

The 2025 Union Budget: A Blueprint for Infrastructure-Driven Growth

Category: Business

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"As we look towards the 2025-26 Union Budget, it is clear that infrastructure expenditure will be a key driver of economic growth and development. With the governments allocation of Rs 11.1 lakh crore for infrastructure in the 2024-25 budget already setting a strong foundation, we expect this momentum to accelerate in critical sectors like railways, defence, power, and data centers. However, to fully realize the potential of these investments, targeted measures and incentives are essential. The upcoming budget should focus on stimulating investment across all sectors, providing the necessary push to [drive demand and catalyze long-term growth](#). It is crucial for the [government to reaffirm its commitment](#) to the National Infrastructure Pipeline (NIP), with particular

emphasis on initiatives like the PM Gati-Shakti National Master Plan and the Jal Jeevan Mission (JJM). Additionally, we expect continued growth in funding for urban infrastructure, affordable housing, and the JJM, reflecting the governments sustained focus on infrastructure development as a cornerstone of economic progress,” said Mr. Sandeep Gulati, [Managing Director](#), Egis South Asia.



Mr. Sandeep Gulati, MD, Egis South Asia

While sectors such as roads, railways, and power are receiving significant attention, Mr. Gulati [advocates for a more balanced approach](#): “It’s important to consider the unique challenges of urban infrastructure and introduce sector-specific initiatives that prioritize sustainability, smarter city planning, and eco-friendly construction practices. Programs like the Pradhan Mantri Awas Yojana (PMAY) and the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) should remain at the forefront.”

Furthermore, public-private partnerships (PPP) will be crucial in [driving sustainable](#) infrastructure projects. “We must explore new initiatives, such as incentives for green building materials and a comprehensive sustainability rating framework, to promote environmentally responsible urban development. Investments in smart cities, integrated transportation systems, and resilient infrastructure will be key to meeting the needs of [India’s](#) rapidly urbanizing society,” Mr. Gulati added.

Achieving [India’s](#) \$7 trillion economy target by 2030 will require \$2.2 trillion in infrastructure investment. This calls for robust fiscal measures, as infrastructure spending has a proven multiplier effect, with every rupee [invested contributing three times](#) the impact on GDP. With initiatives like **Make in India** driving domestic manufacturing, [India’s landscape is poised for transformative growth](#), creating demand

for construction materials, machinery, and technological solutions across sectors like automobiles, pharmaceuticals, and textiles.

