

**Session Report: Budgeting for Breakthroughs: Union Budget 2025 and the Future of Innovation on 01-02-2025**

**Introduction:**

The session titled "Budgeting for Breakthroughs: Union Budget 2025 and the Future of Innovation" explored how the Union Budget for 2025 can shape the future of innovation in India. It highlighted how budget allocations, government policies, and public-private partnerships can foster an environment conducive to groundbreaking advancements in technology, healthcare, education, and more. The discussion also examined the role of the government in stimulating innovation through strategic investments in R&D and infrastructure.

Dr. K. V. Rama Murthy (HOD-MBA) kicked off the session by emphasizing the importance of aligning fiscal policies with long-term goals for national innovation. He set the stage for a detailed analysis of the Union Budget 2025 and its impact on innovation ecosystems.

Here's a summary of the key points from the session:

**Key Discussion Points:**

***1. Union Budget 2025: Key Focus Areas for Innovation***

- **Dr. K. V. Rama Murthy** provided a detailed breakdown of the 2025 Union Budget, emphasizing a sharp increase in allocations for sectors critical to innovation, such as technology, digital infrastructure, and renewable energy. The government has earmarked substantial funds for the "National Innovation Fund," aiming to catalyze research and development (R&D) across key industries.
- A notable inclusion was the proposal for a "Startup Growth Package," designed to promote entrepreneurship in emerging sectors such as AI, biotech, and quantum computing. The package includes tax incentives, regulatory easing, and dedicated innovation zones.

***2. Public-Private Partnerships and Innovation***

- **He** discussed the role of public-private partnerships (PPPs) in creating scalable innovation. She highlighted successful case studies where collaboration between the government and private companies has led to the rapid commercialization of breakthrough technologies. A strong emphasis was placed on creating robust policies that encourage private investment in R&D, particularly in industries with high capital costs, like aerospace and medical devices.
- There was a call for more government-backed incubation centers that can nurture startups through the early stages of innovation.

### ***3. R&D and Funding for Disruptive Technologies***

- **He had** spoke about the growing need for targeted investments in high-risk, high-reward sectors. She advocated for increased funding for disruptive technologies like AI, space tech, and genomics. Drawing attention to the need for focused policy reforms, he highlighted the government's proposal to allocate more resources to develop indigenous capabilities in AI and machine learning, which would help India emerge as a global leader in these fields.
- He also emphasized that the allocation to digital infrastructure is crucial for enabling the next wave of tech innovation. Better broadband connectivity, 5G rollouts, and cloud infrastructure were identified as critical enablers.

### ***4. The Role of Education and Skill Development***

- **He also** shifted the conversation toward the essential role of education in fostering innovation. The Union Budget's proposed investments in skilling and reskilling programs were deemed a significant step in preparing India's future workforce for the demands of cutting-edge industries.
- A key focus of the discussion was the need to reform India's higher education system to make it more innovation-centric, fostering a culture of creativity and problem-solving. He suggested that the government should incentivize universities to partner with industries and collaborate on real-world challenges to create an innovation-driven academic environment.

### ***5. Innovation for Social Impact***

- Another notable aspect was the discussion on how innovation can be geared toward solving India's socio-economic challenges, such as healthcare, agriculture, and climate change. The panelists discussed the potential for innovation in these areas to not only boost India's global competitiveness but also improve the quality of life for millions of people.
- **He** specifically pointed to innovations in agri-tech and clean energy, areas where India has the potential to leapfrog traditional models and lead globally.

### **Challenges and Areas for Improvement:**

While the Union Budget 2025 includes positive steps towards supporting innovation, the panel also identified several challenges:

- **Implementation gaps:** There is concern that despite the budget allocations, the implementation of these funds often faces delays due to bureaucratic hurdles and a lack of coordination between various government agencies.
- **Access to capital for startups:** Access to early-stage funding continues to be a significant barrier for many startups, particularly in Tier-2 and Tier-3 cities. The panel stressed the need for more accessible funding options, especially for women entrepreneurs and founders from marginalized communities.
- **Skilled talent retention:** While India is producing a large number of skilled professionals, there is a risk of talent outflow, particularly to countries offering higher

compensation packages. The government needs to foster a conducive environment for retaining top talent in innovative fields.

## Conclusion:

The session concluded with a sense of optimism for India's innovation landscape. Panelists unanimously agreed that while there is a lot to be excited about in the Union Budget 2025, success will depend on effective execution, collaboration between sectors, and a sustained focus on creating an innovation ecosystem that can drive long-term growth.

Dr. K. V. Rama Murthy wrapped up the discussion by emphasizing that 2025 could be a transformative year for India, provided that the synergies between government, private sector, and academia are fully leveraged to create breakthroughs that shape the future of the country's economy and society.

## Key Takeaways:

- Strong government backing for innovation-focused initiatives, including the National Innovation Fund and the Startup Growth Package.
- Importance of public-private partnerships to scale innovative technologies and ventures.
- Increased investment in R&D for high-impact areas like AI, biotech, and green energy.
- Continued focus on education, skill development, and a talent-friendly ecosystem.
- Challenges in implementation and capital access need to be addressed to fully harness innovation potential.

This session served as a timely reflection on how fiscal policy and innovation can intersect to drive transformative change in India.



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Session On  
**"BUDGETING FOR BREAKTHROUGHS:  
UNION BUDGET 2025 AND THE FUTURE  
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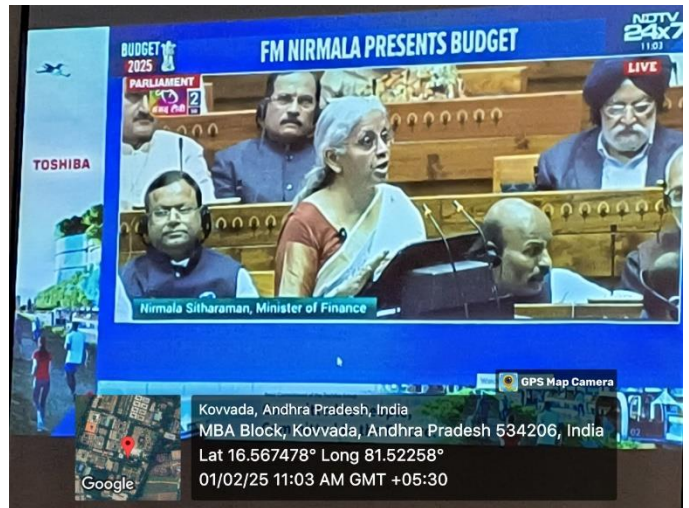
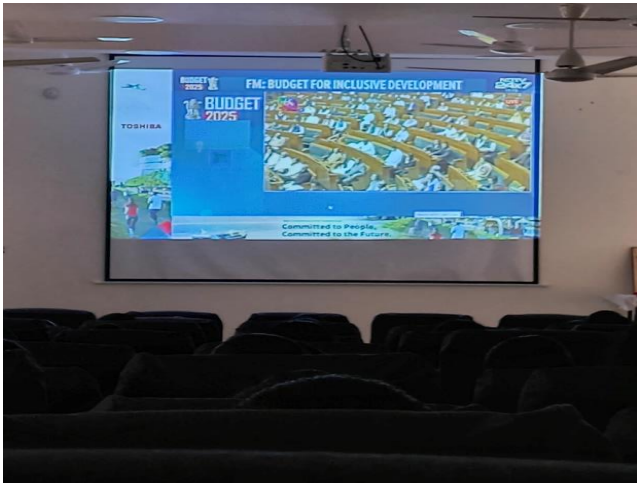
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organized by:  
Institutions Innovation Council(IIC),  
Shri Vishnu Engineering College For Women  
Department of Management Studies

MBA - Block Seminar Hall,SVECW  
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## Key Highlights of the Budget 2025-26

- 1.Focus of this budget is to accelerate growth,driven by our aspirations for a 'Viksit Bharat'.
- 2.Big agri announcement benefiting 1.7 farmers
- 3.A 6 year mission aimed at achieving self reliance in pulses with a special focus on tuver,udad, and masoor dals
- 4.A plan for healthier India
- 5.Kisan credit cards will continue to facilitate short term loans for 7.7 crore farmers,fishermen and diary farmers
- 6.The budget will focus on 6 domains: Taxation,urban development,mining,financial sector,power and regulatory reforms
- 7.Makhana booster for bihar farmers
- 8.5 year mission to boost cotton farming
- 9.New urea plant to be set up in assam
- 10.MSMEs ,the second engine of the growth the focus will be on the 5.7 crore MSMEs
- 11.New scheme for 5 lakh SC/St women to give 2 crore loan
- 12.Saksham anganvadi and poshan scheme to benefit 8 crore kids
- 13.Aim to make India a global toy hub
- 14.Broadband connectivity to govt secondary schools
- 15.3000 crores new funds dedicated to entrepreneurs
- 16.Additional infra to be created in 5 IITs
- 17.Schemes offering support to leather footwear
- 18.Nat'I institute of food tech to be established in bihar
- 19.Expansion of capacity in IITs to benefit 6,000 students
- 20.3 centers for AI for agri,health,education to be set up
- 21.Gig workers to be registered on E ashram portal
- 22.10000 additional seats in medical college and hospitals
- 23.UPI linked credit cards for street vendors
- 24.Aim to achieve 100%tap water access to houtholds
- 25.Atal tinkering labs will be established in 50000 govt schools over next 5 years
- 26.1 lakh crore urban funds for new age cities
- 27.Aiming for 100 giga watts of nuke energy by 2047
- 28.20 crore for small and modular nuke reactors
- 29.Ship building financial assistance policy to be revamped
- 30.Daycare cancer centres in all district hospitals
- 31.Modified UDAAN scheme to add 4 crore flyers
- 32.Ship building clusters will be facilitated
- 33.4 green field airports will be felicitated in bihar
- 34.Expansion of capacity at patna airport
- 35.120 new air destinations will be added
- 36.25000 crore maritime development fund
- 37.Nuclear energy mission for viksit bharat
- 38.Jal jeevan mission extended to 2028
- 39.Skilling and mudra loans in hospitality sector
- 40.Intensive skill development programs for youth
- 41.Visa fee waivers fpr certain tourist groups
- 42.Focus on streamlined e-visa facilities
- 43.10k fellowships for tech research in IITs
- 44.Performance linked incentives for states

- 45.Focus on destinations related to life of budha
- 46.Digital public infra for international trade to be set up
- 47.50 yrs Interest free loans to states for capex
- 48.3 yr pipeline of PPP infra projects
- 49.Medical tourism to be promoted
- 50.New income tax bill next week
- 51.Graamin credit card for self help groups
- 52.Focus on tax payers convenience
- 53.100% FDI in insurance for firms which invest entire premium in India
- 54.Revised fiscal deficit at 4.8% of GDP
- 55.Revamped central KYC registry to be rolled out
- 56.Investment friendliness index for states will be launched in 2025 to promote competitive cooperative federalism
- 57.7 tariffs removed on exports
- 58.36 life saving drug made duty free(fully exempted from custom duty)
- 59.Support for domestic manufacturing facilities
- 60.Custom duty cut for lithium batteries
- 61.FDI limit for insurance sector to be raised from 74% to 100%
- 62.EV and mobile batteries to become cheaper
- 63.Ethernet to become cheaper
- 64.Frozen fish paste to become cheaper
- 65.New income tax bill is simple to understand
- 66.Middle class centric personal tax reforms
- 67.Tax reforms to reduce tax compliance burden
- 68.TDS threshold to be reduced
- 69.TDS exemption limit on house rents increased to 6 lakhs
- 70.TDS threshold doubled for senior citizens
- 71.TCS threshold raised from 7 to 10 lakhs
- 72.Higher TDS only for Non pan cases
- 73.Time limit to file returns extended to 4 years
- 74.No TDS on rent from 2.40 lakh increased to 6 lakhs
- 75.Relief for 2 self occupied homes
- 76.Remove TCS for remittances for education
- 77.NSS withdrawals after aug 2024 exempted
- 78.Only TDS to be levied in goods sale transactions
- 79.No tax upto income of 12 lakhs
- 80.Slabs revised for salary class