Budget: Boarding the Reform Express

February 2026

Budget laying out path for Viksit Bharat

Accelerate & sustain economic growth

- Manufacturing- ISM 2.0, Electronics Components, Tax exemptions in select sectors
- Rejuvenation of legacy 200 industrial clusters: Textiles, leather, pharma
- MSMEs: Equity and liquidity support, leveraging TReDS platforms
- Infrastructure: Higher capex, 7 high speed rail corridors, new rail freight corridor
- Energy security: Battery storage, nuclear energy, critical minerals

Fulfil aspirations, build capacity

- Service Sector as growth driver: 10% Global share by 2047, Tax exemptions*
- High level Committees on Banking and Education to Employment
- Health: Medical value tourism, capacity building (Health Professionals)
- Education: 5 University Townships, girls' hostel in every district
- Tourism: upgrading infrastructure (archaeological sites) and soft skills

Sabka Sath, Sabka Vikas

- Increasing farmer's income by enhancing productivity in agricultural and allied sectors
- Supporting high value crops: coconut, cashew, cocoa, sandalwood
- Bharat VISTAR (AI tool): Integrating AgriStack portals and the ICAR package
- SHE-Marts for rural women led enterprises
- Animal Husbandry: Establishment of veterinary and para-vet colleges and hospitals

Source: Union Budget 2026-27, ICICI Bank Research; NOTE: *cloud services

Manufacturing: Focus on Strategic and Frontier Sectors

- Biopharma Shakti *(Strategy for Healthcare Advancement through Knowledge, Technology and Innovation)*
- India Semiconductor Mission (ISM) 2.0
- The Electronics Components Manufacturing Scheme
- Scheme for Rare Earth Permanent Magnets, research, mining, processing and manufacturing
- 3 Dedicated Chemical Parks, enhancing domestic production
- *Capital goods* (Scheme for Enhancement of Construction and Infrastructure Equipment)
- *Textiles –Integrated Programme for Textiles*

Source: Union Budget 2026-27, ICICI Bank Research

Services Sector: Creating jobs and gaining global market share

Services sector
Standing Committee to focus on service sector as core driver of Viksit Bharat and tax reforms

Sports
Khelo India Mission, integrated talent pathway, systematic coaching, development of sports infrastructure

Health
Upgrade and establish new institutions for allied health professionals (AHPs) in 10 discipline

Care Ecosystem
Developing a variety of NSQF*-aligned programmes to train 1.5 lakh multiskilled caregivers

Medical Tourism
Support to states to establish 5 hubs for medical value tourism in partnership with private sector

AYUSH
3 new All India Institutes of Ayurveda, upgrading AYUSH pharmacies and Drug Testing Labs

Orange Economy
Setting up AVGC Content Creator Labs in 15,000 secondary schools and 500 colleges

Financial
High level committee on banking, municipal bond issuance, restructuring PFC, REC, FEMA review

Education
5 University Townships, girls' hostel in Higher Education STEM institutions in every district

Tourism
Pilot scheme for upskilling 10,000 guides in 20 iconic tourist sites, Develop 15 archaeological sites

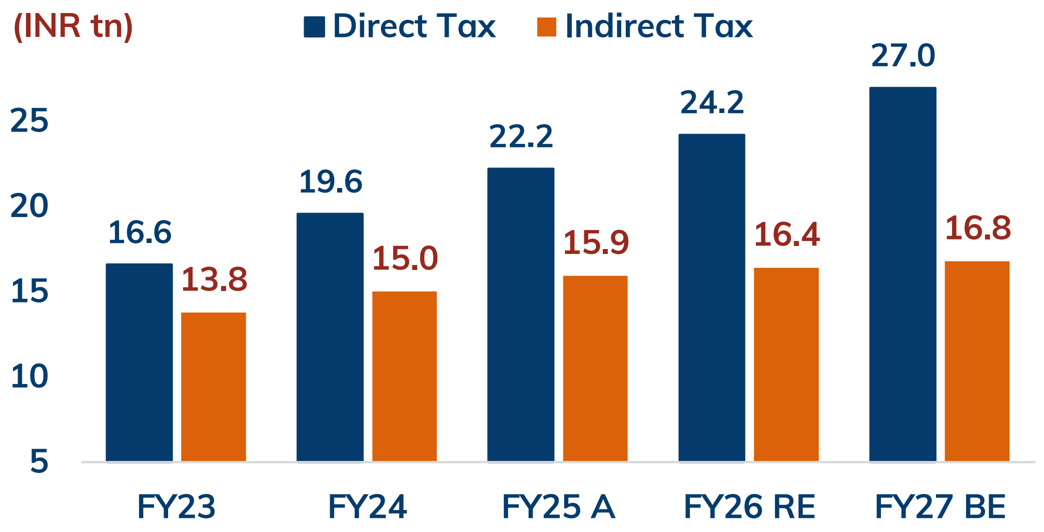
*NSQF=National Skills Qualifications Framework ; Source: Union Budget 2026-27, ICICI Bank Research

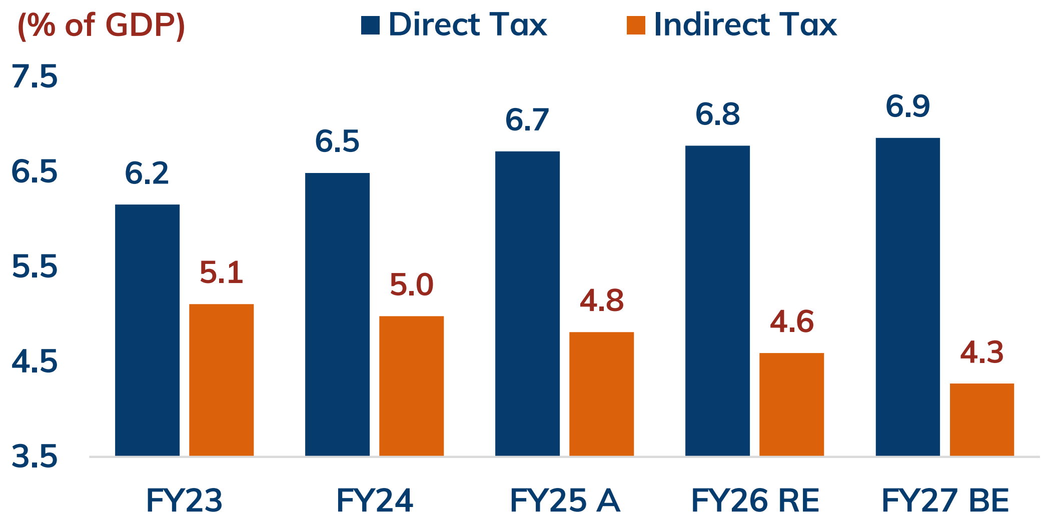
Budget Arithmetic: Slower pace of consolidation

(INR tn)	FY25 A	FY26 RE	FY27 BE	FY26 RE (% YoY)	FY27 BE (% YoY)	FY25 A (% of GDP)	FY26 RE (% of GDP)	FY27 BE (% of GDP)
Revenue								
Gross Tax Revenue	38.0	40.8	44.0	7.4	8.0	11.5	11.4	11.2
Direct Tax	22.2	24.2	27.0	9.0	11.4	6.7	6.8	6.9
Corporate Tax	9.9	11.1	12.3	12.4	11.0	3.0	3.1	3.1
Income Tax	12.4	13.1	14.7	6.2	11.7	3.7	3.7	3.7
Indirect Tax	15.9	16.4	16.8	3.0	2.3	4.8	4.6	4.3
CGST	9.1	9.6	10.2	5.4	6.3	2.7	2.7	2.6
Taxes of Union Territories	0.1	0.1	0.1	1.0	6.6	0.0	0.0	0.0
Net tax revenue	25.0	26.7	28.7	7.0	7.2	7.6	7.5	7.3
Non-tax revenue	5.4	6.7	6.7	24.4	-0.2	1.6	1.9	1.7
Revenue receipts	30.4	33.4	35.3	10.1	5.7	9.2	9.4	9.0
Non- Debt Capital Receipts	0.4	0.6	1.2	53.1	84.9	0.1	0.2	0.3
Disinvestment	0.2	0.3	0.8	96.7	136.4	0.1	0.1	0.2
Total reciepts	46.5	49.6	53.5	6.7	7.7	14.1	13.9	13.6
Expenditure								
Revex	36.0	38.7	41.3	7.4	6.6	10.9	10.8	10.5
Major Subsidies	3.9	4.3	4.1	11.6	-4.5	1.2	1.2	1.0
Capex	10.5	11.0	12.2	4.2	11.5	3.2	3.1	3.1
Total expenditure	46.5	49.6	53.5	6.7	7.7	14.1	13.9	13.6
Gross fiscal deficit (GFD)	15.7	15.6	17.0					
GFD % of GDP	4.8%	4.4%	4.3%					
GDP	330.7	357.1	393.0					

Source: Union Budget 2026-2027 & ICICI Bank Research

Gross tax collections slated to grow faster than nominal GDP

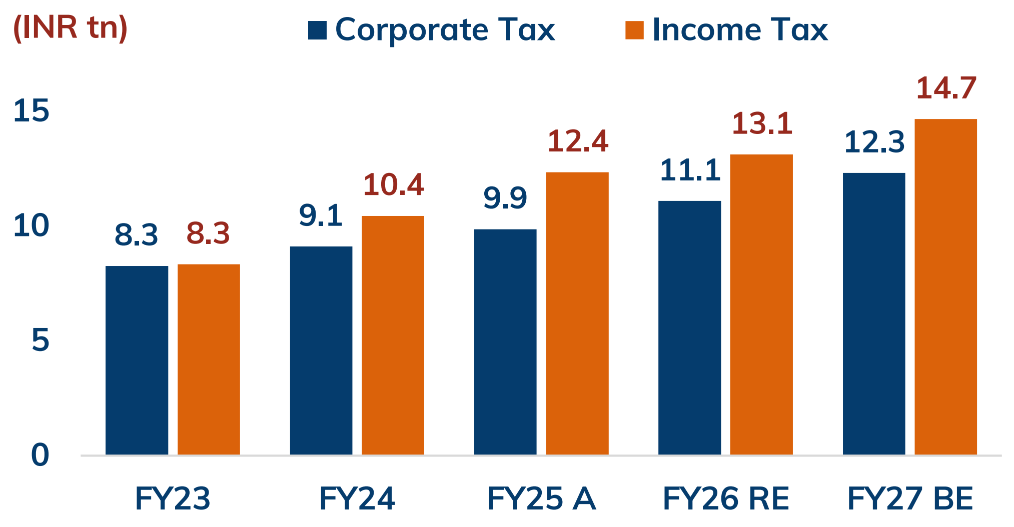


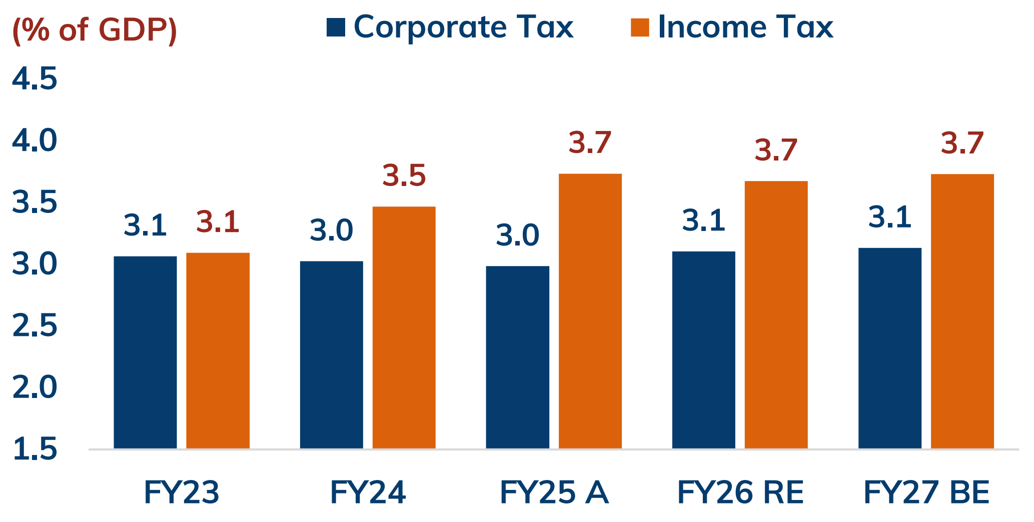


- The Budget has projected gross tax revenue growth of 8% YoY in FY27 as against 7.4% YoY seen in FY26RE
- Overall tax buoyancy is lower at 0.8 for FY27 with buoyancy for direct tax at 1.1 (vs 1.1 in FY26RE) but lower in case of indirect tax at 0.2 (vs 0.4 in FY26RE) given the reduction in GST rates
- Direct tax collection as % of GDP has improved to 6.9% in FY27BE, up from 6.8% in FY26RE. Conversely, the contribution of indirect taxes as % of GDP is expected to decline because of rationalization of rates (GST)

Source: Union Budget 2026-2027 & ICICI Bank Research
Note: A –Actual, BE – Budget Estimates, RE - Revised Estimates

Income tax buoyant on the back of lower base in FY26

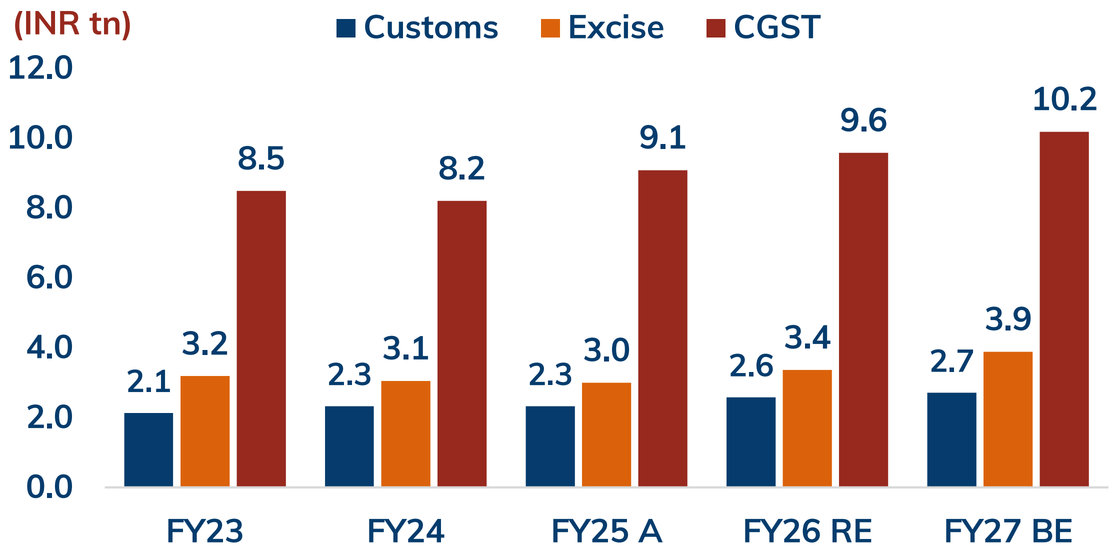


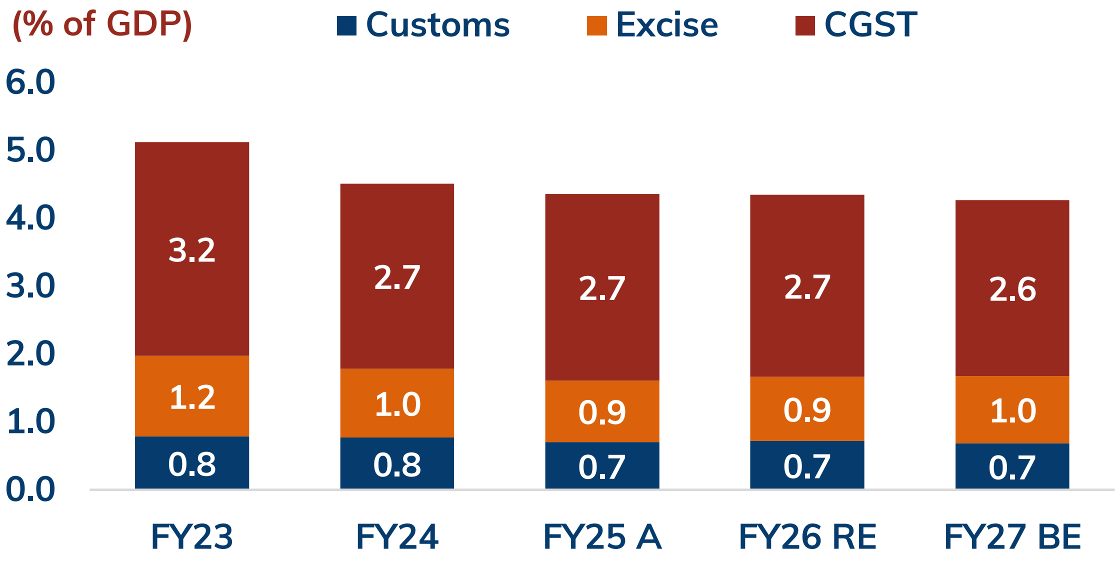


- Direct taxes are expected to grow at 11.4% YoY to INR 27.0tn in FY27 compared with 9.0% YoY in the previous year
- In absolute terms, personal income tax collections are estimated to increase by INR 1.6tn in FY27 as against an increase of INR 1.2tn in FY26. Given the tax stimulus given in FY26, pick-up in income tax collections is realistic in FY27
- Corporate tax collections estimated to increase by 11.0% in FY27 as against an increase of 12.4% in FY26. Corporate tax collections should be supported by rising aggregate demand after fiscal and monetary stimulus
- Both corporate and income tax collections are estimated to be stable as percentage of GDP and implementation of new labour codes is positive for formalization of the economy

Source: Union Budget 2026-27, ICICI Bank Research

Excise collections to increase in double digit, GST to see moderate pace





- Indirect tax collections to grow 2.3% in FY27 (vs. 3.0% in FY26). However, adjusted for compensation cess, indirect taxes to grow by 8.1% YoY
- Excise tax collections expected to be higher in FY27BE by 15.6% YoY compared with 12.1% YoY in FY26RE on the back of higher excise duty on tobacco products
- Customs collections too are poised to increase by 5% YoY while CGST collections are estimated to grow by 6.3% YoY

Source: Union Budget 2026-27, ICICI Bank Research

Customs rationalization to boost manufacturing (1/2)

Reduction in basic custom duty				
Sector	Commodity	Rate of duty (%)		Sector Impact
		From	To	
Minerals	Monazite	2.50%	Nil	Reduction in monazite to Nil would reduce the input prices for industries dependent on rare earth mineral
Renewable energy	Sodium antimonate for use in manufacture of solar glass	7.50%	Nil	Would strengthen the renewable energy ecosystem
	capital goods used in manufacturing of lithium-ion cells for batteries	As applicable	Nil	
Nuclear Energy	All goods for generation of nuclear power	7.50%	Nil	Would reduce capital costs and improve project viability. This encourages investment in nuclear energy, enhances clean baseload power capacity, and supports long-term energy security
	Control and Protector Absorber Rods, Burnable Absorber Rods	7.50%	Nil	
	Goods required for the setting up of specified Nuclear Power Projects	As applicable	Nil	
Electronics	Goods for manufacturing of Microwave Ovens	As applicable	Nil	Would improve competitiveness of local manufacturers, and reduces import dependence
Civil Aviation	Components including engines, of aircraft, for manufacture of aircraft	As applicable	Nil	Would boost domestic aircraft production, supporting growth of India as an aviation hub.
Defence Sector	Raw materials for manufacture of parts of aircraft for maintenance, repair	As applicable	Nil	Would strengthen indigenious defence manufacturing
Drugs/ Medicines	17 new drugs/medicines	5%/10%	Nil	Reduction in duty on new drugs and medicines for rare diseases improves affordability and access to critical treatments
	7 rare diseases that are part of National Policy for Rare Disease (NPRD)	As applicable	Nil	

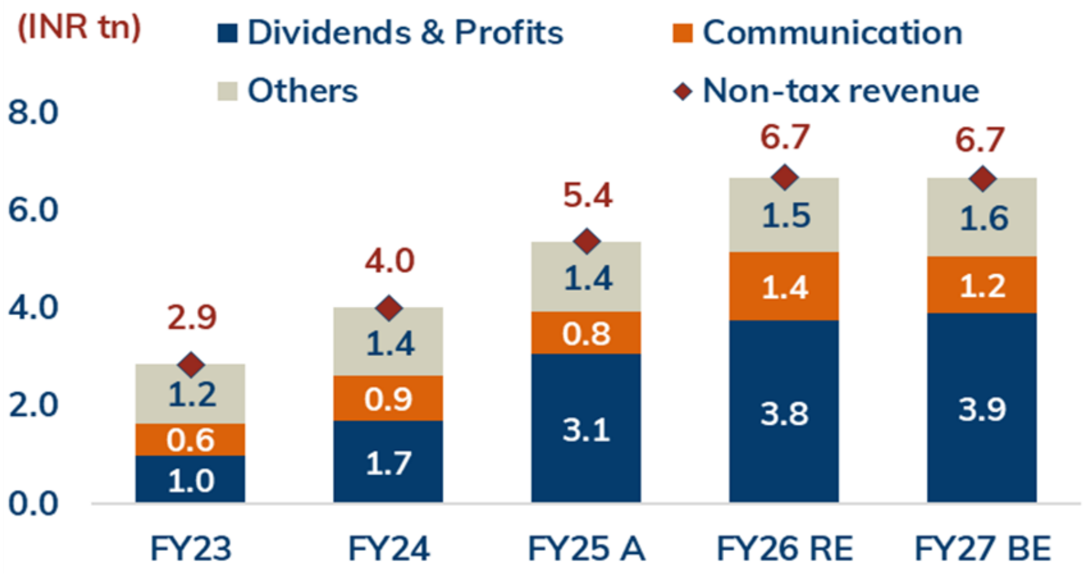
Source: Union Budget 2026-27, ICICI Bank Research

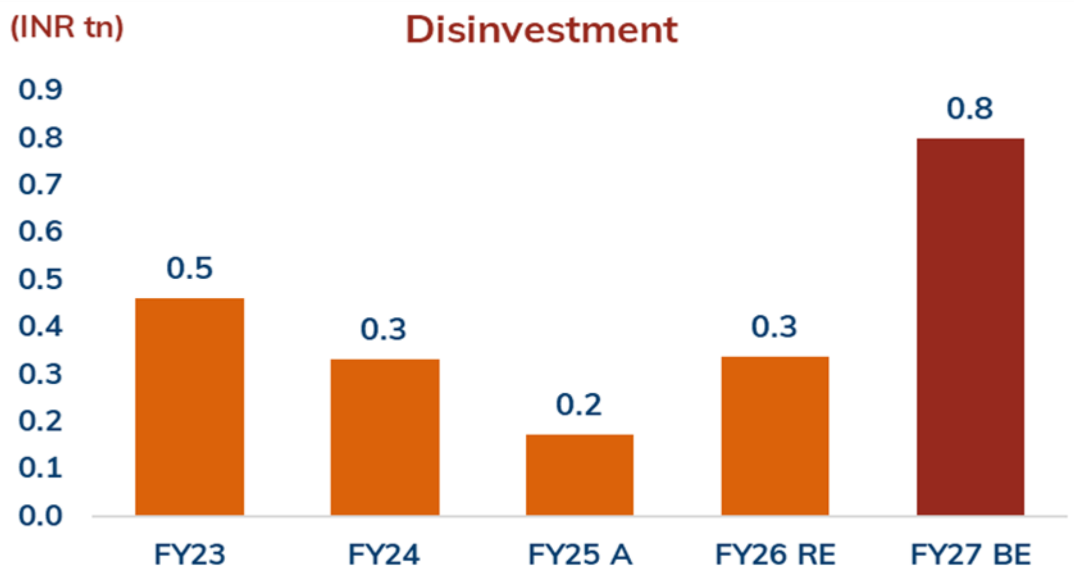
Customs rationalization (2/2)

Rise in basic custom duty				
Sector	**Commodity**	**Rate of duty (%)**		**Sector Impact**
		From	**To**	
Personal Imports	All dutiable goods, imported for personal use	10%/20%	10%	This would discourage non-essential imports, protects domestic industries, and supports revenue mobilization
Chemicals	Potassium hydroxide	Nil	7.50%	Increase in customs duty would protect domestic chemical manufacturers
Umbrella and its parts	Umbrellas	20%	20% or Rs. 60 per piece	Would discourage low-cost imports and protects MSMEs in the domestic umbrella manufacturing sector
	Parts, trimmings and accessories	10%	10% or Rs. 25 per kg	

Source: Union Budget 2026-27, ICICI Bank Research

Big jump in disinvestment expected in FY27

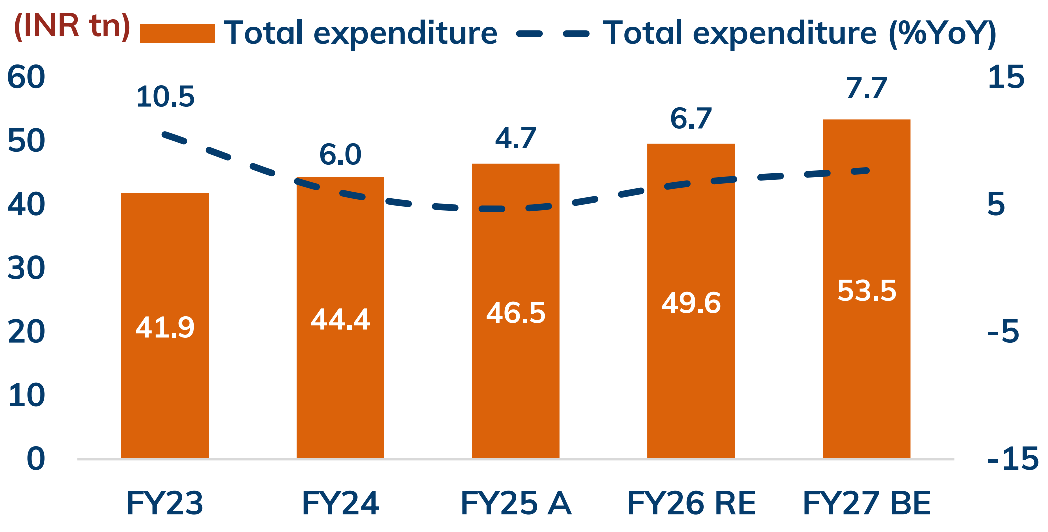


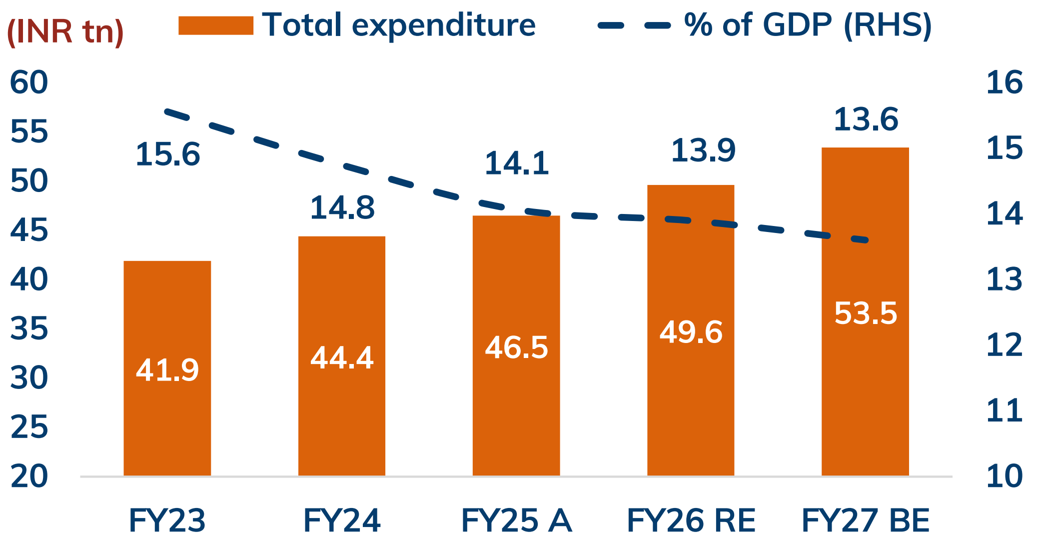


- Non tax revenues are expected to stay flat this year (-0.2% YoY), due to a hit in revenue from the telecom sector
- RBI dividend along with profits from public sector enterprises, including banks should continue to support non-tax revenues, which are seen rising to INR 3.9tn in FY27
- Disinvestment receipts see a big jump to INR 800bn in FY27BE from INR 338bn in FY26RE, which is an increase of 136.4% YoY
- This step signals renewed optimism on the disinvestment agenda after several years of subdued outcomes, reflecting expectations of improved market conditions and stronger execution capacity

Source: Union Budget 2026-2027, CGA & ICICI Bank Research

Expenditure to grow faster at 7.7% YoY in FY27

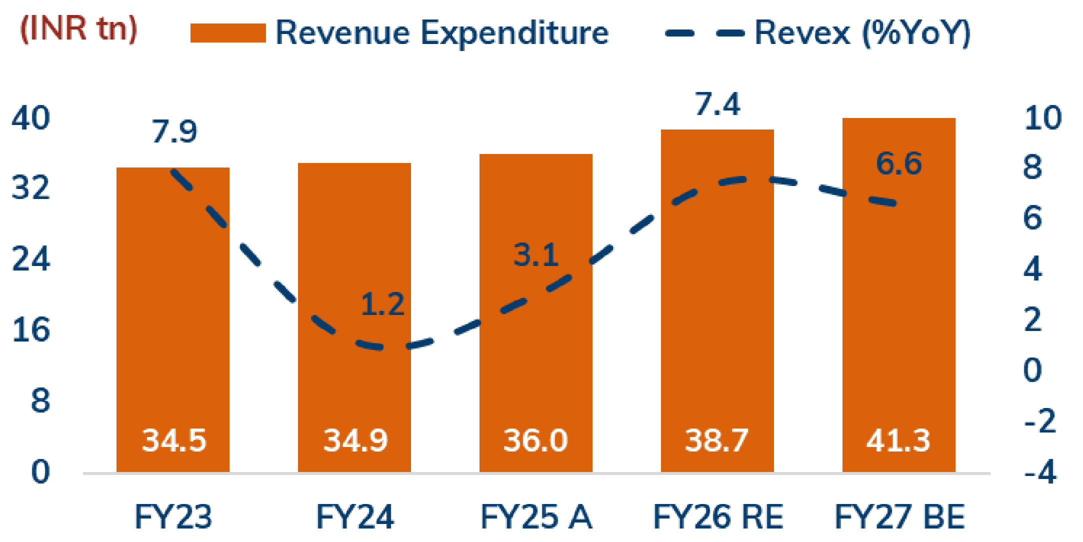


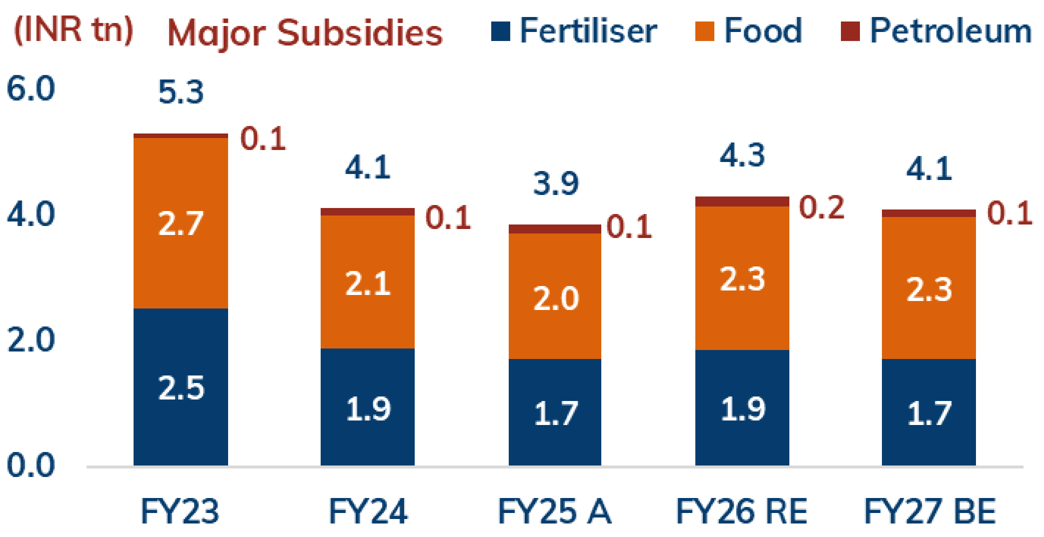


- Total expenditure is expected to grow 7.7% YoY in FY27 to INR 53.5tn against INR 49.6tn in FY26 RE , with a focus on improving the quality of expenditure
- The Centre has continued to lower the share of expenditure as % of GDP to 13.6% in FY27BE from the peak of 17.7% in FY21 (Covid-19)

Source: Union Budget 2026-2027 & ICICI Bank Research

...driven by modest growth of 6.6% in revenue expenditure





- Revenue spending is pegged at INR 41.3tn (6.6% YoY) in FY27BE versus INR 38.7tn (7.4% YoY) in FY26RE
- As a % of GDP, revex now stands at 10.5% of GDP in FY27 (10.8% in FY26). This is in line with the trend in post-Covid era, when revex compression contributed heavily to fiscal consolidation
- Major subsidies (fertilizer, food, petroleum, etc.) lower at INR 4.1tn in FY27BE which also means a fall as a percentage of GDP to 1.0% from 1.2% in FY26RE and 3.2% in FY21

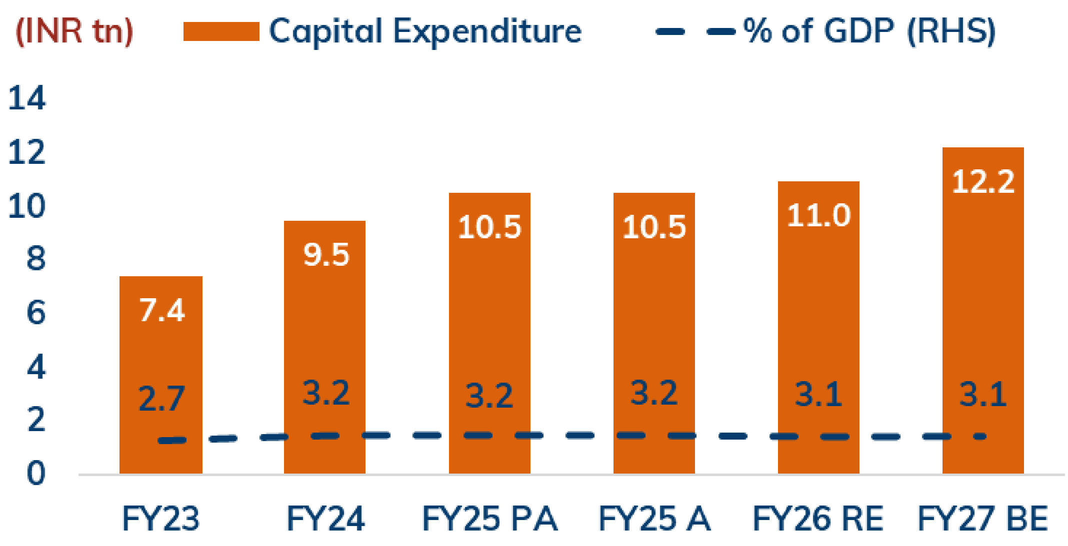
Source: Union Budget 2026-27, ICICI Bank Research

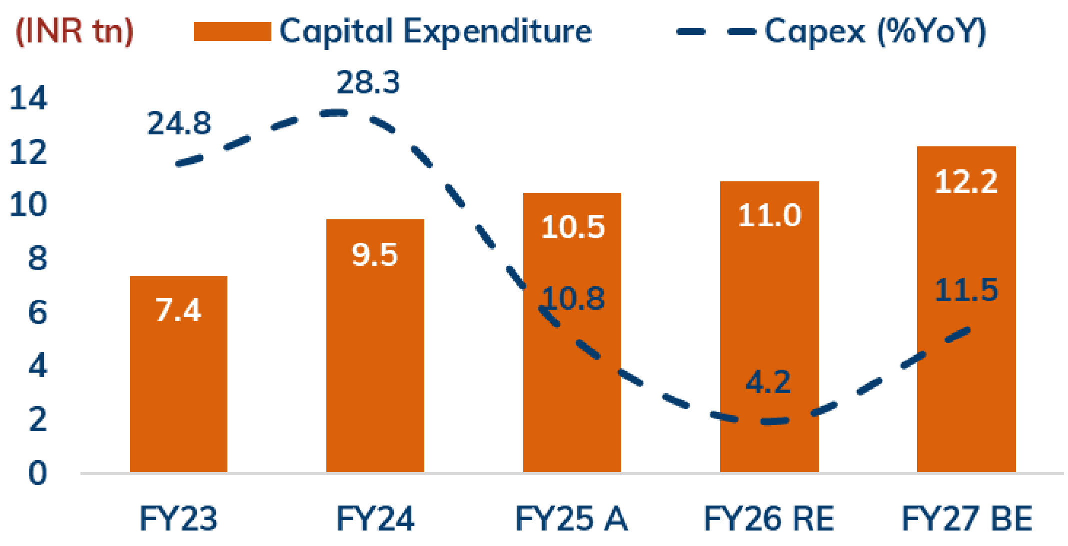
Education, Water, Health see an increase in allocation; subsidies see a reduction

Major Areas of Revenue Expenditure									
(INR bn)	FY23	FY24	FY25 A	FY26 (RE)	FY27 (BE)	FY26 (% of GDP)	FY27 (% of GDP)	FY26 (%YoY)	FY27 (%YoY)
Finance	13,966	15,150	15,923	16,872	17,223	4.7	4.4	6.0	2.1
Interest cost	9,285	10,639	11,156	12,743	14,040	3.6	3.6	14.2	10.2
Major Subsidies	5,310	4,123	3,850	4,297	4,105	1.2	1.0	11.6	-4.5
Fertiliser Subsidy	2,513	1,883	1,707	1,865	1,708	0.5	0.4	9.2	-8.4
Food subsidy	2,728	2,118	1,999	2,282	2,276	0.6	0.6	14.2	-0.2
Fuel Subsidy	68	122	145	151	121	0.0	0.0	4.4	-20.1
Defence (less pensions)	2,688	3,029	3,077	3,659	3,823	1.0	1.0	18.9	4.5
Pensions	2,416	2,383	2,738	2,866	2,962	0.8	0.8	4.7	3.3
Rural Development	1,778	1,636	1,793	1,887	1,970	0.5	0.5	5.3	4.4
MGNREGA	908	892	858	880	300	0.2	0.1	2.5	-65.9
Agriculture	1,083	1,181	1,397	1,333	1,404	0.4	0.4	-4.6	5.4
PM Kisan	583	614	661	635	635	0.2	0.2	-4.0	0.0
Education	972	1,234	1,107	1,219	1,393	0.3	0.4	10.1	14.2
Water and Sanitation	714	949	464	410	943	0.1	0.2	-11.7	130.2
Health	727	812	884	944	1,036	0.3	0.3	6.9	9.7
Others	4,878	4,446	4,776	5,202	6,395	1.5	1.6	8.9	22.9
Total Revenue Exp	34,531	34,943	36,009	38,691	41,255	10.8	10.5	7.4	6.6

Source: Union Budget 2026-27, ICICI Bank Research

Railways and Roads still leading the capex along with transfer to states



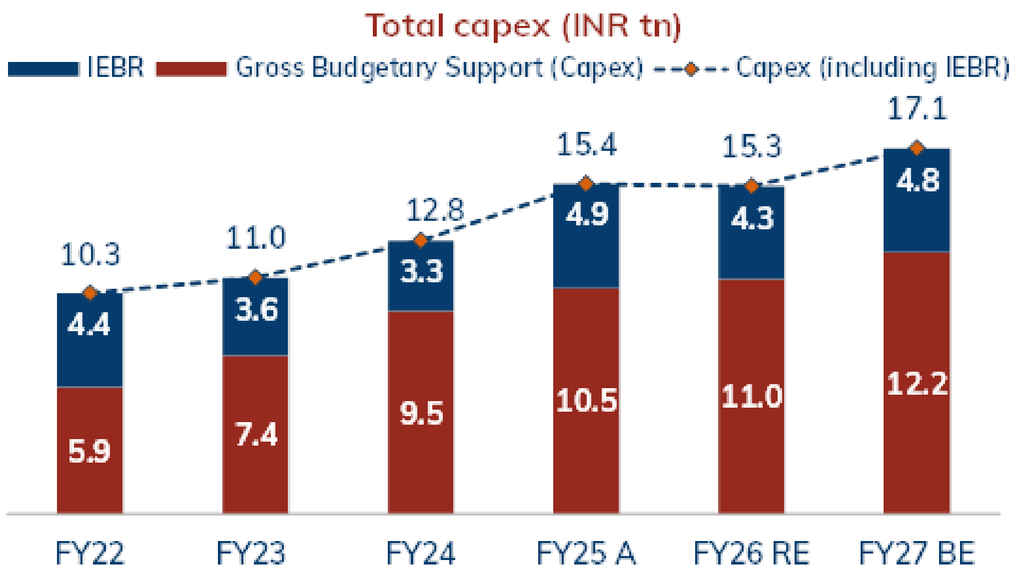


Capex (INR bn)	FY21	FY22	FY23 A	FY24 A	FY25 A	FY26 RE	FY27 BE	FY26 RE (% Share)	FY27 BE (% Share)
Railways	1,093	1,173	1,593	2,426	2,519	2,520	2,778	23	23
Roads	892	1,133	2,060	2,639	2,853	2,721	2,942	25	24
Defence	1,399	1,448	1,509	1,646	1,706	1,974	2,310	18	19
Transfer to States	196	225	927	1,229	1,657	1,750	2,264	16	19
Communications	53	42	562	608	750	250	485	2	4
Housing & Urban Affairs	103	259	269	264	316	330	348	3	3
Petroleum & Natural Gas	23	3	-	0	3	14	2	0	0
Others	505	1,645	481	680	713	1,400	1,089	13	9
Capex	4,263	5,929	7,400	9,492	10,520	10,958	12,218	100	100

Source: Union Budget 2026-27, ICICI Bank Research

Special assistance as loans to states for capital investment have increased to INR 2tn in FY27BE vs INR 1.5tn in FY26RE

Petroleum and power ministry to lead IEBR allocation in FY27



Ministry-wise IEBR allocation (INR tn)						
Items	FY22	FY23	FY24	FY25 A	FY26 RE	FY27 BE
Railways	0.7	0.4	0.2	0.2	0.1	0.2
Roads	0.7	0.0	0.0	0.0	0.0	0.0
Coal	0.2	0.2	0.3	0.3	0.2	0.2
Petroleum & Natural Gas	1.1	1.2	1.4	1.7	1.3	1.3
Power	0.5	0.6	0.5	0.8	0.9	1.0
Housing and Urban affairs	0.1	0.2	0.2	0.4	0.7	0.7
Atomic energy	0.1	0.1	0.1	0.1	0.1	0.1
Communications	0.1	0.2	0.0	0.0	0.0	0.0
Others	1.0	0.8	0.5	1.4	1.0	1.2
Total	4.4	3.6	3.3	4.9	4.3	4.8

- Internal and Extra Budgetary Resources are estimated higher to INR 4.8tn in FY27BE from INR 4.3tn in the previous budget
- Power ministry sees an increased allocation of INR 100bn to INR 1tn in FY27BE
- The ministry with highest estimated IEBR is Petroleum and natural gas followed by power, and housing and urban affairs

Source: Union Budget 2026-2027 & ICICI Bank Research
Note: Values in the table are in INR tn

Fiscal deficit higher than expected

Financing of Fiscal Deficit						
INR bn	FY23	FY24	FY25 A	FY26 BE	FY26 RE	FY27 BE
Fiscal Deficit	17,378	16,546	15,744	15,689	15,585	16,958
Gross borrowings	14,210	15,430	14,007	14,820	14,610	17,200
Net Market Loans	11,082	11,778	11,629	11,538	11,328	11,732
Of which: Net of GST compensation fund	-	781		675		
Repayments	3,127	3,625	2,378	3,282	3,282	5,468
Market Loans for Buyback			-882		-868	
Market Loans for Switching	1,031		1,468	2,500	1,585	2,500
Less Payments for Switching	-1,055		-1,470	-2,500	-1,641	-2,500
Short term/T-Bill borrowings	1,120	532	-1,602	-	-	1,300
Net securities against small savings	3,959	4,514	4,295	3,434	3,722	3,868
Net state provident funds	51	51	40	50	38	35
Net other receipts (Internal debts and public accounts)	835	-887	1,787	407	759	-458
Net external debt	371	551	473	235	205	154
Net draw down of cash balance	-16	8	6	25	457	327

- In FY27BE, fiscal deficit is pegged at INR 16.95tn (4.3% of GDP) which is higher than our estimate of 4.2% of GDP
- Net market borrowing is slightly higher at INR 11.7tn in FY27 (INR 11.3tn in FY26). Gross borrowing number is much higher at INR 17.2tn (FY26: INR 14.6tn), given higher repayments
- Even short-term borrowings have inched up given the expansion in fiscal deficit to INR 1.3tn
- Given higher than projected deficit, long-end yields are likely to inch higher

Source: RBI,CEIC; ICICI Bank Research

Finance Commission: Vertical devolution retained, horizontal to see a change

Devolution Criteria	14th FC 2015-20	15th FC 2021-26	16th FC 2027-2032
Income Distance	50	45	43
Area	15	15	10
Population (1971)	18	-	
Population (2011)	10	15	18
Demographic Performance	-	13	10
Forest Cover	8	-	
Forest and Ecology	-	10	10
Tax and fiscal efforts	-	3	-
Contribution to GDP	-	-	10
Total	100	100	100

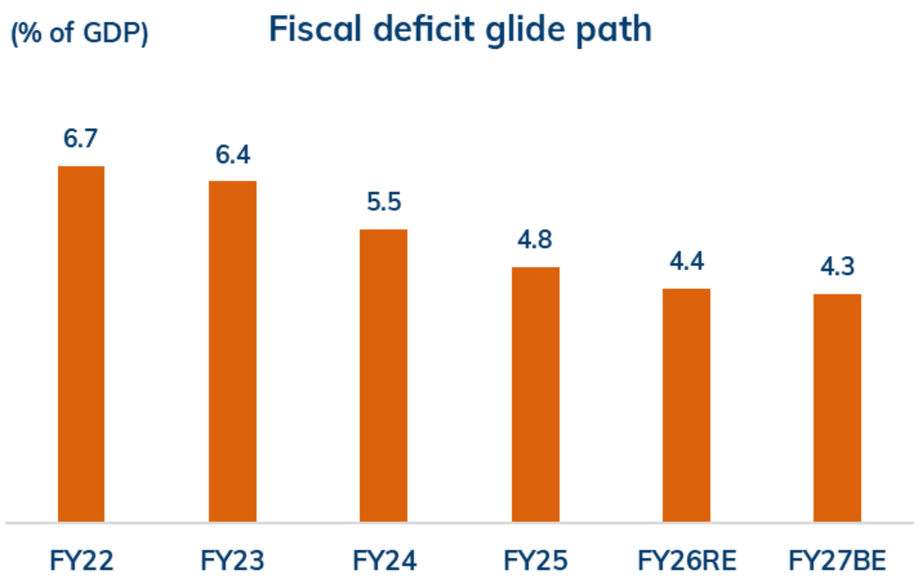
Statewise devolution

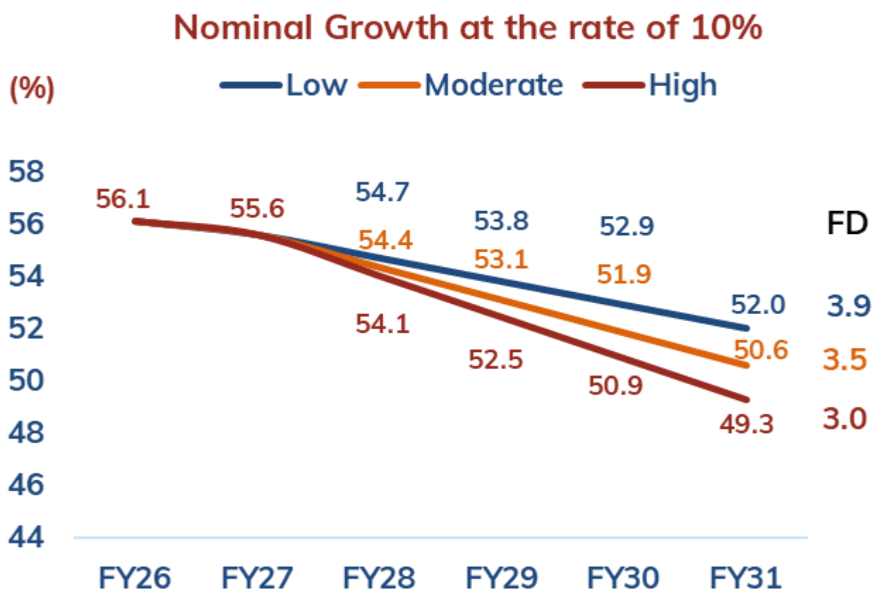
(Out of 100)	14th FC (2015-20)	15th FC (2021-26)	16th FC (2026-31)
Andhra Pradesh	4.31	4.05	4.22
Bihar	9.67	10.06	9.95
Gujarat	3.08	3.48	3.76
Haryana	1.08	1.09	1.36
Karnataka	4.71	3.65	4.13
Kerala	2.50	1.93	2.38
Madhya Pradesh	7.55	7.85	7.35
Maharashtra	5.52	6.32	6.44
Odisha	4.64	4.53	4.42
Punjab	1.58	1.81	2.00
Rajasthan	5.50	6.03	5.93
Tamil Nadu	4.02	4.08	4.10
Telangana	2.44	2.10	2.17
Uttar Pradesh	17.96	17.94	17.62
West Bengal	7.32	7.52	7.22

- The 16th Finance Commission has recommended keeping the vertical devolution unchanged at 41% of gross tax revenue but the horizontal devolution criteria has been changed.
- On the horizontal devolution criteria have witnessed some tweaks with contribution of population seeing an increase in devolution but that of demographic performance witnessing a decline. Though the overall population dynamics as whole have been retained at 27.5% of the devolution.
- The commission also introduced contribution to GDP as a new criterion in horizontal devolution as a surrogate for efficiency-based criteria such as tax effort and fiscal discipline the reason being larger contribution to GDP is indicative of generally better economic management
- While Madhya Pradesh, West Bengal, Uttar Pradesh and Odisha are likely to see a decline in devolution, Karnataka, Kerala, Gujarat, Haryana and Punjab to see an increase

Source: Union Budget 2026-2027 & ICICI Bank Research
Note: Values in the table are in INR tn

Shifting anchor to debt-to-GDP should be growth supportive





- The government has estimated debt-to-GDP at 56.1% of GDP in FY26 and 55.6% of GDP in FY27 which includes EBR. Going forward, we expect gradual fiscal consolidation in coming years to bring debt to GDP lower to 50% (+/- 1%) by March 2031
- This is supportive of growth since fiscal compression is unlikely to be a headwind for growth. For states, 16th Finance Commission has projected a compression of deficit to 3% of GDP for respective states
- Given elevated repayments in coming years, long-end bond yields should see an upward bias

Source: Union Budget 2026-2027 & ICICI Bank Research

Conclusion: Growth should accelerate with higher investments

Growth

- Growth strategy pivots on incentivising investments in manufacturing and services sector driven by tax and process reforms. Railways see a big modernisation plan which can spur growth and bring down logistics costs

Investment

- The Budget focuses on higher public capex led by railways, defence, roads and states which should crowd-in private capex

Manufacturing and Services

- Semi-conductors (ISM 2.0), data services, electronic components, capital goods, construction equipment, tourism and health care are focus areas to see accelerated growth

Expenditure

- Apart from capex, health, education, water and sanitation see higher spending while subsidies are further rationalised

Fiscal deficit

- Lower consolidation this year is positive for growth but implies higher yields. Going forward, pace of consolidation should increase and states could see deficit capped at 3% of GDP

Source: ICICI Bank Research

Annexures

Major PLI Schemes allocation ministry wise

PLI scheme Budget allocation (INR bn)					
Ministry	FY23	FY24 A	FY25 A	FY26 RE	FY27 BE
Ministry of Chemicals & Fertilisers					
PLI Schemes (Pharma)	14.2	16.0	24.3	24.9	25.0
Ministry of Commerce & Industry					
PLI for White Goods (Acs & LED Lights)	0.04	0.74	2.13	3.03	10.03
Ministry of Communications					
PLI to Promote Telecom & Networking Products Manufacturing in India	0.39	-	-	-	-
Ministry of Food Processing Industries					
PLI Scheme for Food Processing Industry	4.90	5.90	4.50	12.00	12.00
Ministry of Heavy Industries					
PLI Scheme for Automobiles & Auto Componenets	0.06	0.03	3.25	20.91	59.40
PLI for National Programme on Advanced Chemistry Cell (ACC) Battery Storage	0.02	0.08	0.12	1.56	0.86
Ministry of Textiles					
PLI Scheme for Textiles	0.07	0.04	0.45	4.00	4.05
Ministry of Electronics & IT					
PLI for Large Scale Electronics & IT Hardware	16.55	42.84	57.56	70.00	15.27
Ministry of Civil Aviation					
PLI scheme for Drones	0.30	0.31	0.37	_	_
Ministry of Steel					
Product Linked Incentive (PLI) Scheme for Specialty Steel in India	-	0.02	0.52	1.93	3.80

Source: Union Budget 2026-27, ICICI Bank Research

Capital expenditure in railway increased by 10.5% YoY to INR 2.9tn

Rail budget at a glance FY27 (INR bn)					
Items	FY23 A	FY24 A	FY25 A	FY26 RE	FY27 BE
Total Working Expenses	2357	2509	2608	2745	2965
OrdinaryWorkingExpenses	1803	1911	2005	2080	2235
AppropriationtoPensionFund	547	590	595	655	715
AppropriationDepreciationReserveFund	7	8	8	10	15
Miscelleneous Expenditure	20	19	22	25	30
Revenue Expenditure	2377	2528	2630	2770	2995
New Lines (Construction)	244	337	334	306	367
Gauge Conversion	26	45	52	43	46
Doubling of Lines	256	368	328	290	378
Rolling Stock	276	540	606	634	655
Leased Assets-Payment of Capital Component	175	207	227	282	397
Road Safety Works	53	67	76	84	90
Track Renewals	163	179	234	252	229
Customer Amenities	22	81	130	121	120
Investment in Government Commercial Undertakings/Public Undertakings/JVs/SPVs	275	319	257	216	173
Others	102	284	264	296	333
Less Gross Total Credits Excluding MTP Credits	34	29	34	28	24
Capital expenditure	1627	2456	2543	2552	2810
Investment from EBR	413	166	150	100	120
Total Capital Expenditure including EBR	2040	2622	2694	2652	2930
Total expenditure	4003	4984	5173	5322	5805
Total expenditure including EBR	4416	5151	5324	5422	5925
Net Revenue Balance	25	33	27	20	30

Source: Union Budget 2026-27, ICICI Bank Research

Physical targets will be priority for ministry of railways

Ministry of Railways- Physical Targets

Items	FY23 A	FY24 A	FY25 A	FY26 RE	FY27 BE
Construction of new lines (Route Kms)	1815	2806	1105	700	500
Gauge conversion (Route Kms)	242	150	166	200	100
Doubling of lines (Route Kms)	3186	2244	1977	2600	2400
Rolling stock					
Diesel Locomotives	103	105	105	100	100
Electric Locomotives	1086	1367	1576	1726	1800
Coaches	5877	6560	7237	9557	10392
wagons (vehicle units)	17935	20186	29889	26000	32000
Track renewals (Route Kms)	5227	5950	6851	5500	6400
Electrification projects (Route Kms)	6565	7188	2701	0	0

Revenue Earning Traffic Performance Targets

Items	FY23 A	FY24 A	FY25 A	FY26 RE	FY27 BE
Passenger Traffic Plan					
Originating Passengers (Millions)	6396	6805	7293	7380	7709
Passengers Kilometers (PKM)(Millions)	958919	1064700	1132500	1170692	1230702
Goods Traffic Plan					
OriginatingTonnage(Million Tonnes)	1509	1588	1635	1700	1765
Net Tonne(Kilometers Millions)	959566	973968	937950	958382	996056

Source: Union Budget 2026-27, ICICI Bank Research

Thank you