

INFRASTRUCTURE SECTOR

FEBRUARY 2025

PUBLIC SAFETY INFRASTRUCTURE

Takeaways from India's budget that slashes income tax on the salaried middle class to spur growth

The government allocated ₹1 lakh crore to the Urban Challenge Fund, aiming to improve governance, municipal services, and city planning, thereby fostering sustainable urban development. Personal income tax reductions were introduced to boost middle-class spending, potentially increasing household consumption and investment.

Official Notification: [Union Budget 2025-26 Initiatives](#)

URBAN INFRASTRUCTURE

Support for Tier 2 and Tier 3 Cities

The budget emphasized sustainable urban development by improving infrastructure and water management, extending support to smaller cities to promote inclusivity.

Official Notification: [Union Budget 2025 Initiatives](#)

INFRASTRUCTURE SECTOR

MARCH 2025

GREEN INFRASTRUCTURE

MoEFCC issued amendments to Environmental Clearance notification strengthening guidelines for Linear Projects

MoEF&CC amended the Environmental Clearance Notification, defining linear projects like pipelines, highways, and railways. Only those requiring over 20,000 cubic meters of earth extraction now need clearance.

Official Notification: [Changes in Environmental clearance policy](#)

PUBLIC SAFETY INFRASTRUCTURE

RBI issues revised priority sector lending norms effective April 1

On March 24, 2025, the RBI revised Priority Sector Lending (PSL) guidelines, effective April 1, 2025. Key changes include higher loan limits for affordable housing, expanded eligibility for renewable energy projects, and increased PSL targets for urban cooperative banks to 60% of ANBC or CEOBSE. These updates aim to boost credit flow to critical economic and social infrastructure.

Official Notification: [Revised Priority Sector Lending Guidelines by the Reserve Bank of India \(RBI\)](#)