



Budget Highlights 2021

Mr. Dinesh Pangtey
CEO, LIC Mutual Fund

- The government's move to focus on economic recovery while creating a fine balance between spending for growth and fiscal consolidation is appreciated. Enhanced outlay on roads and rail infrastructure will provide CapEx-led-stimulus ultimately driving employment generation alongside kickstarting the investment cycle.
- The government's asset monetization program by creating InvITs, relaxing tax norms for sovereign wealth funds /pension funds will speed up the process and a new way of disinvestment process planned by DIPAM like improving profitability & ROE/ROCE matrix will provide the necessary funding to drive growth.
- Efforts to strengthen the financial sector by setting up DFI, ARC to take over stressed banking sector assets, privatization of PSU banks, and bank recapitalization will reinvigorate the financial sector.
- Higher duty on mobile parts to promote domestic value addition, duty inversion corrections in textile, solar, auto parts will help import substitution and domestic value addition to make Atmanirbhar Bharat and provide investment opportunities to investors.
- Agricultural Infrastructure and Development Cess to be used to create and enhance the agricultural infrastructure for efficiently processing and storing agricultural produce will help create great investment opportunities in agriculture and the rural sector.
- We will see growth due to this in the Rural economy and digital initiatives will ensure MF rural penetration faster.

Disclaimer : Source: Union Budget 2021-22. This document represents the views of LIC Mutual Fund Asset Management Ltd. and must not be taken as the basis for an investment decision. Neither LIC Mutual Fund Asset Management Limited, nor its Directors or associates shall be liable for any damages including lost revenue or lost profits that may arise from the use of the information contained herein. No representation or warranty is made as to the accuracy, completeness or fairness of the information and opinions contained herein. The material is prepared for general communication and should not be treated as research report. The data used in this material is obtained by LIC Mutual Fund from the sources which it considers reliable. While utmost care has been exercised while preparing this document, LIC Mutual Fund does not warrant the completeness or accuracy of the information and disclaims all liabilities, losses and damages arising out of the use of this information. Investors are requested to consult their financial, tax and other advisors before taking any investment decision(s). The AMC reserves the right to make modifications and alterations to this statement as may be required from time to time.