Midas
Equities and Research

Budget Highlights

February 2026

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Budget 2026-27: Balanced Approach between Fiscal Prudence and Capital Expenditure

- The Budget reinforces India's **long-term growth agenda** anchored on **infrastructure-led expansion, domestic manufacturing, and job creation**, while maintaining **fiscal discipline** amid global uncertainty.
- Public capex remains the key growth lever, with **FY27 capex raised to Rs. 12.2 lakh crore (up 9% from FY26BE)**, sustaining momentum in infrastructure, logistics, defense, urban development, and energy transition. This is expected to crowd in private investment and support medium-term growth.
- Fiscal consolidation continues, with the **fiscal deficit targeted at 4.3% of GDP in FY27** (vs 4.4% in FY26), supported by healthy tax buoyancy, improved compliance, and dividend inflows.
- The Budget provides a strong push to **manufacturing and MSMEs**, with targeted schemes for **electronics, semiconductors, biopharma, chemicals, textiles, capital goods, defense, and rare earths**, alongside enhanced equity and liquidity support for MSMEs.
- Services and employment generation are key focus areas, with initiatives across **healthcare, tourism, education, and skilling** aimed at strengthening India's role as a global services hub.
- **Key sector beneficiaries** include i**nfrastructure, cement, capital goods, defence, electronics & EMS, renewables & batteries, healthcare & pharma, textiles, tourism, banks and NBFCs**.

Source: Midas research, https://www.indiabudget.gov.in/t

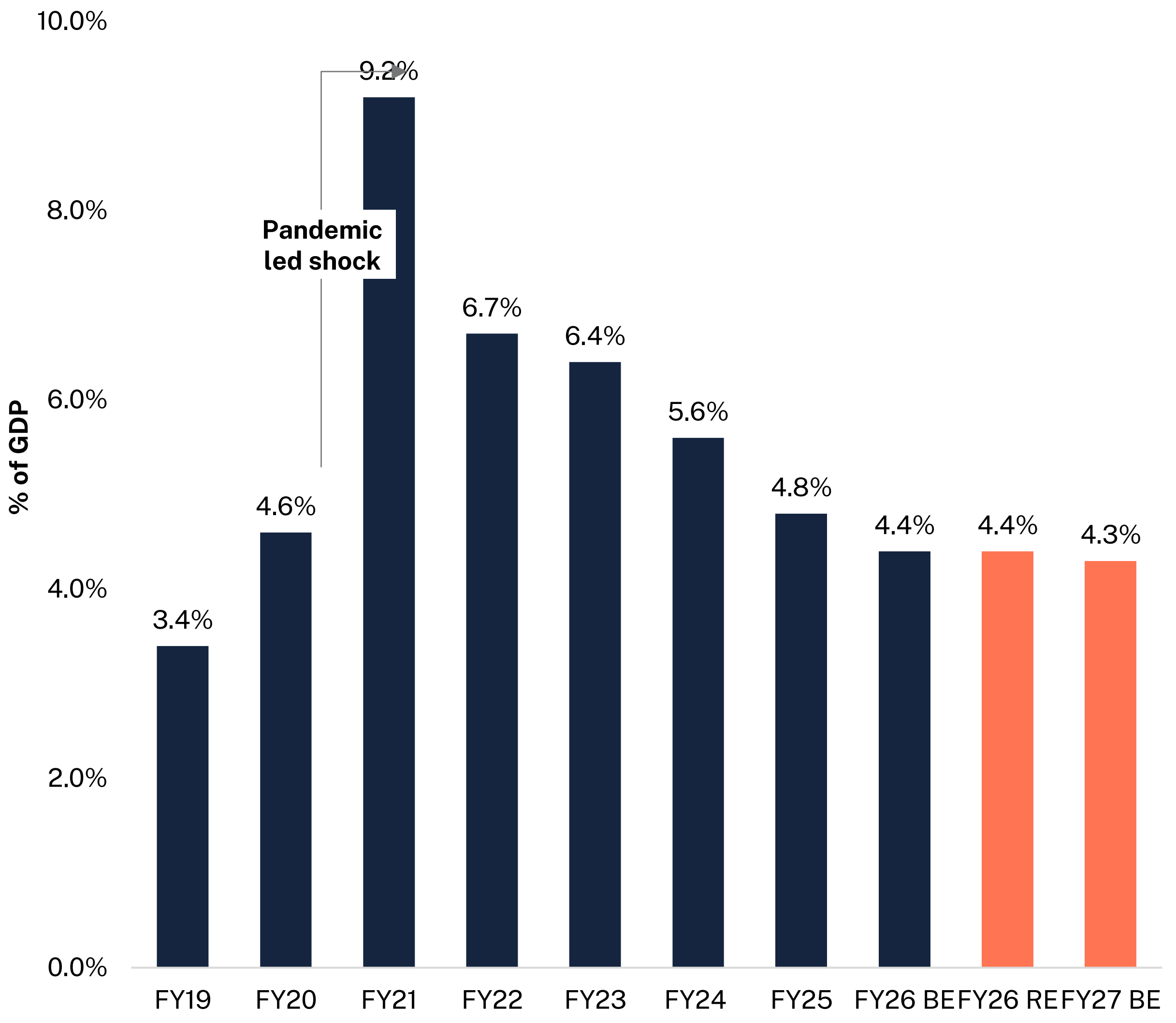
GOI Maintains Fiscal Prudence – A Positive Step

- The FY26-27 capex allotment has risen to Rs. 12.2 lakh crore (+11.5% y/y vs RE; +9.0% vs BE). This marks a deceleration from FY24 (+37% y/y) and FY25 (+17% y/y).
- Defence capex has accelerated to 17%, up from 8–13% in the last two years. Capex growth for Road Transport and Highways and Railways — both of which continue to receive the highest allotments — rose 8% y/y after being flat last year.
- The railways capex grew 10% y/y and had the second largest allotment this year.
- The Telecommunications ministry witnessed the steepest jump, increasing 98% y/y versus RE, but falling 9% y/y versus BE.

Key Budgetary Capital Expenditure by Ministries

(Rs '000 cr)	FY23-24A	FY24-25A	FY25-26BE	FY25-26RE	FY26-27BE	% of total Capex	Growth y/y vs RE	Growth y/y vs BE
Road Transport and Highways	264	285	272	272	294	24.1%	8.1%	8.1%
Railways	243	252	252	252	278	22.7%	10.3%	10.3%
Defence	165	171	192	197	231	18.9%	17.0%	20.1%
Telecommunications	61	74	52	24	47	3.9%	97.7%	-8.7%
Housing and Urban Affairs	26	32	38	33	35	2.8%	5.5%	-7.5%
Atomic Energy	15	12	12	12	10	0.8%	-17.4%	-16.8%
Space	4	4	6	5	6	0.5%	20.1%	4.5%
Ports, Shipping and Waterways	1	1	2	1	1	0.1%	0.1%	-31.9%
Others	170	221	294	299	319	26.1%	6.8%	8.5%
Total	**949**	**1,052**	**1,121**	**1,096**	**1,222**	**100.0%**	**11.5%**	**9.0%**

Central Government's Fiscal Deficit (FD)



Source: *Midas research, https://www.indiabudget.gov.in*

Sectoral Updates (1/9)

Auto

- The allocation under the Production-Linked Incentive (PLI) Scheme for Automobiles and Auto Components has increased significantly.

In Rs cr	BE FY25-26	RE FY25-26	BE FY26-27
Auto PLI scheme	2,819	2,091	5,940

- The basic customs duty exemption on capital goods used in manufacturing lithium-ion cells has been extended to battery energy storage systems, aiming to reduce import dependence and support the auto industry's transition to cleaner energy.
- Stocks of Interest – Hero Motocorp, Maruti Suzuki, and Mahindra & Mahindra.

BFSI

- Securities transaction tax (STT) has been raised from 0.02% to 0.05% on futures. STT on options — both on premiums and exercise — has been increased to 0.15% from 0.1% and 0.125%, respectively. We believe this will dent volumes in the F&O segment, affecting exchanges, depositories & pure broking players.
- Buybacks will be taxed as capital gains for shareholders, while promoters will face a special tax rate of 22% on buybacks.
- The investment limit for PROI individuals will be raised from 5% to 10%, which is expected to boost investor participation in the markets.
- The budget proposes setting up a high-level committee to review the banking and financial services sector under the 'Viksit Bharat' framework. The committee will examine the structure and functioning of the banking system and recommend measures to support long-term growth.
- The MSME Champions Scheme, which aims at technological upgradation and quality certification, has remained unchanged at Rs. 54 cr, with previous years' revenue expenditure fully utilized.
- The revenue expenditure budget for promoting RuPay debit cards and low-value BHIM–UPI transactions has been increased by 358% to Rs. 2,000 cr.
- A Rs. 500 cr SME Growth Fund has been proposed for FY27 to support the expansion of companies' plant and machinery.
- Loans to power projects have increased by 4%, benefiting power EPC companies

In Rs cr	BE FY25-26	RE FY25-26	BE FY26-27
Loan to Power Projects	4,370	5,200	5,400

- Allocation for PMAY (Pradhan Mantri Awas Yojana) has decreased by 6%.

In Rs cr	BE FY25-26	RE FY25-26	BE FY26-27
PMAY	19,794	7,499	18,624

- Allocation for PMJAY (Pradhan Mantri Jan Arogya Yojana) has increased by 1%.

In Rs cr	BE FY25-26	RE FY25-26	BE FY26-27
PMJAY	9,400	8,995	9,499

- Stocks of Interest (Illustrative): Major banks and NBFCs such as ICICI Bank, Axis Bank, Ujjivan SFB, and Capri Global Capital Ltd, along with insurance companies like SBI Life and HDFC Life.

Source: Midas research, https://www.indiabudget.gov.in

Sectoral Updates (2/9)

Cement	▪ **Rural Housing Restoration:** Allocation for PMAY-Gramin (Rural Housing) has been fully restored to Rs. 54,917 cr, a sharp 69% recovery from the revised estimate of Rs. 32,500 cr, supporting a revival in rural construction demand, a key volume driver. ▪ **Urban Housing Surge:** PMAY-Urban's budget has jumped 148% to Rs. 18,625 cr (vs Rs. 7,500 cr RE), driving immediate demand for cement and concrete in affordable urban housing projects. ▪ **Sustained Road Capex:** The capital outlay for the Ministry of Road Transport and Highways (MoRTH) continues its steady growth trajectory, reaching Rs. 2.94 lakh crore (up 8%), providing a stable baseline demand for cement in national highway construction. ▪ **Infrastructure Heavy Lifting:** Railway capital expenditure has risen 10.2% to Rs. 2.78 lakh crore, with significant allocations for new lines and station redevelopment — both concrete-intensive activities. ▪ The cement companies below have pan-India or strong regional presence in key belts benefiting from restored PMAY-Rural and PMAY-Urban funds: UltraTech Cement, Ambuja Cements, ACC Ltd, Dalmia Bharat, and JK Cement.
Chemicals	▪ BCD on the pyrimidine ring or piperazine ring has been reduced from 10% to 7.5%. ▪ Duty on Sorbitol has been reduced from ~30% to 20%. **Gulshan Polyols** (one of India's largest sorbitol manufacturers) could face pressure if imports get cheaper. ▪ To enhance domestic chemical production and reduce import dependency, a scheme has been launched to support states in establishing three dedicated chemical parks through a challenge route, using a cluster-based plug-and-play model. Capex has been raised to Rs. 12.2 lakh crore, with policy emphasis on strengthening industrial supply chains, including rare-earth corridors — a strategic win for chemicals linked to advanced materials and export sectors. Companies likely to benefit include **Reliance Industries**, which may expand into the park clusters and develop downstream specialty chemical units nearby, and **GAIL**, as chemical parks are expected to increase demand for natural gas feedstock, the primary raw material for many petrochemical and fertilizer units. ▪ Rs. 20,000 cr has been allocated for carbon capture, benefiting sectors including power, steel, cement, refineries, and chemicals. ▪ Duty on potassium hydroxide has been raised from 0% to 7.5%, benefiting companies such as **DCM Shriram, Meghmani, and Gujarat Alkalies & Chemicals**, key players in caustic potash manufacturing. ▪ The proposal to strengthen the textile sector through modernization and supportive schemes is also expected to benefit the chemical sector, which supplies intermediates to textiles. Companies likely to gain include **SRF, Fineotex Chemicals, and Rossari Biotech**, as they provide chemicals used in processes such as pre-treatment, dyeing, printing, and finishing. ▪ Various specialty chemical companies are expected to benefit from allocations to the pharma sector, particularly under Biopharma Shakti (Rs. 10,000 cr). Companies likely to gain include **Vinati, Atul, Aarti, BASF, Gayatri Bio-Organics, and Rossari Biotech.** ▪ The FY27 fertilizer subsidy has been increased to Rs. 1.7 lakh crore, up from Rs. 1.67 lakh crore in FY26. The Agriculture, Livestock, Forestry & Fishing outlay (at current prices) grew by a modest 0.8%. Capex will support coconut and cashew, sandalwood, and agar trees in the North-East, as well as nuts such as almonds, walnuts, and pine nuts in hilly regions. Agrochemical companies are expected to benefit. The Budget also includes a 1.3 MTPA fertilizer plant in Assam, directly benefiting agri-chemical suppliers and regional producers. Key beneficiaries include **Chambal Fertilizers, Coromandel International, Nagarjuna Fertilizers and Chemicals Ltd, PI Industries, and UPL**. ▪ A dedicated MSME growth fund will help smaller chemical manufacturers access working capital and scale production, particularly in bulk chemicals, specialty blends, and agrochemicals.

Source: Midas research, https://www.indiabudget.gov.in/t

Sectoral Updates (3/9)

Defence

Rs cr	FY25	FY26	FY26	FY27	RE FY26/BE FY26	BE FY27/BE FY26	BE FY27/RE FY26
	Actuals	BE	RE	BE			
Capital Outlay on Defence Services	**159,500**	**180,000**	**186,454**	**219,306**	4%	**22%**	18%
Ministry of Defense (Civil)	**10,848**	**12,388**	**10,963**	**11,703**	-12%	**-6%**	7%
Total	170,348	192,388	197,417	231,009	3%	**20%**	17%

- Capex on defence has been raised by ~20% to Rs. 231,009 cr.
- Of this, allocation for aircraft and aero engines has increased 31% to Rs. 63,734 cr.
- Stocks of Interest: Hindustan Aeronautics, Mazagon Dock Shipbuilders, Cochin Shipyard, and Garden Reach Shipbuilders.

EMS

- **Component Ecosystem Scaling:** The government has aggressively expanded the electronics components manufacturing scheme, nearly doubling the outlay from Rs. 22,990 cr to Rs. 40,000 cr, significantly reducing import dependence for EMS players.
- **Railway Electronics Demand:** With railway capex up 10.2% (≈Rs. 25,830 cr hike to Rs. 2.78 lakh cr) and a 17.5% increase in the Road Safety Works (ROB/RUBs) budget (from Rs. 7,000 cr to Rs. 8,225 cr), a substantial pipeline is expected for signaling, safety (Kavach), and rolling stock electronics.
- **Shift from Assembly to Value:** The allocation for the Mobile and IT Hardware PLI has been rationalized to Rs. 1,525 cr, sharply down from Rs. 9,000 cr, signaling a policy shift from simple assembly subsidies toward high-tech component manufacturing.
- **Defence Modernization:** The capital outlay for Defence Services has risen 18.6% to Rs. 1.98 lakh cr (BE FY27) from Rs. 1.67 lakh cr (RE FY26), supporting a multi-year order book for ruggedized military electronics and strategic systems.
- **Solar Power Electronics:** The 30% jump in the PM Surya Ghar (Rooftop Solar) scheme to Rs. 20,999 cr is expected to create an immediate volume surge for solar inverters, micro-inverters, and power management units.
- **Smart Metering Push:** The Power Reform Linked Distribution Scheme has been increased 15% to Rs. 18,000 cr, directly funding the procurement of smart meters and grid automation hardware.
- **Auto PLI Explosion:** In a major growth signal, the PLI for auto & auto components has nearly tripled to Rs. 5,940 cr (vs Rs. 2,091 cr RE), confirming that mass production of EV components and advanced automotive tech is now a reality.
- All the EMS companies listed below derive over 60% of their revenue domestically and operate directly in high-growth segments — Auto, Rail, Defence, and Power — supported by this budget: Kaynes Technology, Amber Enterprises, Dixon Technologies, Syrma SGS, Avalon Technologies, and Centum Electronics.

Source: Midas research, https://www.indiabudget.gov.in

Sectoral Updates (4/9)

FMCG	▪ The Budget continues to support household purchasing power by maintaining zero-tax liability for income up to Rs. 12 lakh (Rs. 12.75 lakh for salaried individuals, including standard deduction), reinforcing post-GST consumption momentum following GST 2.0 implementation in September 2025, which simplified slabs and reduced rates on select everyday essentials. ▪ Allocation to the Price Stabilisation Fund has been increased to Rs. 4,100 cr in FY27 BE, up from Rs. 3,019 cr in FY26 RE, strengthening interventions in pulses, onions, and potatoes, and supporting food inflation control and staple consumption stability. ▪ The Budget raised the NCCD rate on select tobacco products to 60% from 25%, while keeping the effective duty at 25%, implying a status quo for near-term sector economics but higher medium-term regulatory optionality.
Healthcare	▪ Existing institutions for Allied Health Professionals (AHPs) will be upgraded, alongside the establishment of new AHP institutions in both public and private sectors. These initiatives, spanning 10 key disciplines — including optometry, radiology, anesthesia, OT technology, applied psychology, and behavioral health — are expected to add nearly 100,000 trained AHPs to the workforce over the next five years. ▪ Govt. will launch a scheme to promote India as a hub for medical tourism by establishing 5 Regional Medical Hubs in partnership with the private sector. ▪ The govt. plans to set up AYUSH Centers, medical value tourism facilitation centers, and infrastructure for diagnostics, post-care, and rehabilitation. ▪ The govt. is likely to establish three new All India Institutes of Ayurveda to strengthen education, research, and clinical capacity in Ayurveda. ▪ Govt. is likely to upgrade AYUSH pharmacies and Drug Testing Laboratories to enhance quality standards, strengthen the certification ecosystem, and ensure availability of skilled manpower. ▪ The government is expected to upgrade the WHO Global Traditional Medicine Centre at Jamnagar to promote evidence-based research, training, and global awareness of traditional medicine. ▪ All these measures will help in strengthening the entire healthcare ecosystem, significantly benefiting the hospitals. ▪ Stocks of Interest: Max Healthcare Institute Ltd, Apollo Hospitals Enterprise Ltd, Artemis Medicare Services Ltd, and Jeena Sikho Lifecare Ltd.

Source: Midas research, https://www.indiabudget.gov.in/t

Sectoral Updates (5/9)

Hospitality Sector

- Allocation for the flagship Swadesh Darshan scheme has been increased 268% to Rs. 1,905 cr (vs Rs. 517 cr RE), signaling a government push to complete tourism circuits and directly enhance destination appeal.
- **Infrastructure-led Demand:** The overall Ministry of Tourism budget has been restored to Rs. 2,438 cr, an 86% increase over the revised estimate of Rs. 1,310 cr, addressing under-spending in the previous year and ensuring funded support for tourism infrastructure projects.
- **Connectivity Multiplier:** With the Civil Aviation budget focusing on operationalizing existing routes and the Railways deploying more Vande Bharat trains—supported by the Rs. 2.78 lakh cr capex—domestic travel accessibility, a key driver of hotel occupancy, is set to improve significantly.
- The following hotel companies operate extensive domestic networks and maintain significant inventory in Tier-2/3 cities and spiritual hubs, benefiting from the ongoing infrastructure push: Indian Hotels (Taj), Lemon Tree Hotels, EIH Ltd, and Chalet Hotels.

Infrastructure

- With focus on improving productivity and quality, Hi-Tech Tool Rooms will be established by CPSEs at two locations to manufacture high-precision components at scale.
- Scheme for Enhancement of Construction and Infrastructure Equipment will be introduced to strengthen manufacturing of high-value and technologically-advanced CIE. It could be beneficial for a domestic equipment manufacturer such as ACE.

IT Sector

- **Cyber Security Focus:** The allocation for Cyber Security Projects has been increased by 29% to Rs. 375 cr (vs Rs. 290 cr RE), indicating a clear intent to issue new government tenders for securing digital public infrastructure.
- **AI Implementation:** The Budget allocates Rs. 356 cr specifically for the IndiaAI Mission, shifting the focus from general IT services to specialized AI application and infrastructure deployment within the government.
- The government has materially enhanced safe harbour thresholds (from Rs. 300 cr to Rs. 2,000 cr) and extended data centre tax holidays till 2047, significantly reducing litigation risk, transfer pricing uncertainty, and compliance costs for IT companies
- **Shareholder Value (Buybacks):** Shifting the tax treatment of buybacks to capital gains at the shareholder level (instead of a flat tax at the company level) is a major positive. It allows shareholders to deduct the cost of acquisition, potentially lowering the effective tax outgo and encouraging IT companies to return excess cash through buybacks.
- A 15% safe harbour margin has been notified for data services provided from India to related entities, materially reducing transfer-pricing risk.
- Companies likely to benefit from these measures: TCS, Infosys, and Anant Raj.

Source: Midas research, https://www.indiabudget.gov.in

Sectoral Updates (6/9)

Pharma	▪ Union Budget FY26–27 introduces Biopharma SHAKTI with a Rs. 10,000 cr outlay over five years to position India as a global hub for biologics and biosimilars manufacturing. ▪ Focus is on rising non-communicable diseases (diabetes, cancer, autoimmune), with biologics identified as a key long-term growth driver. ▪ The ecosystem build-out includes three new NIPERs, the upgrade of seven existing NIPERs, and the creation of over 1,000 accredited clinical trial sites, thereby strengthening India's R&D and development backbone. ▪ Central Drugs Standard Control Organization will be strengthened to align approval timelines and quality standards with global regulators—positive for exports and complex product launches. ▪ Cancer is explicitly prioritized under Biopharma SHAKTI, reinforcing the strategic importance of oncology and biologics. ▪ Basic customs duty exempted on 17 cancer drugs; 7 rare diseases added for import-duty relief (mainly for personal treatment imports), improving affordability. ▪ Near-term impact is modest and skewed toward API and oncology players, while medium-to-long-term structural positives accrue to CDMO, biologics, and complex pharma as domestic capabilities scale. ▪ Stocks of interest (illustrative): Biocon, Aurobindo, Dr. Reddy's, Syngene, and Sai Life.
Power Sector	▪ **Data Center:** A tax holiday till 2047 has been extended to foreign companies providing global cloud services using data centre infrastructure in India. This incentive is likely to attract strong investment into the segment and accelerate ecosystem development. Several power component assemblers and suppliers are also expected to benefit from this move. ▪ **Nuclear Energy:** To support the Government of India's mission to achieve 100 GW of nuclear capacity by 2047, the announcement of a BCD exemption on goods used for nuclear power generation could be a key positive trigger. ▪ **Utility Meter:** Budgetary spending under the Reform Linked Distribution Scheme stood at Rs. 15,671 cr (BE Rs. 16,021 cr), reflecting the government's focus on distribution loss reduction initiatives, with allocation subsequently increased to Rs. 18,000 cr for FY27. Smart meter manufacturers such as Genus Power Infra Ltd and HPL Electric Power Ltd could be key beneficiaries. ▪ **Biogas:** In line with the Government's focus on a gradual energy transition away from crude, the announcement to exclude the entire biogas value chain from the BCD framework is of significant strategic importance. This is expected to lower input costs for domestic CNG gas retailers, supporting margin improvement and enhancing sector economics.

Source: Midas research, https://www.indiabudget.gov.in

Sectoral Updates (7/9)

Semiconductor

- **Capex Phase Begins:** Allocation to the Semiconductor & Display Ecosystem up by 86% Y-o-Y to Rs. 8,000 cr.
- **ISM 2.0 Signals Policy Lock-In:** Introduction of India Semiconductor Mission 2.0 with a dedicated Rs. 1,000 cr allocation confirms long-term commitment to semiconductor manufacturing beyond a single budget cycle.
- **R&D & Design Surge:** The allocation for R&D in IT & Electronics has seen a massive 87% jump to Rs. 2,200 cr (vs Rs. 1,176 cr RE), which is aimed at funding Indian IP (Intellectual Property) creation and the Design-Linked Incentive (DLI) scheme for fabless startups.
- All the semiconductor companies listed below are building domestic OSAT (Assembly & Test) and/or design capabilities, positioning them as direct beneficiaries of ISM 2.0 incentives and R&D grant support: Kaynes Technology, CG Power, MosChip Technologies, and SPEL Semiconductor.

Solar Energy

- Capex on solar energy has increased by 26%, led by the PM Surya Ghar Muft Bijli Yojana, benefiting solar EPC companies. In parallel, government backing for solar water supply schemes will provide an additional growth impulse to project execution pipelines.

Rs cr	BE - 2025 – 26	RE - 2025 – 26	BE - 2026 – 27
Solar Energy	24,224	23,124	30,539

- Proposal of exemption of BCD on capital goods used for the manufacture of lithium-ion cells for batteries in battery energy storage systems. Solar panel manufacturers will benefit from this regulation, as imported cells will be less expensive.
- Proposal of exemption of BCD on import of Sodium antimonate for use in the manufacture of Solar Glass. This will benefit the Solar panel players as this will reduce the raw material cost burden.
- Stocks of Interest: Solar panel players such as Premier Energies and Solar Industries, and battery players including Amara Raja Energy & Mobility Ltd and Exide Industries Ltd.

Textile & Leather

- Ministry of Textiles allocation at Rs. 5,279 cr in FY27 BE vs Rs. 5,767 cr in FY26 RE, indicating sustained support despite moderation.
- The export period for textiles, apparel, leather, and footwear products has been extended from 6 months to 1 year, easing working capital cycles.

Source: Midas research, https://www.indiabudget.gov.in

Sectoral Updates (8/9)

Roads, Railways, Ports, Shipping and other Infra

Railway Initiatives :

- **Scheme for Container Manufacturing,** with a budgetary allocation of Rs. 10,000 cr over the next five years, aims to create a globally competitive container manufacturing ecosystem. Listed wagon manufacturers like Jupiter Wagons Ltd, Titagarh Rail Systems Ltd, and Texmaco Rail & Eng. Ltd could be the beneficiaries.
- **High Speed Rail Corridors:** In a move to improve connectivity between key metro cities, the government announced plans to develop seven High-Speed Rail Corridors, termed 'Growth Connects': 1) Mumbai–Pune, 2) Pune–Hyderabad, 3) Hyderabad–Bengaluru, 4) Hyderabad–Chennai, 5) Chennai–Bengaluru, 6) Delhi–Varanasi, and 7) Varanasi–Siliguri.
- Budgetary spending on rolling stocks, including passenger coaches and wagons, shows a strong 10% increase. Spending on Signaling and Telecom, which covers investments in the Anti-Collision System ('Kavach'), was marginally down but is expected to grow by 10% in FY27. While the Government of India aims to expand metro network coverage to 50 cities, spending this year is expected to decline by ~12% and may remain muted in FY27. BEML Ltd and Titagarh Rail Systems Ltd are the two key providers of metro rail infrastructure in the country.
- **Maritime Initiatives:**
- **National Waterways:** To promote sustainable cargo movement, the Government of India plans to operationalize 20 new National Waterways (NWs) over the next five years, starting with the NW in Odisha connecting the mineral-rich areas of Talcher and Angul. Shipbuilding companies and maritime allied product suppliers are likely to be key beneficiaries
- **Coastal Cargo Promotion Scheme** has been announced to incentivize the modal shift from rail and road, with the aim to increase waterways and coastal shipping from 6% and 12% by 2047.
- Additionally, a ship repair ecosystem will be set up at **Varanasi and Patna** to cater to inland waterways.
- A **Maritime Development Fund** will be created with a **budgetary allocation of Rs. 1,000 cr for FY27**. This is expected to support R&D initiatives in the sector, enabling domestic shipbuilding companies to enhance standards and competitiveness.

Railway capex (Rs. cr)	2025-26 (BE)	2025-26 (RE)	2025-26 (RE) vs. 2025-26 (BE)	2026-27 (BE)	2026-27 (BE) vs. 2025-26 (BE)
Rolling Stock	45,530	50,008	10%	52,109	14%
Signaling and Telecom	6,800	6,500	-4%	7,500	10%
Metro Projects	31,239	27,450	-12%	28,740	-8%

Sectoral Updates (9/9)

Rural- Agriculture

Rs cr	FY25	FY26	FY26	FY27	RE FY26/BE FY26	BE FY27/BE FY26	BE FY27/RE FY26
	Actuals	BE	RE	BE			
Crop Insurance Scheme	14,473	12,242	12,267	12,200			
MISS	22,600	22,600	22,600	22,600			
PM - AASHA	5,438	6,941	6,941	7,200			
PM - Kisan	66,121	63,500	63,500	63,500			
Interest Subsidy for Short term credit to farmers	-	-	-				
Namo Drone DIDI	1.46	677	100	677			
Other	7,379	2,951	1,805	2,484			
Central Sector Schemes/Projects	***116,598***	**108,911**	**107,213**	**108,661**	-2%	**0%**	1%
Secretariat	669	795	755	781			
Centrally sponsored schemes	12,751	17,116	14,525	20,500			
Other expenditure	501	468	597	620			
Agriculture and farmers welfare	**129,933**	**127,290**	**123,089**	**130,561**	-3%	**3%**	6%
Agricultural research and education	**9,810**	**10,466**	**10,281**	**9,967**	-2%	**-5%**	-3%
Ministry of Agriculture And Farmers Welfare expenditure	**139,743**	**137,757**	**133,370**	**140,529**	-3%	**2%**	5%

No material allocation has been made in the agriculture sector; however, the following are the key highlights:

To support animal husbandry, the government plans to increase the availability of veterinary professionals by over 20,000 through a loan-linked capital subsidy scheme for establishing veterinary and para-vet colleges, veterinary hospitals, diagnostic laboratories, and breeding facilities in the private sector.

To diversify farm outputs, increase productivity, enhance farmers' incomes, and create new employment opportunities, support will be provided to high-value crops such as coconut, sandalwood, cocoa, and cashew in coastal areas. Agar trees in the North-east and nuts such as almonds, walnuts, and pine nuts in hilly regions will also be supported.

A Coconut Promotion Scheme to increase production and enhance productivity through various interventions, including replacing old and non-productive trees with new saplings/plants/varieties in major coconut-growing states.

- A dedicated cashew and cocoa programme to achieve self-reliance, boost exports, and build premium global Indian brands by 2030.
- Focus on sandalwood cultivation and post-harvest processing in partnership with States to revive the Indian sandalwood ecosystem.
- Rejuvenation of old orchards and promotion of high-density walnut, almond, and pine nut cultivation to raise farmer incomes and drive youth-led value addition.

Source:Midas research, https://www.indiabudget.gov.in

Disclaimer (1/2)

Absolute Rating Interpretation

BUY	Stock expected to provide positive returns of >15% over a 1-year horizon	**REDUCE**	Stock expected to provide returns of <5% – -10% over a 1-year horizon
ACCUMULATE	Stock expected to provide positive returns of >5% – <15% over a 1-year horizon	**SELL**	Stock expected to fall >10% over a 1-year horizon
The terms defined above are applicable to fundamental research reports published by the Research Analyst. For technical research reports, the expected (target) price is given in the report along with the time period within which it can be achieved. For Momentum Ideas the expected timeline to achieve the price target would be upto 3 months from the date of publication of the research report.			

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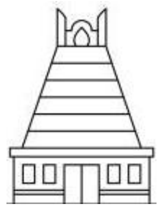

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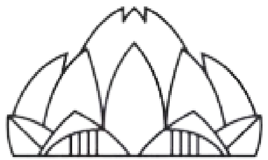

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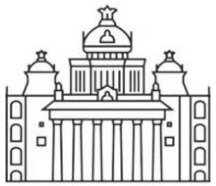

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