

# Budget 2026 | DIPAM Secy signals flexibility on PSU stake cuts below 51%

Tax collections are expected to grow supported by GST trends and economic growth.

The disinvestment and asset monetisation plan includes multiple instruments and public sector reforms.

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Arunish Chawla, Department of Investment and Public Asset Management (DIPAM) Secretary, said that policy options around reducing stake in public sector companies below 51% are being examined. He said the Economic Survey has opened discussion on alternative models for public sector ownership, including reducing government stake below majority level in select cases.

He said, "All these possibilities are on the table." The options include strategic partnerships, joint ventures, and models where the entity may not remain a government company but may still remain under indirect public control.

Chawla said these ideas are part of broader policy discussions aligned with public sector reform and asset monetisation strategy. The government is expected to evaluate different structures depending on the sector and strategic importance.

On market taxation, Arvind Shrivastava, Revenue Secretary, clarified that the securities transaction tax (STT) was increased only for futures and options trading. He said the move was aimed at addressing excessive speculative activity. He said, "STT has been hiked only on futures and options."

He said derivatives trading volumes have grown significantly compared to underlying securities markets and economic size, raising concerns around speculation risks. He said, "It looks to be fairly speculative."

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Shrivastava said the STT hike is not mainly a revenue mobilisation step. However, depending on trading volumes, the tax increase could generate about ₹15,000 crore in revenue.

On tax collections, Shrivastava expressed confidence in revenue growth. They said tax buoyancy has improved after reforms, and goods and services tax (GST) collections continue to show stable growth trends. He said GST growth is currently around mid-single digits and could improve as structural tax changes impact consumption and production patterns.

On disinvestment and asset monetisation, Chawla said the ₹80,000 crore target includes disinvestment receipts, asset monetisation, securitised instruments, and land monetisation. He said new instruments such as public infrastructure investment trusts (InvITs) will support capital raising and infrastructure financing.

Chawla also said strategic disinvestment of **IDBI Bank** has moved to advanced stages, with technical and financial bids invited. They indicated more updates may be announced later in the financial year.

Shrivastava said tax incentives, such as a long-term data centre tax framework, are aimed at attracting global investment while ensuring domestic tax collection from local operations. He said tax policy is being used to support investment inflows and manufacturing expansion.

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