

# Focus shifts to consumption



## Budget Special

February 01, 2025

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**MIRAE ASSET** Sharekhan

It was a well-balanced Union Budget with more positives than negatives this time around. The key Budget expectations included the 4Cs: Capex, Consumption, Fiscal Consolidation and employment Creation. The government seem to have met market expectations on the fiscal consolidation front and has taken enough measures to provide the required boost to consumption by realigning tax slabs to provide an estimated relief of Rs. 1 lakh crore to the middle class.

Further, the government has shown its continued commitments towards MSME (which essentially contribute 36% of India's manufacturing and contributes 45% of exports) and some of the other labour-intensive industries such as tourism, footwear, toys, food processing among others.

The measures taken to boost consumption and provide relief to weaker sections of the society has left little headroom with the government for capex allocation. Hence, a modest 10% increase in FY26BE capex, with the capex to GDP ratio set at 3.1% versus 3.2% in FY24 and 3.4% in FY25BE might be taken as a kind of setback. However, the government's endorsement of PPP (Public Private Partnership) model may take a center-stage hereon, given a sustained pick-up in infrastructure activities in the country, which, in our view, could be a daunting task given historical track record of PPP model.

Further, within allocation for capex, there is focus on drinking water, sanitation, renewable energy, but some of the market darlings such as Railways has nil growth in capex allocation. An increase in capex allocation for the power and defence sectors is also below market expectations.

#### Consumption boost: A centerpiece of Budget 2025-26

A slowdown in consumption activities, led by inflationary pressures and low disposable incomes has been a key cause of concern for a large portion of India population for the past couple of years. As expected, Union Budget has given priority to this space by way of a single masterstroke of ensuring over Rs. 1 lakh in additional savings in low-income categories by way of ensuring 100% tax rebate for income upto Rs 12 lakh per annum. In our view, this is going to have a long-lasting impact on overall consumption space, including discretionary and consumer durables. We believe that consumption, which was a weak link of economic activities for the last several quarters will also start playing its role to support economic growth, hereon.

#### Commitment on fiscal consolidation continues to offer comfort

Notably, a visible slowdown in economic activities led the government to miss its revenue target by 1.3% in FY25RE. However, the government remained committed to fiscal consolidation path and compromised over capex target (FY25RE capex is down by over 8% from FY25BE). This essentially resulted in the fiscal deficit improving to 4.8% vs 4.9% FY25BE. For FY26, the government is targeting fiscal deficit at 4.4%, considering 11% revenue growth and an over 7% expenditure growth which should be reasonably achieved. Also, FY26 capex growth is higher over revenue expenditures, which reflects that quality spending is still in the government's agenda, which bodes well for the economy.

#### Outlook – Budget to accentuate sector churn; all eyes on RBI now

There has been churn away from the PSE and cap goods/engineering space lately which is reflected in the sharp correction in their stock prices in the past six months. On the other hand, there is outperformance by stocks in the IT services, pharmaceuticals and textile space that are largely seen as beneficiaries of the depreciation in the Rupee.

The Union Budget could further boost the churn away from capex-driven stocks with consumption stocks attracting investor interest now. The RBI has also taken steps to ease liquidity crunch and is expected to follow it up with a rate cut in the forthcoming monetary policy review meet. The coordinated efforts by the central government and the RBI are expected to provide the required impetus to upswing in consumption.

Overall, we retain our view that Year 2025 could be marked with correction in the broader markets (SMID space) and the continued sector rotation in favour of IT Services, Pharma, consumer and some select banking stocks.

#### Investment Picks:

**Large-Caps:** TCS, Infosys, DLF, ITC, ICICI Bank, M&M, SBIN, L&T, Tata Motors, HUL, Dabur, Tata Consumer, Sun Pharma, Hero MotoCorp, NTPC, PowerGrid and UltraTech.

**Mid-caps:** Macrotech, Marico, BATA, SRF, Persistent Systems, Sundram Fasteners, PNB housing, HUDCO, Varun Beverages, Zydus Wellness and Navin Fluorine.

**Small-caps:** Kirloskar Oil Engines, Radico, Sunteck Realty, ABDL, Arvind Smartspaces, KEC, V2 Retail, Lumax Auto Technologies, ISGEC and Emami.

#### Budget summary

(Rs '00 crore)

Particulars	FY19	FY20	FY21	FY22	FY23	FY24	FY25RE	FY26BE
Gross tax revenues	20,805	20,101	20,271	27,093	30,542	34,655	38,535	42,702
% change yoy	8%	-3%	1%	34%	13%	13%	11%	11%
Net tax revenues	13,172	13,569	14,263	18,048	20,978	23,273	25,570	28,374
% change yoy	6%	3%	5%	27%	16%	11%	10%	11%
Non tax revenues	2,357	3,272	2,076	6,255	2,854	4,018	5,310	5,830
Total expenditure	23,151	26,863	35,098	37,938	41,932	44,434	47,165	50,653
% change yoy	8%	16%	31%	8%	11%	6%	6%	7%
Fiscal deficit	6,494	9,337	18,183	15,845	17,378	16,546	15,695	15,689
as % of GDP	3.4	4.6	9.2	6.8	6.4	5.6	4.8	4.4
Revenue deficit	4,545	6,665	14,496	10,310	10,699	7,652	6,101	5,238
as % of GDP	2.4	3.3	7.3	4.4	4.0	2.6	1.9	1.5
Primary deficit	668	3,216	11,384	7,790	8,092	5,908	4,316	2,926
as % of GDP	0.3	1.6	5.8	3.4	3.0	2.0	1.3	0.8

Source: Budget documents, Mirae Asset Sharekhan Research

## Amendments made under Direct Tax

### ♦ Changes under New Tax Regime:

- o **Rebates increased, no income tax till slab of Rs. 12 lakh:** A salary income earner with total income of up to Rs. 12.75 lakh will not pay any tax thanks to the increase in tax rebate from Rs. 25000 to Rs. 60000. Point to note that where income is taxable at special rates such as Capital Gains then this tax rebate will not apply.

Slabs	Tax rate	Old Slabs	Tax rate
Up to 4 Lakhs	Nil	Up to 4 Lakhs	Nil
4-8 Lakh	5%	3-7 Lakhs	5%
8-12 Lakhs	10%	7-10 Lakhs	10%
12-16 Lakhs	15%	10-12 Lakhs	15%
16-20 Lakhs	20%	12-15 Lakhs	20%
20-24 Lakhs	25%	> 15 Lakhs	30%
> 24L Lakhs	30%		

Source: Budget documents, Mirae Asset Sharekhan Research

- o Standard deduction has been raised to Rs 75,000 from Rs 25,000 earlier. Therefore, a salary earner of Rs 12.75 lakh need not pay any tax.

- ♦ **Self-occupied properties:** Taxpayers can now claim the annual value of two self-occupied properties as zero. Earlier, only one property was allowed to be claimed as self-owned, while the other was taxed based on the deemed rental income. This is expected to provide a big boost to the real estate industry.

### ♦ Rationalisation of TDS rates:

- o The threshold limit for TDS on interest increased from Rs 50,000 to Rs 1 lakh for senior citizens and from Rs 40,000 to Rs 50,000 in case of others.
- o Threshold limit for dividend income raised from Rs. 5000 to Rs. 10,000
- o Threshold limit for rental income raised from Rs 240000 to Rs 600000
- o Threshold limit for professional income/technical services raised from Rs 30000 to Rs 50000

- ♦ ULIPs with annual premiums exceeding Rs 2.5 lakh will now be taxed as capital gains. Earlier, they were taxed at a marginal tax rate. They will now be taxed at 12.5% i.e. long-term capital gain tax rate, which is likely to be lower than the marginal rate of tax.
- ♦ Withdrawal of National Savings Scheme (NSS) and Vatsalya NPS accounts are now tax free.
- ♦ Tonnage tax scheme is now proposed for inland vessels registered under the Indian Vessels Act, 2021 to promote inland water transport in the country. Earlier it was only applicable for sea going ships.
- ♦ Long term capital gains tax rate for FPIs has been rationalized from 10% to 12.5% on transfer of any security.

### ♦ Indirect Tax Proposal

- o **Rationalisation of customs tariff structure for industrial goods**

A. Removal of seven tariff rates

B. Apply not more than one cess or surcharge

C. Apply equivalent cess to maintain effective duty incidence on most items and lower cess on certain items

### o Sector-specific proposals

- A. **Make in India** - Exemption to part of open cell for LED/LCD TV, looms for textiles, capital goods for lithium-ion battery of mobile phones and EVs.
- B. Basic customs duty (BCD) on Interactive Flat Panel Display (IFPD) increased to 20% and on open cells reduced to 5%
- C. BCD reduced from 30% to 5% on frozen fish paste and 15% to 5% on fish hydrolysate
- D. **Promotion of MROs** – Exemption for 10 years on goods for ship building and ships for breaking, extension of time limit for export of railway goods imported for repairs.
- E. **Export promotion** – duty free inputs for handicraft and leather sectors.
- F. **Trade Facilitation** – The time limit fixed for finalisation of provisional assessment; new provision for voluntary declaration of material facts post clearance and duty payment with interest but without penalty; IGCR Rules amended to extend time limit to 1 year and file quarterly statement instead of monthly statements.

### o Improved access to life savings medicines

(Medicines for rare diseases, cancer, severe chronic diseases)

- A. BCD exempted on 36 life-saving drugs and medicines for treating cancer, rare and chronic diseases.
- B. Six medicines in 5% duty list
- C. 37 medicines and 13 new patient assistance programmes are in exempted list now.

## Budget Beneficiaries

Sector	Hits (↑) / Misses (↓)
<b>Consumer goods &amp; Discretionary (↑)</b>	
No change in tax rate on cigarettes	(↑) ITC and other cigarette companies
Boost to consumer sentiments via focus on rural development and changes in personal income tax rates and limits	(↑) Hindustan Unilever, Dabur India, Emami, ABFRL, Trent, Jubilant Foodworks, Devyani International
Five-year mission to facilitate improvements in productivity and sustainability of cotton farming	(↑) KPR Mills, Welspun Living, S.P. Apparels, Himatsingka Seide
Focused scheme for the footwear and leather sectors	(↑) Relaxo Footwear, Bata India, Campus Activewear, Liberty Shoes
<b>Insurance (↓)</b>	
Government has proposed to exempt income tax on income up to Rs. 12.75 lakh under new tax regime. The new tax regime has no exemption for insurance premium. If more people opt for new tax regime given the higher exemption limit, then it could negatively impact sale of Insurance for tax saving. Quantum is not large as around 2-5% of the total premium only comes for tax benefit under Section 80 C.	(↓) <b>Life Insurance companies</b> – HDFC Life, SBI Life, ICICI Prudential Life, LIC, Max Life
FDI limit for the insurance sector will be raised from 74-100%.	(↓) Insurance companies
<b>Building Materials (↑)</b>	
Jal Jeevan Mission extended till 2028 to provide tap water connections to rural households in which 80% of households covered till now.	(↑) Supreme Industries, Astral, Hi-tech pipes, APL Apollo
<b>Infrastructure (↓)</b>	
Revised capital investment budget estimates for FY25 of Rs 10.18 lakh crore lower than earlier BE of Rs. 11.11 lakh crore presenting an 8% shortfall.  Budget capex for FY26 is estimated at Rs 11.21 lakh crore an increase of 10% from the revised BE of Rs 10.18 lakh crore for FY25. But the capex announced for FY26 is barely 1% higher than FY25 BE and lower than what street was expecting.	(↓) L&T and other cap goods companies
Shipbuilding: Govt will setup maritime development fund of Rs 25,000 crore	(↑) Mazagaon Dock, Garden Reach Ship Builders, Cochin Ship yard and other companies in shipping industry
Outlay for MoRTH was maintained at Rs. 2.72 lakh crore, almost the same as last year, which is negative. NHAI's allocation was Rs. 1.87 lakh crore, a growth of 10% y-o-y.	(↓) PNC Infratech, KNR Construction among others
<b>Real Estate (↑)</b>	
Tax Benefit on Self-Occupied Properties: Homeowners can now claim two self-occupied properties as tax-free, reducing tax burdens and encouraging real estate investment.	(↑) DLF, Macrotech, Oberoi realty, Sunteck Realty, Mahindra Lifespace Developers, Arvind Smartspaces, Puravankara
<b>Healthcare (↑)</b>	
The allocation for the sector has increased to Rs. 98,311 crore, a growth of 10% y-o-y. Also, Additionally, Rs. 2,445 crore has been earmarked for the Production-Linked Incentive (PLI) scheme aimed at boosting the pharmaceutical industry.	(↑) Positive for pharma companies and hospitals



## Budget Beneficiaries

Sector	Hits (↑) / Misses (↓)
<b>Capital goods (↓)</b>	
The infrastructure capex of Rs 11.21 lakh crore is higher by 10% to RE of FY25 but broadly remains the same as FY25BE and is lower to what street was expecting.	(↓) L&T, ABB India, Cummins India and other capital goods companies
The Budget was earmarked at Rs 6.81 lakh crore presenting a 9.55% increase from Rs 6.22 lakh crore. A substantial chunk of the budget — Rs 3.11 lakh crore — has been allocated for revenue expenditure, up from Rs 2.83 lakh crore in 2024–25. Rise in allocation reinforces India's commitment to keeping its armed forces battle ready for any possible threats.	(↑) L&T, HAL, Bharat Electronics, Bharat Forge, Jupiter Wagons
Capital Outlay for modernisation: The capital outlay is set at Rs 1.8 lakh crore vs last year Rs 1.72 lakh crore. The funding is crucial for modernisation of the armed forces.	
Railways capital outlay remains unchanged at Rs 2.52 lakh crore keeping the growth outlook intact.	(↓) RVNL, Railtel, Jupiter Wagons, Titagarh Wagons, etc
No BCD (earlier 2.5%) for imports of parts of PCBA, camera module, connectors and raw material for manufacturing wired headset, USB cable, finger print sensor of mobile phones.	(↑) Dixon Technologies, Amber Technologies
No BCD (earlier 2.5%) Imports of Specified inputs/parts (chip on film, PCBA, glass board / substrate cell) for use in manufacture of open cells of TV panels of LED/ LCD TV.	
<b>Power (↑)</b>	
Incentivise distribution reforms and augmentation of intra-state transmission	(↑) CESC, Powergrid
Nuclear energy mission with a goal to reach atleast 100 GW of nuclear energy by 2047. Outlay of Rs. 20,000 crore for R&D of small modular reactors	(↑) NTPC, L&T, BHEL, HCC and power industry companies
Aim to create ecosystem for solar cells, electrolyzers, EV batteries.	(↑) Waaree Energies, Premier Energies, etc.
<b>Agri, fertilisers and chemicals (↑)</b>	
Pradhaan Mantri Dhan Dhanya Krishi Yojna in partnership with states Program to cover 100 districts with below-average productivity	(↑) Chambal, Deepak Fertilizers
National Mission on High Yielding Seeds to propagate seeds with a high yield	(↑) Kaveri Seeds
<b>Education (↑)</b>	
Government will set up five National Centres of Excellence for skilling	(↑) Teamlease , Qess Corp, NIIT Ltd
<b>IT (↑)</b>	
National Geospatial Mission announced to modernise land records.	(↑) C.E. Info Systems
Social Security Scheme for Welfare of Online Platform Workers	(↑) Zomato, Swiggy
Street vendors to get Rs 30,000 limit credit card under PM SVANidhi scheme	(↑) Paytm, One MobiKwik
Govt to rollout revamped central KYC registry in 2025 for better data privacy	(↑) Protean e Gov Technologies
<b>Travel &amp; Tourism (↑)</b>	
Develop Top 50 Tourist sites in partnership with states. Modified Udaan Schemed to connect 120 new destinations	(↑) Indian Hotels Company, Lemon Tree Hotels, Thomas Cook India, Ease my trip, Interglobe Aviation

Source: Budget documents, Mirae Asset Sharekhan Research

## Sectoral analysis

Sector	Key announcements	Overall impact	Key companies impacted
<b>Budget impact: Positive</b> <b>Sector view: Neutral (Preferred picks: HUL, ITC, Dabur India, Marico and Emami)</b>			
Consumer Goods	<b>Cigarette tax rate:</b> No change	Positive	Positive for ITC and other cigarette companies
	<b>Rural:</b> Prime Minister Dhan-Dhaanya Krishi Yojana - Developing Agri Districts Programme To cover 100 districts and likely to help 1.7 crore farmers	Positive	Positive for rural sentiments and thus supportive for rural dependent companies such as HUL, Emami and Dabur.
<b>Budget impact: Positive</b> <b>Sector view: Positive (Preferred picks: Indian Hotels Company, Lemon Tree Hotels, Jubilant Foodworks, Trent, V2 Retail, Welspun Living and Gokaldas Exports)</b>			
Consumer Discretionary	<b>Travel &amp; Tourism:</b> <ul style="list-style-type: none"> <li>Develop top 50 tourist sites in partnership with states</li> <li>Extend mudra loans to homestays</li> <li>Measures to ease travel to key tourist destinations</li> <li>Visa fee waivers and e-visa options to be introduced for certain tourist groups</li> <li>Modified Udaan Scheme to be launched. Scheme will connect 120 new destinations &amp; carry 4 crore passengers in next 10 years</li> <li>Performance-linked incentives to states</li> </ul>	Positive	Positive for Indian Hotel Cos, Lemon Tree Hotels, Thomas Cook India, Ease my Trip, Interglobe Aviation
	<b>Footwear:</b> Focused scheme for footwear and leather sectors, aimed at boosting domestic production and global competitiveness.	Positive	Positive for Relaxo Footwears, Bata India, Capus Activewear, Liberty Shoes and other footwear companies.
	<b>Apparel &amp; QSRs:</b> Increase in income tax exemption limit to Rs. 12 lakh and a change in tax slabs, will leave more money in the hands of middle-class consumers.	Positive	Positive for ABFRL, Trent and other apparel players and for QSR players such as Jubilant Foodworks, Devyani International, among others.
	<b>Textile:</b> A five-year mission for cotton productivity will focus on Extra Long Staple Cotton varieties, aiming to enhance quality cotton and rejuvenate India's traditional textile sector.	Positive	Positive for KPR Mills, Ambika Cotton Mills, Vardhman Textiles, Welspun Living, S.P. Apparels, Nitin Spinners, Arvind, and Himatsingka Seide.
<b>Budget impact: Positive</b> <b>Sector view: Positive (Preferred picks: NTPC and Power Grid)</b>			
Power	Incentivise distribution reforms and augmentation of intra-state transmission. Additional borrowing of 0.5 % of GSDP to states, contingent on these reforms.	Positive	CESC and Powergrid
	Nuclear energy mission with a goal to reach atleast 100 GW of nuclear energy by 2047 to support India's energy transition A Nuclear Energy Mission for research & development of Small Modular Reactors (SMR) with an outlay of Rs. 20,000 crore will be set up. At least 5 indigenously developed SMRs will be operationalized by 2033.	Positive	NTPC, L&T, BHEL, HCC and power industry companie
	Aim to create ecosystem for solar cells, electrolyzers, EV batteries.	Positive	Positive for Waaree Energies, Premier Energies and battery companies

## Sectoral analysis

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<b>Budget impact: Positive</b> <b>Sector view: Positive (Preferred picks: Sumitomo Chemical)</b>			
<b>Agri, fertilisers and chemicals</b>	Prime Minister Dhan Dhanya Krishi Yojna in partnership with states Program to cover 100 districts with below average productivity to help improve lives of 1.7 crore farmers.	Positive	Positive for Deepak and Chambal Fertilizers
<b>Budget impact: Banking - Neutral, NBFCs - Neutral, Life Insurance - Negative</b> <b>Sector View: Positive (Preferred picks: ICICI Bank, HDFC Bank, SBI, Bajaj Finance, Cholamandalam Finance, PNB HF, HUDCO, HDFC Life, ICICI Lombard)</b>			
<b>Banking &amp; Financial Services</b>	Loan limit is proposed to be increased from Rs 3 lakh to Rs. 5 lakh under Kisan credit card scheme	Neutral to Positive	Aimed to facilitate greater financial assistance to farmers. Neutral to Positive for banks
	Credit guarantee cover is expected to be enhanced for Startups to Rs 20 crore from Rs. 10 crore while for MSME to Rs.10 crore from Rs. 5 crore. Also credit cards with limit of Rs. 5 lakh to be issued to micro SMEs.	Neutral to Positive	Aimed to facilitate greater financial assistance to MSMEs. Neutral to Positive for banks
	There is revision in classification criteria for MSMEs based on turnover & Investments	Neutral to Positive	Upward revision in the limits will help banks to meet PSL target organically
	FDI limit for the insurance sector will be raised from 74 to 100%.	Sentimentally negative	The proposal is expected to attract more global insurers, increasing competition and bringing in new market entrants over the medium term
	Government has proposed to exempt income tax on income upto Rs. 12.75 lakh under new tax regime	Sentimentally Negative	The new tax regime has no exemption for life/ health insurance premium. If more people opt for new tax regime given the higher exemption limit, then it could negatively impact sale of Insurance for tax saving. However, around 2-5% of the total premium only comes for tax benefit under 80 C and quantum is not large.
<b>Budget impact: Negative</b> <b>Sector view: Positive (Preferred picks: L&amp;T)</b>			
<b>Infrastructure</b>	<p>Revised capital investment budget estimates for FY25 of Rs 10.18 lakh crore lower than earlier BE of Rs 11.11 lakh crore presenting an 8% shortfall.</p> <p>Budget capex for FY26 is estimated at Rs 11.21 lakh crore an increase of 10% from the revised BE of Rs 10.18 lakh crore for FY25. But the capex announced for FY26 is barely 1% higher than FY25 BE and lower than what street was expecting.</p>	Negative	Capital goods & Infra among others



## Sectoral analysis

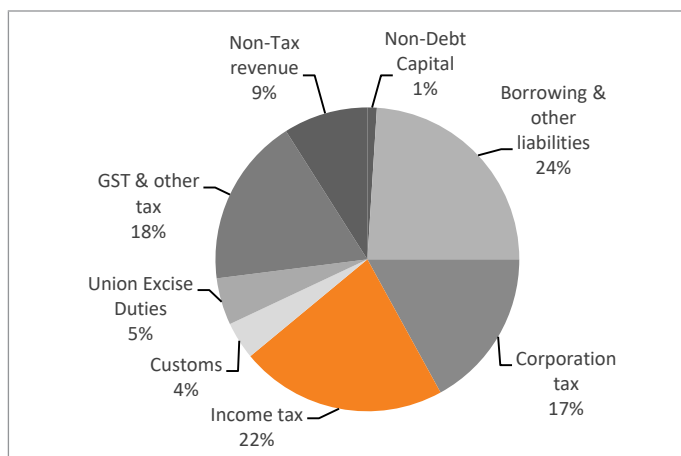
Sector	Key announcements	Overall impact	Key companies impacted
<b>Budget impact: Positive</b> <b>Sector view: Positive (Preferred picks: (Supreme Industries, Astral, APL Apollo, Hitech pipes))</b>			
<b>Building materials</b>	Jal Jeevan Mission has been extended till 2028 to provide tap water connections to rural households in which 80% of households have been covered till now.	Positive	Supreme Industries, Astral, Hitech Pipes, APL Apollo
<b>Budget impact: Positive</b> <b>Sector view: Positive (Preferred picks: DLF, Macrotech Developers, Oberoi Realty, Sunteck Realty)</b>			
<b>Real Estate</b>	The Union Budget 2025 announces a Rs15,000 crore SWAMIH Fund 2.0 to complete 1 lakh stalled housing units, boosting affordable housing. Homeowners can now claim two self-occupied properties as tax-free, easing tax burdens and promoting real estate investment.	Positive	DLF, Macrotech, Oberoi realty, Sunteck Realty, Mahindra Lifespace Developers, Arvind Smartspaces, Puravankara
<b>Budget impact: Negative</b> <b>Sector view: Positive (Preferred picks: L&amp;T, Cummins India, HAL, Bharat Electronics, Mazagaon Dock, Garden Reach, Cochin Shipyard)</b>			
<b>Capital Goods/ Defence/ Consumer Electronics/ Shipbuilding</b>	Infrastructure capex of Rs 11.21 lakh crore is higher by 10% to RE of FY25 but broadly remains the same as FY25BE and is lower to what street was expecting.	Negative	L&T, ABB India, Cummins India and other capital goods companies
	The Budget was earmarked at Rs 6.81 lakh crore presenting a 9.55% increase from Rs 6.22 lakh crore. A substantial chunk of the budget — Rs 3.11 lakh crore — has been allocated for revenue expenditure, up from Rs 2.83 lakh crore in 2024–25. Rise in allocation reinforces India's commitment to keeping its armed forces battle ready for any possible threats.	Positive	L&T, HAL, Bharat Electronics, Bharat Forge, Jupiter Wagons
	Capital Outlay for modernisation: The capital outlay is set at Rs 1.8 lakh crore vs last year Rs 1.72 lakh crore. The funding is crucial for modernisation of the armed forces.		
	Railways capital outlay remains unchanged at Rs 2.52 lakh crore keeping the growth outlook intact.	Negative	RVNL, Railtel, Jupiter Wagons, Titagarh Wagons etc
	Government will establish a maritime development fund of Rs 25,000 crore to enhance the competitiveness and capacity of India's shipbuilding sector, providing financial assistance for expansion, modernization, and innovation.	Positive	Mazagaon Dock, Garden Reach Ship Builders, Cochin Shipyard and others

## Sectoral analysis

Sector	Key announcements	Overall impact	Key companies impacted
<b>Budget impact: Positive</b>			
<b>Sector view: Positive (Preferred Picks: Infosys, TCS, HCL Tech, Tech Mahindra, LTIM, Persistent, Coforge and Mastek)</b>			
<b>Information Technology</b>	National Geospatial Mission announced to modernise land records.	Positive	C.E. Info Systems
	Social Security Scheme for Welfare of Online Platform Workers Gig workers will now be registered on the e-Shram portal and receive healthcare under PM-Jan Arogya Yojana	Positive	Zomato, Swiggy
	Govt to rollout revamped central KYC registry in 2025 for better data privacy	Positive	Protean eGov Technologies
	Street vendors to get Rs 30,000 limit credit card under PM SVANidhi scheme	Positive	One MobiKwik, Paytm
<b>Education</b>	Government will set up five National Centres of Excellence for skilling with global expertise and partnerships to impart world-class skills training to the youth. Government to establish a Centre of Excellence in Artificial Intelligence for education with a Rs 500 crore investment	Positive	TeamLease Quess Corp, NIIT, Navnet education
<b>Budget impact: Positive</b>			
<b>Sector view: Positive (Preferred picks: Sun Pharma, Cipla, Zydus Lifesciences, Biocon)</b>			
<b>Pharmaceuticals/ Healthcare</b>	The allocation for the sector has increased to Rs. 98,311 crore, a growth of 10% y-o-y. Also, Rs. 2,445 crore has been earmarked for the Production-Linked Incentive (PLI) scheme aimed at boosting the pharmaceutical industry.	Positive	Positive for pharma companies and hospitals

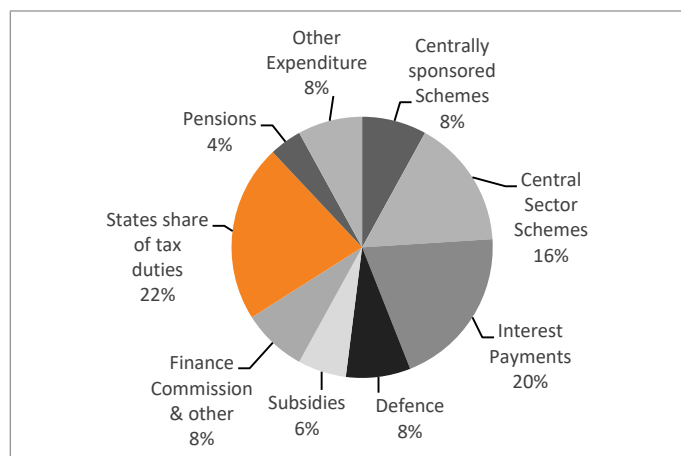
Source: Budget documents, Mirae Asset Sharekhan Research

## Budget Receipts



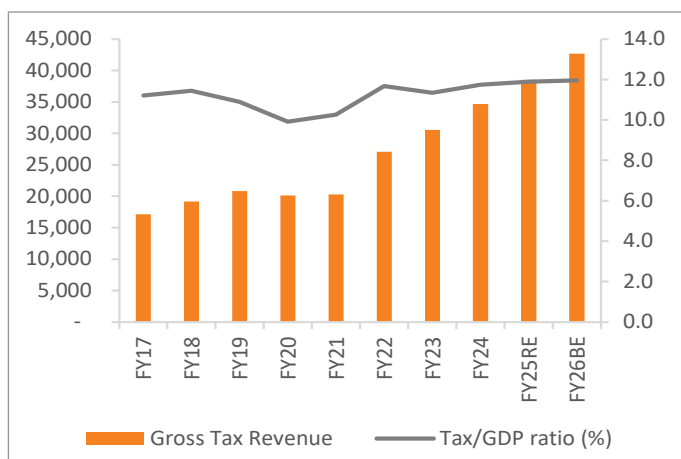
Source: Budget documents, Mirae Asset Sharekhan Research

## Budget Expenditure



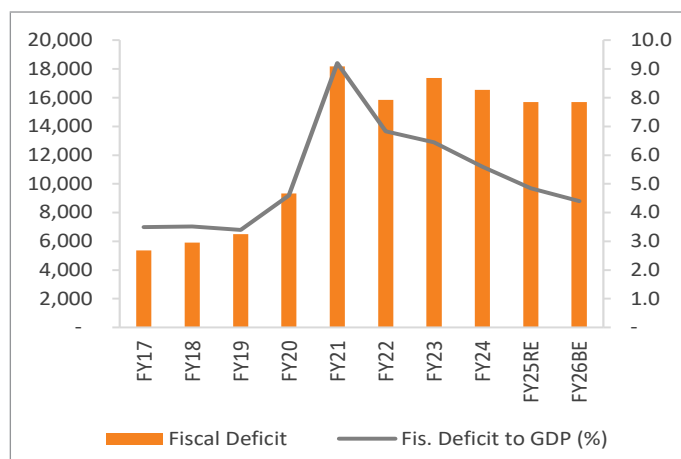
Source: Budget documents, Mirae Asset Sharekhan Research

## Gross tax revenue and Tax as % of GDP



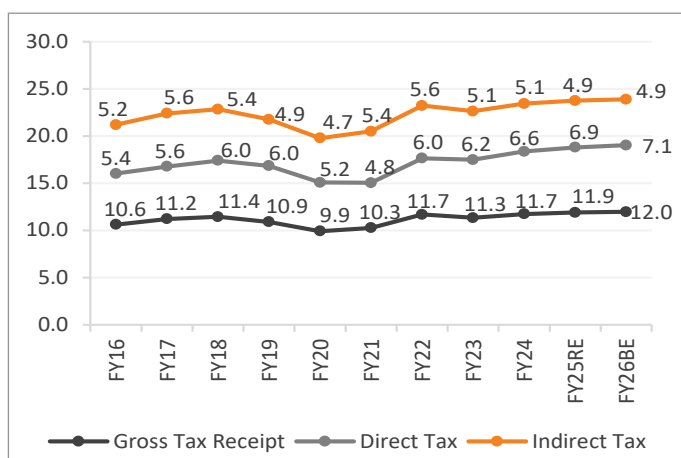
Source: Budget documents, Mirae Asset Sharekhan Research

## Fiscal deficit movement and FD as % to GDP



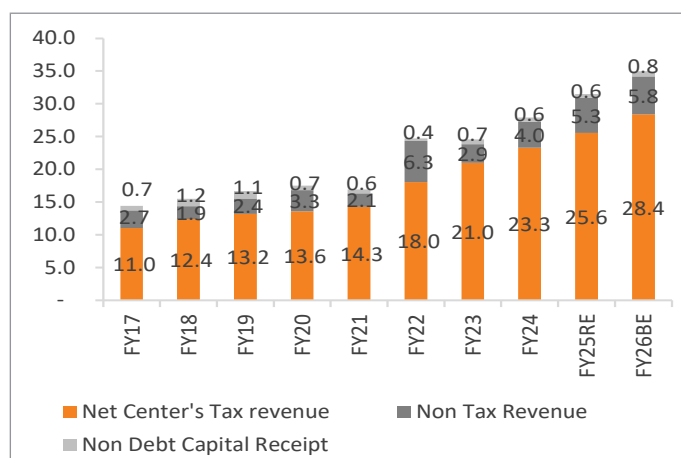
Source: Budget documents, Mirae Asset Sharekhan Research

## Trends in Tax Receipts (% of GDP)



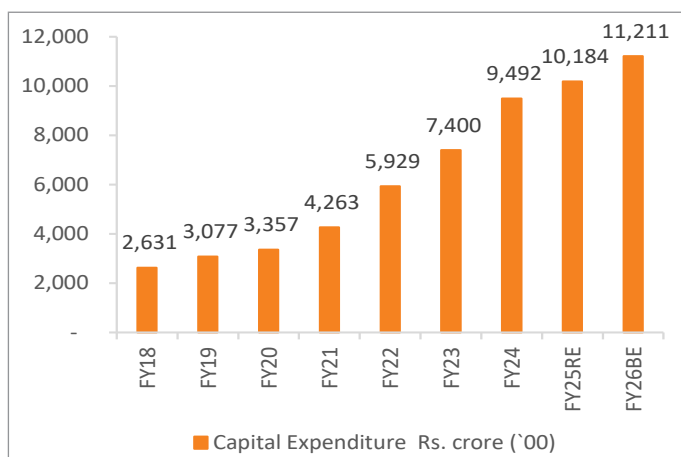
Source: Budget documents, Mirae Asset Sharekhan Research

## Net receipts of the centre (Rs Lakh cr)



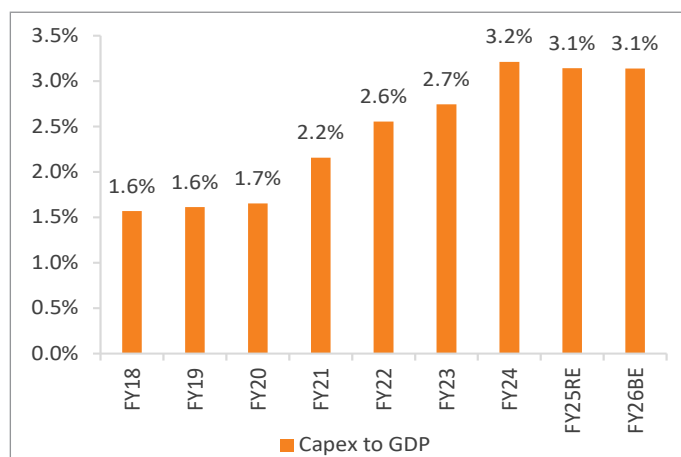
Source: Budget documents, Mirae Asset Sharekhan Research

## FY26 Capex maintained at same level as budgeted for FY25



Source: Budget documents, Mirae Asset Sharekhan Research

## Trend in Capex to GDP ratio



Source: Budget documents, Mirae Asset Sharekhan Research

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Registration and Contact Details: Name of Research Analyst - Sharekhan Limited, Research Analyst Regn No.: INH000006183. CIN: - U99999MH1995PLC087498.

Registered Office: The Ruby, 18th Floor, 29 Senapati Bapat Marg, Dadar (West), Mumbai – 400 028, Maharashtra, INDIA. Tel: 022-6115000.

Correspondence/Administrative Office Address - Gigaplex IT Park, Unit No 1001, 10th Floor, Building No.9, TTC Industrial Area, Digha, Airoli-West, Navi Mumbai – 400708. Tel: 022 61169000 / 61150000, Fax No. 61169699.

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Compliance Officer: Ms. Binkle R. Oza; Tel: 022-62263303; email id: [complianceofficer@sharekhan.com](mailto:complianceofficer@sharekhan.com)

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