



The Union Budget 2026 set the overall expenditure at ₹53.5 lakh crore, with capital spending raised to ₹12.2 lakh crore, up from ₹11.11 lakh crore in FY26, underlining the continued emphasis on infrastructure-led growth.

States will receive ₹1.4 lakh crore as their share of central taxes, while net tax receipts are projected at ₹28.7 lakh crore. The government plans gross market borrowings of ₹17.2 lakh crore to finance expenditure.

The Budget is framed around three guiding duties—speeding up economic growth, meeting people’s aspirations, and ensuring inclusive development under *Sabka Saath, Sabka Vikas*. More than 350 reforms have already been implemented, signalling a sustained reform trajectory.

To support small businesses, a ₹10,000 crore SME Growth Fund has been announced to help create future industry leaders. A high-level committee will also be set up to enhance the services sector’s contribution to the economy to 10% by 2047.

Customs and trade procedures will shift towards trust-based systems. Advance rulings will now remain valid for five years, the Customs



Integrated System will be rolled out within two years, and a single digital clearance window for cargo approvals is planned. A unified clearance mechanism for food, drugs, plant, animal and wildlife products—covering most detained cargo—will become operational by April 2026.

Duty rationalisation includes lowering the tariff on personal imports from 20% to 10%, exempting basic customs duty on 17 cancer drugs, components used in civilian and training aircraft, and allowing duty-free personal imports of medicines and food for seven additional rare diseases. Minimum Alternate Tax is proposed to be made the final tax.

On culture and tourism, the Budget proposes five tourism hubs across the Purvodaya states and development of 15 key archaeological sites as immersive heritage destinations.

APSC Relevance:

Fiscal policy, capital expenditure, reforms, MSME support, customs modernisation, tourism and cultural heritage.