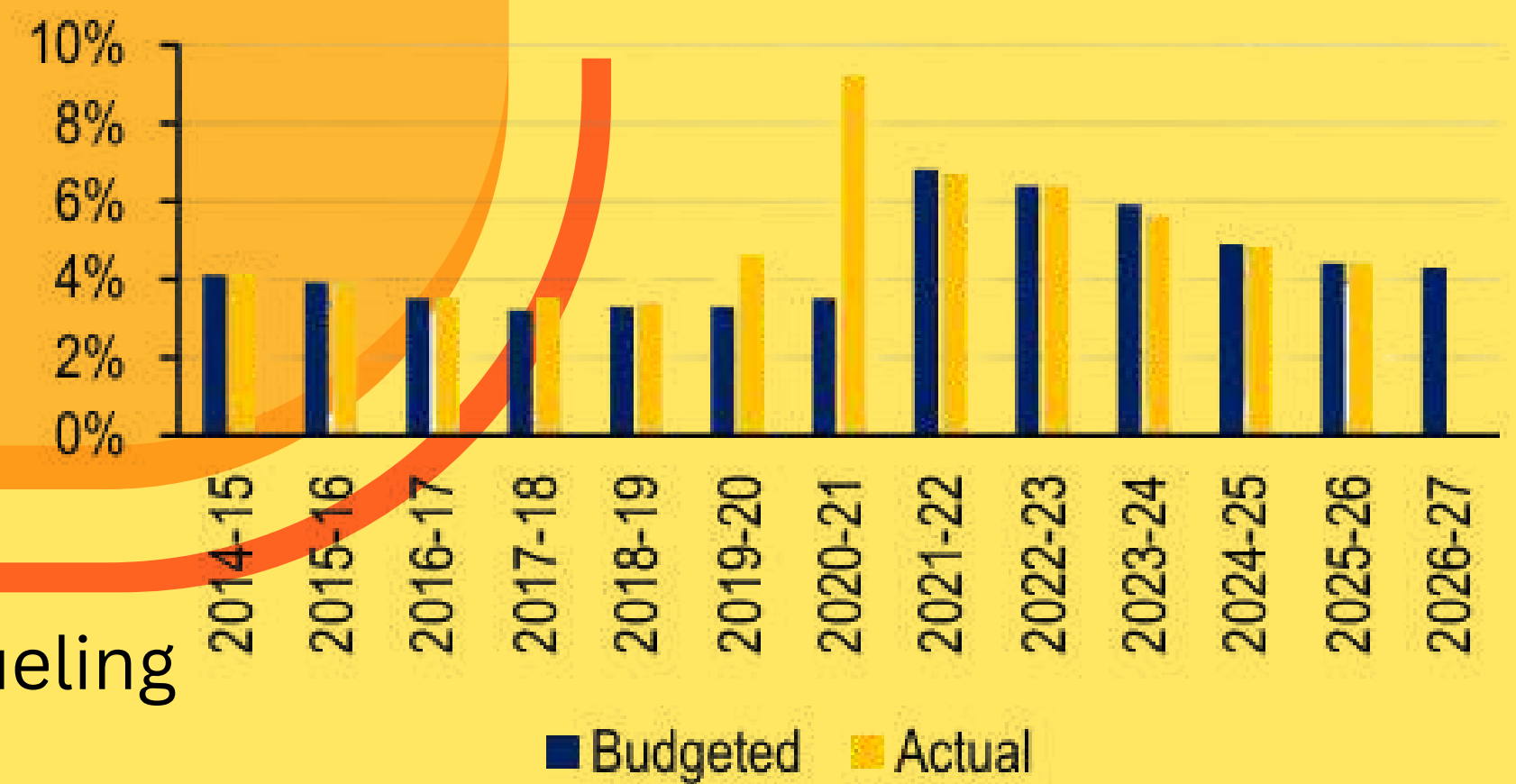
Key Fiscal Indicators

- Nominal GDP growth estimated at 10%
- Revenue deficit steady at 1.5% of GDP
- Primary deficit pegged at 0.7%
- Public capital expenditure increased to Rs 12.2 lakh crore
- Outstanding liabilities targeted to reduce to 50% by 2031

Fiscal Deficit: Budgeted vs Actual (as % of GDP)



Fiscal Deficit: Budgeted vs Actual (as % of GDP)



This disciplined approach ensures long-term sustainability while fueling economic momentum.

Industry & Commerce Focus

The Budget revitalizes legacy sectors while promoting innovation-led growth.

Cluster Modernization

- 200 legacy industrial clusters to be upgraded
- Technology & infrastructure modernization

Integrated Textile Program

- National Fibre Scheme
- Textile Expansion & Employment Scheme
- National Handloom & Handicraft Scheme
- Tex-Eco Initiative
- Samarth 2.0 (Skill Development)

The Mahatma Gandhi Gram Swaraj initiative further strengthens khadi and handicrafts.

MSMEs receive targeted support to become 'Champion SMEs.'

Key Measures:

- SME Growth Fund – ₹10,000 crore
- Enhanced Self-Reliant India Fund (top-up for risk capital)
- Mandatory TReDS adoption
- Credit guarantees
- Securitisation of receivables

These initiatives position India as a competitive global manufacturing hub.

Infrastructure, Logistics & Urban Growth

Public capital expenditure stands at ₹12.2 lakh crore.

Connectivity Initiatives

- Surat–Dankuni Freight Corridor
- 20 National Waterways operationalised
- Seven High-Speed Rail Corridors
- City Economic Regions (₹5,000 crore each over five years)

Focus on Tier II & III cities will unlock regional productivity.

Green Growth and Energy Security

Aligning with India's climate goals, the budget promotes sustainable development.

- Carbon Capture, Utilisation, and Storage (CCUS): Rs 20,000 crore over five years.
- Green Logistics: Emphasis on coastal shipping, inland waterways, and energy transitions.
- Renewable Energy: Support for PM Surya Ghar Muft Bijli Yojana (Rs 22,000 crore) and Bharatnet (Rs 20,000 crore).

These steps reinforce India's commitment to a low-carbon future.

Human Capital, Skills, and Employment

The Budget bridges education and enterprise.

Key Highlights

- Standing Committee on Education to Employment
- AVGC labs in 15,000 schools & 500 colleges
- Allied Health Professional institutions
- Five university townships
- Expanded mental health infrastructure

Focus areas include healthcare, tourism, design, sports & digital services.



Inclusive Development & Regional Focus

Advancing Sabka Sath, Sabka Vikas, the Budget supports farmers, women-led enterprises, Divyangjan, and vulnerable groups.

Regional Emphasis

- Special focus on Purvodaya states (including West Bengal)
- Boost to North-Eastern Region
- Infrastructure, tourism & connectivity investments

Balanced development remains central to the strategy.

Impact on West Bengal

As a key Purvodaya state, West Bengal stands to benefit significantly.

Infrastructure Gains

- Dankuni–Surat Freight Corridor
- Enhanced rail allocation – ₹14,205 crore annually
- Ongoing projects worth ₹39,491 crore
- Allocation of 4,000 electric buses for Purvodaya states

Industry & MSME Boost

- Revival of legacy industrial clusters
- Textile & handloom sector support
- ₹10,000 crore SME Growth Fund access
- Development of five tourism destinations in Purvodaya states (medical tourism angle for West Bengal)



These measures may accelerate industrial revival and employment generation.

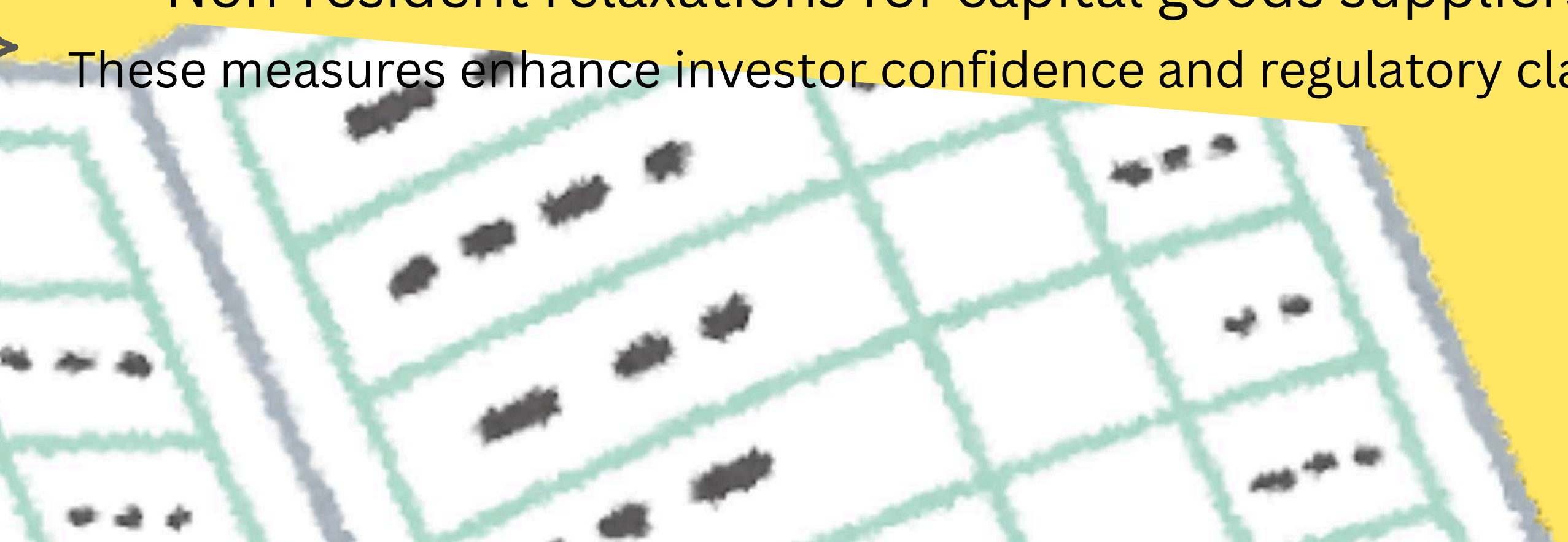
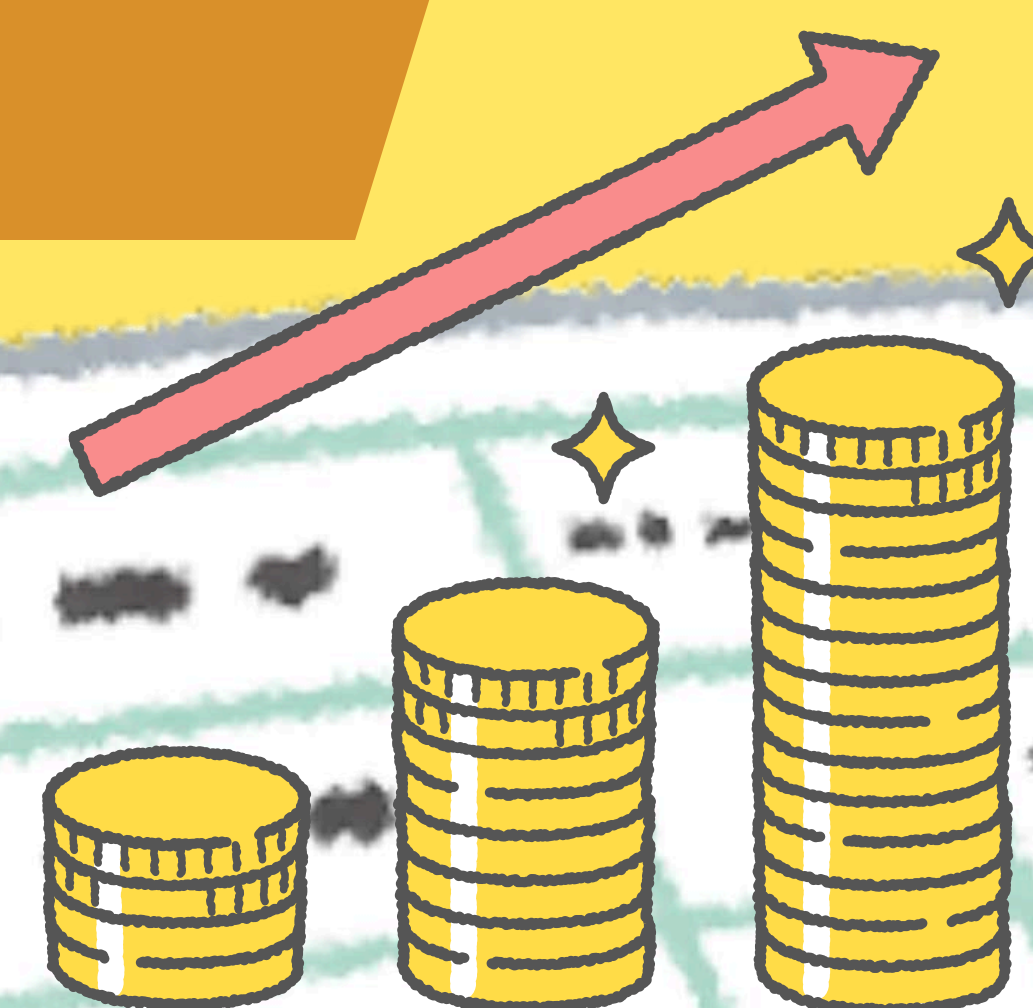
Ease of Doing Business & Tax Reforms

The Income Tax Act, 2025 simplifies compliance and rationalises penalties.

Key Reforms

- No change in income tax slabs
- Tax holidays for cloud services (till 2047)
- IFSC tax holiday extended to 20 years
- Buybacks taxed as capital gains (22–30%)
- Reduced TCS on education/medical remittances (2%)
- Non-resident relaxations for capital goods suppliers

These measures enhance investor confidence and regulatory clarity.



Impact on Chambers of Commerce & Industry (e.g., BNCCI & Similar Trade Bodies)



The Union Budget 2026–27 empowers Chambers like BNCCI to become stronger catalysts for member growth, policy advocacy, and regional industrial revival. BNCCI can now play a pivotal role in implementation support, member capacity building, skill programmes (Samarth 2.0, AVGC), and providing grassroots feedback to the Government for sustained impact.

- **MSME & Entrepreneur Focus** ₹10,000 crore SME Growth Fund + TReDS, credit guarantees & receivables securitisation directly benefit BNCCI's vast MSME membership
- **Legacy Cluster Revival Modernisation** of 200 industrial clusters opens new opportunities for BNCCI to guide Bengal-based clusters (jute, engineering, textiles) towards technology upgradation
- **Manufacturing & Atmanirbhar Push** Biopharma SHAKTI, Semiconductor Mission 2.0, Electronics Components Scheme & Rare Earth Corridors create fresh advocacy and handholding roles for chambers
- **Infrastructure & Logistics Boost** Surat–Dankuni Freight Corridor + High-Speed Rail + 20 National Waterways will enhance BNCCI's trade & connectivity committees
- **Ease of Doing Business & Tax Reforms** Simplified Income Tax Act 2025, tax holidays for cloud services & IFSCs, and reduced TCS will help BNCCI organise member workshops and compliance support
- **Purvodaya & West Bengal Focus** Special emphasis on Purvodaya states positions BNCCI as the natural industry partner for state-government coordination on projects worth ₹39,491 crore + enhanced rail allocation

HOW MEMBERS CAN APPROACH BNCCI (SUPER EASY – JUST REACH OUT!)



Established: 2 February 1887 (139 years of legacy)

One of India's oldest indigenous Chambers of Commerce

Headquarters: BNCCI House, 23 R. N. Mukherjee Road, Kolkata – 700 001

Committed to empowering MSMEs, industry revival & Atmanirbhar Bengal

Email: bncci@bncci.com / secretary@bncci.com

Phone / WhatsApp: +91-33-2248 2951

Visit: Drop in at BNCCI House (Mon–Fri, 10:30 AM – 5:30 PM)

Online: Submit query via www.bncci.com

FROM BUDGET ANNOUNCEMENT TO BUSINESS ADVANTAGE – BNCCI IS YOUR PARTNER EVERY STEP OF THE WAY.” JUST REACH OUT – WE ARE HERE TO HELP YOU GROW!

Conclusion

The Union Budget 2026–27 presents a comprehensive framework centred on growth, resilience, and inclusion.

By integrating fiscal discipline with structural reforms, infrastructure scaling, and human capital investment, the

Budget strengthens India's pathway toward global competitiveness and self-reliance.

For states such as West Bengal, the regional and industrial focus could catalyse transformative progress.

