Outlook
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Budget 2025

Industry Viewpoint

The Budget 2025 emphasizes infrastructure development, social welfare, economic reforms and aims to address the pressing economic challenges while laying a foundation for sustainable growth


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A Budget for the People

Highlights of the Union Budget 2025-26 as seen through the eyes of industry leaders, educators and stalwarts

Union Minister of Finance and Corporate Affairs Nirmala Sitharaman presented the Union Budget 2025-26 in Parliament on February 1, 2025. The current budget is strategically planned—encouraging demand and investment while keeping fiscal discipline intact. In an environment marked by global trade disruptions and a softening in urban consumption, Finance Minister Nirmala Sitharaman has taken a measured approach. The fiscal deficit target of 4.4 percent of GDP, down from 4.8 percent, signals a firm commitment to consolidation without throttling the economy's growth momentum.

The government has sent a clear message: India will expand, but without reckless borrowing. With gross market borrowings at Rs 14.82 trillion and net borrowings at Rs 11.54 trillion, the fiscal roadmap remains credible. Crucially, the center's debt as a percentage of GDP is set to decline, reinforcing India's financial stability.

Budget 2025-26 provides a roadmap for the introduction of a new income tax bill, tax reforms including no income tax on earnings up to INR 12 lakhs benefiting middle-class taxpayers, rationalised TDS requirements, and providing certainty to non-residents. It also overhauls indirect taxation with comprehensive amendments to customs, central excise, and GST laws while providing basic customs duty exemptions on specified goods to facilitate 'Make in India.'

The 2025 budget highlights the government's focus on agriculture, inclusive development, and the expanding middle class. Key measures include rationalising tax slabs to boost consumption-driven growth, allowing 100% FDI in insurance companies to address market gaps, continuing support for GIFT City as a global financial hub, providing tax clarity for AIF income, and establishing a national framework for global capability centers in Tier-2 cities. Key measures include MSME support, innovation-driven reforms, and tax simplifications to reduce disputes and benefit domestic businesses.

Industry stalwarts from manufacturing, education, retail, and tech industries share their valued opinions on the impact of the budget on their sectors, communities, and the country at large.

> "Together we embark on a journey to unlock our potential for greater prosperity. The Indian economy is the fastest growing among all developing economies."
>
> **NIRMALA SITHARAMAN**
> Union Minister of Finance and Corporate Affairs, GOI

Building the Leaders of Tomorrow

Emphasising the transformative impact of the government's initiatives, Dr C Gangi Reddy shares insights of Union Budget 2025-26 on strengthening India's education ecosystem


Dr Choppa Gangi Reddy, Chancellor, Annamacharya University

Education has always been an important pillar of a nation's growth. The Union Budget 2025-26 has introduced innovative initiatives. The budget for the education sector reflects the government's intent to transform learning infrastructure, research, and digital education. The Union Budget has allocated Rs 50,077.95 crore to the Department of Higher Education, Ministry of Education. There is an increase of 5.16% from the previous year's budget in allocation for school and higher education. This is encouraging for educational institutions.

An allocation of Rs 20,000 crore to the Department of Science and Technology (DST) to initiate a private sector-driven research and development (R&D) fund will promote out-of-the-box ideas and industry-led projects as more corporates tie up with private universities. I envision a huge scope in this field of industry-academia collaboration. The government has also committed funds for fostering innovation in deep tech and emerging sectors, aiming to bolster strategic autonomy in critical technological domains.

From the perspective of universities, where we hone future professionals, I personally laud the government's focus on emerging technologies. A Centre of Excellence in Artificial Intelligence (AI) for Education has been announced with an outlay of Rs 500 crore. AI is now practically used in every walk of life, and by channelling it to meet the ever-evolving global needs, we will be able to reduce disparities and inefficiencies, ensuring equitable and high-quality education across the nation.

The new-age students are tech-inclined, and addressing their future needs, Annamacharya University has incorporated AI and machine learning in the curriculum and crafted multidisciplinary courses. NEP has provided a direction for universities to provide a variety of courses, including new emerging subjects and incubation labs, so that students of rural India are able to access quality learning. The Bharatiya Bhasha Pustak Scheme to provide digital-form Indian language books for students will make quality education more accessible in various Indian languages and strengthen the culture of research and education while ensuring that students from different backgrounds can have uniform learning experiences. These are crucial steps toward positioning education as an economic powerhouse.

I believe that it is now necessary to concentrate on reforms and policies that are driven by results, such as integrating competency-building rather than just skilling, enabling universities to spearhead innovation, and matching research with national needs. Therefore, favourable policies need to be matched with excellent outcomes. The establishment of National Centres of Excellence for Skilling, the expansion of IITs, and grants to central universities are a testimony to the government's investment in future-ready competencies that will shape India's global standing as a knowledge hub.

Harsh Goenka, Chairman, RPG Group

Diving Deep with a Champions Budget

Harsh Goenka opines that Budget 2025 will cleanse structural issues and help India's economic transformation

Like other industrialists who are lauding the powerful impact of Budget 2025, Harsh Goenka also feels that this is a "Champions Budget" that will drive structural reforms and hike up the consumption patterns in India, especially among the middle classes.

Instead of the straight-jacketed industry-specific insight, he has given a humorous take on Budget's relation to the nation's transformation by comparing it to the ongoing Maha Kumbh in Prayagraj, which has extremely special significance as it happens just once in 144 years, marking the completion of 12 Kumbh Mela cycles.

In one of his numerous posts on the social media platform X (formerly Twitter), "Just like the men in blue, FM Sitharaman has announced a Champions budget that Deep(ly) Seeks to institute structural reforms, Trumps consumption woes, putting money in the hands of the middle class. India does a 'shahi snan', cleansing itself from structural issues and transforming towards a truly Viksit Bharat."

This reference to the holy ritual of bathing in the sacred waters to cleanse the soul, is symbolic of the new Budget's role as a financial Maha Kumbh, cleansing outdated economic policies and helping India to have a more balanced fiscal future, This innovative comparison was that of a merging or 'Sangam' of short and long-term priorities, a 'dip' in taxation levels with no tax upto 12 lakhs and an attempt to clean the financials complexities over the years to help the average middle-class Indian.

Even on the eve of the announcement of Budget 2025 on February 1, he was gung-ho about the possible after-effects of the budget saying on platform X that " we businessmen shall don the garb of economists and channel our inner Shakespeare—hailing it as visionary, bold, and a masterstroke! Aye, for most of us, it is 'much ado about nothing' but we shall hail it as a 'midsummer's night dream.,"

He has also made a noteworthy comparison of Budget 2025 with DeepSeek, a Chinese AI firm, which is currently making waves and disrupting the industry with its low-cost, open-source large language models with an open challenge to the high-priced US technology giants. Just like DeepSeek is changing global industries with cheaper alternatives, this Budget will also change the lives of many Indian middle classes with tax-free incomes and monetary help towards a Viksit Bharat.

Goenka is the chairman of Mumbai-headquartered RPG Enterprises (popularly known as RPG Group), comprising over fifteen companies which operate in a variety of sectors ranging from IT, power, infrastructure, tires, and pharmaceuticals to natural rubber and tea production. It has a turnover of over $4 billion and a presence in several countries across the globe.

Union Budget 2025's financial help to small enterprises and start-ups, will also be beneficial to the RPG Group as Goenka also believes in investing in startups through RPG Ventures -- the incubation arm of the group. The RPG business group also runs various CSR initiatives in eye care, women empowerment, education, and local community development through the public charitable trust.

BUDGET 2025
INDUSTRY VIEWPOINT

Harvesting a Favourable Future

Industry leader in AI/ML driven fully automated paddy/rice process solutions, Shashikumar Thimmaiah analyzes the scope of the Union Budget 2025 from the perspective of agribusiness

Shashikumar Thimmaiah, Rice Processing Technology Expert, MD& CEO, APIT Machinery Pvt Ltd

Q What will be the impact of the Union Budget 2025 on the agriculture sector?

The Union Budget 2025 allocated Rs 1,37,757 crore to the Ministry of Agriculture and Farmers' Welfare, which is 2.7% of the total budget. It is an ambitious budget. The government's vision to double the farmers income has already been achieved; in some areas of the staple food business, it has increased to almost 1.5 times. The budget also announced several reforms and programs to boost the agriculture sector, continuing on the same lines as that of the last 4 years.

Q The budget aims at enhanced India AI and tech solutions. How is it benefitting companies like yours?

APIT was launched in 2016, 20 days after the demonetization. GST was introduced in 2017, and our first invoice was raised with GST. Ours was fully automated from day 1, and within a span of 7 years, our turnover reached Rs 155 crores, much ahead of our competitors. This is because we are the first to adopt digital science for our plant automation process and paddy processing technology. We are the only company in this industry capable of customizing each of these solutions based on the requirements of our customers, the market needs, and the condition of the paddy.

The budget aims at enhanced India AI mission funding, the AIe AI Centre of Excellence, and the Deep Tech Fund. It is very encouraging from the perspective of skill development and the deployment of new tech, and all departments and all sectors will soon be touched by AI. It is preempted that in the next 3 years, the biggest digital transformation will happen. Every technology has to integrate with the digital science. I appreciate the government's vision towards digital science. The US, China, and India are all competing in the global tech scenario, and India is taking quantum leaps in a digital transformation phase.

Q What is the advantage of the Budget 2025 in enhancing your business?

The Government of India is contributing in a big way for the MSMEs, providing investment up to Rs 100 crore to set up the industries and introducing a new policy on export funding. Exporter MSMEs will benefit from term loans up to Rs 20 crore with enhanced guarantee cover. If we look at China, there is a clear-cut agenda for every product to reach every country at a certain volume. I see it becoming a reality for India, where every Indian product will reach every country. The budget promises export funding, which will help every MSME with a capability to take their product to more than 150 countries across the globe.

Kumar Mangalam Birla, Chairman, Aditya Birla Group

Accelerating Industrial Competitiveness

Highlighting the government's clear road map, Kumar Mangalam Birla shares his opinion on the Union Budget 2025

The year 2025 marks the completion of a quarter of a century. This extraordinary time span has been an era of monumental shifts with the dawn of the digital age and globalization, climate stewardship, and the advent of artificial intelligence. These 25 years have witnessed transformations that once would have taken centuries to unfold. Kumar Mangalam Birla writes. 'It is evident that in 2025, we will be embracing a U3 world—an uncertain, unpredictable, and unorthodox world.'

Kumar Mangalam Birla lauds Finance Minister Nirmala Sitharaman's eighth budget signals a decisive shift towards structural reforms, aligning with India's trajectory as the world's fastest-growing economy. With sweeping changes across taxation, energy, urban development, financial services, and regulatory frameworks, it sets the stage for enhanced global competitiveness and long-term growth, and infrastructure remains central to the country's economic expansion.

The government has maintained its focus on infrastructure, while aviation and nuclear energy get due attention, writes Kumar Mangalam Birla. Finance ministers face a perennial balancing act when crafting budgets. He acknowledges that the latest budget achieves this with precision. It lays out a clear road map for 'Viksit Bharat' while remaining steadfast in its commitment to fiscal consolidation. At its core is a renewed emphasis on consumption with a Rs 1 lakh crore boost. Higher discretionary income will flow into sectors like housing, automobiles, consumer goods, and travel, providing a much-needed demand stimulus.

Innovation plays a pivotal role in driving growth in India's economy. He believes that technological advances in businesses that innovate, particularly in customer interface, will have a competitive advantage, setting them apart from those that fail to keep up with changing trends. He appreciated the government's allocation of ₹500 crore for setting up a Centre of Excellence in AI for education to improve India's education system by using AI.

"At the heart of this strategy is the National Manufacturing Mission, designed to strengthen India's industrial competitiveness across enterprises of all sizes. By refining execution roadmaps at both central and state levels, the initiative enhances productivity, reduces costs, upskills the workforce, supports medium and small enterprises (MSMEs), and drives technological innovation, all while ensuring adherence to global quality benchmarks. The government's ambition is clear—to establish India as a formidable player in global manufacturing supply chains," said Kumar Mangalam Birla.

Enhancing Rural Development

Elaborating on the key areas aimed at the holistic development of rural India delineated by the Union Budget 2025, Dr Umakant Dash is positive about the integration of rural economies with national and global markets

Dr Umakant Dash, Director, Institute of Rural Management Anand

Q What will be the impact of the Union Budget 2025 on the rural sector?
The allocation of Rs 1.88 lakh crore to the Ministry of Rural Development in the Union Budget 2025 signifies the government's commitment to strengthening rural India. The budget focuses on key areas such as employment generation, women empowerment, education, and infrastructure development in rural India. These initiatives are aligned with the vision of a 'Viksit Bharat,' aiming for inclusive and sustainable development across India's vast rural landscape.

Q What are the key areas of the budget impact in the rural sector?
The allocation for the Mahatma Gandhi National Rural Employment Guarantee Act at Rs 86,000 crore aims to provide consistent wage employment opportunities, which will increase the purchasing power of rural households and stimulate local economies.

Agricultural advancement by introducing long-term programs to boost the production of pulses and cotton will reduce import dependence and enhance farmers' income. Initiatives such as the six-year plan to increase pulse production, coupled with state agencies procuring pulses at guaranteed prices, are steps toward achieving self-sufficiency and ensuring fair compensation for farmers.

Investments in rural infrastructure development, including roads, electrification, and digital connectivity, are anticipated to improve access to markets, education, and healthcare. Enhanced infrastructure will facilitate easy movement of goods and services and reduce transaction costs. Allocations toward education and skill development will equip the rural workforce, thereby reducing migration to urban areas and fostering local development.

Focusing on women's empowerment through initiatives like the 'Lakhpati Didi' scheme and programs will enhance women's participation in economic activities, promote entrepreneurship, and improve social welfare.

Q As an institution of higher education, how is IRMA impacting the rural sector?
Institutions of higher education like the Institute of Rural Management Anand (IRMA) play a significant role in shaping the education sector, particularly in the context of rural development. IRMA, with its 45-year legacy of shaping and nurturing rural-orientated managers has pioneered integrated management education with rural orientation, creating a unique curriculum that addresses the needs of rural communities. Faculty at IRMA are engaged in research on various aspects of rural development, generating knowledge that informs policy and practice. For example, conducting research studies in association with the World Bank and IMF, focusing on women-led income generation initiatives in villages.

IRMA offers tailored training and management development programmes for professionals working in various sectors, enhancing their skills and competencies. Our students engage directly with rural communities through fieldwork and internships, applying their learning to real-world contexts and contributing to community development.

The institution actively engages in policy discussions with the Union Government and various state governments as well as government bodies, providing insights and recommendations to shape policies.

Suneeta Reddy, Managing Director at Apollo Hospitals Enterprise Limited

Budget Revitalises Indian Health Sector

Suneeta Reddy is optimistic about slashed income tax brackets that enable affordability in healthcare

Suneeta Reddy, the Managing Director of Apollo Hospitals, is renowned for her visionary leadership and relentless pursuit of excellence in the healthcare industry.

With tax exemption up to 12 lakh annual income and other tax benefits up to 25 lakhs, the highest gainers will be the Indian middle class who are most likely to convert the newly-acquired disposable income into sensible segments such as savings, consumption, healthcare, and health insurance. Increasing the FDI limit for insurance from 74% to 100% will help India strengthen its medical insurance penetration, a larger risk pool, and lower premiums.

The finance minister's focus on medical tourism and Heal in India, supported in partnership with the private sector, along with capability building and easier visa norms will create a $100 billion opportunity globally. This will position India as a global destination for high-quality healthcare.

The Economic Survey of India from the Ministry of Finance as well as the Union Budget 2025 have highlighted maintaining good health in many ways as a nation-building strategy. With cancer being the primary cause of death globally and the reported percentage of cancer in India has increased by 8% per annum, the Union Budget's focus on healthcare is commendable. The focus on setting up 200 day-care centers in 2025-26 and more district hospitals over the next 3 years, for cancer treatment will be beneficial to those living in rural areas with easy access to chemotherapy, medication, and clinical treatment.

The Union Budget 2025 has also announced an increase of 10,000 medical seats over the next year which will result in 75,000 seats over 5 years). This will give increased opportunities to many young students to pursue their dreams of being a doctor as well as increase the supply of healthcare workforces such as paramedics, nurses, and doctors and create jobs for the country's young graduates.

A social security scheme for freelance workers will probably benefit nearly 1 crore is a welcome measure, given their essential role in the new-age economy. The move is likely to benefit nearly 1 crore workers who will be provided health insurance under the Pradhan Mantri Jan Arogya Yojana.

The UnionBudget 2025 has added around 36 life-saving drugs and medicines to the list of fully exempt medication. Lakhs of patients will now avail the benefits of lower costs of medication and healthcare. The medical fraternity anticipates positive regulations in domestic business as well as competing globally. In this regard, the Union Budget 2025's announcement of a high-level committee for a simple investment and regulatory framework across sectors offers a ray of light to this aspiring segment.

A member of the founding family since 1989, Suneeta Reddy's deep domain knowledge has guided Apollo's emergence as a financially sound hospital enterprise. Well-known for taking Apollo into the international equity markets through a successful GDR and bringing the First Foreign Direct Investment into the healthcare industry, she has been at the centre of the group's dramatic growth and profitabilty.

Boosting the MSME Platform

Highlighting the Union Budget 2025, VSN Raju speaks about the balanced approach to resuscitate consumption and incentivise private sector business activity

VSN Raju, Director & CEO, Coempt Edu Teck Pvt Ltd

The Union Budget 2025 is encouraging for startups and MSMEs. The investment limits have been increased by 2.5 times, and turnover limits have been doubled. This expansion aims to empower MSMEs to scale up without losing out on crucial benefits and incentives. This budgetary decision will drive broader economic growth and employment.

From the perspective of ed-tech sector, enhanced India AI mission funding, AI Centre of Excellence for Education, and a Deep Tech Fund to fuel innovation are some very promising initiatives of the government. India is a leading technology-driven nation, extending supportive policies and using ICT interventions across industries. As observed in our industry, increased usage of technology-driven e-learning, assessment, and examination solutions has bridged the socio-economic and regional divide, ensuring a constant supply of industry-ready professionals.

The Union Budget 2025 has announced an allocation of Rs 500 crore to create a Centre of Excellence in Artificial Intelligence (AI) dedicated to education. AI and machine learning, medical, and technical education get a major boost.

In the examination space, companies like ours have started developing analytics and are integrating AI-components in our End-to-End Examination solutions that includes question paper management System (QP receiving, QP setting, and QP secured delivery) to ensure quality question papers are generated. Also AI-components/ agents are being integrated wherever repetitive task are involved in other crucial activities are involved related to pre-exam, during exam, and post exam automation including on-screen marking and Online exam conduction. We have taken a paradigm shift in providing e-learning resources to student-teachers by integrating AI that will suggest study path based on their learning pattern and connect them to expert teachers and industry accurately where students can explore internship and job opportunities without moving out of the learning platform which are some of the major NEP components that are helping us meet desired business goals. We have bundled these solutions as products, i.e., Onmark, OneX and Ulektz.

These products are designed to combat issues like the recent NEET UG 2024 question paper leak that gave rise to controversies and high level enquiries. Such kinds of issues can be avoided and effectively addressed through our solutions. Our products are 'Made in India,' chosen by reputed institutions over foreign products, therefore contributing to India's economic growth.

This budget will positively impact education in rural and semi-urban India. In the last 10 years, the trend of moving to institutions from rural areas is reducing because of the availability of resources and quality infrastructure in villages and smaller cities. People are now willing to work in rural areas with newer opportunities being created in their native places. The tax policy is encouraging for the middle class and lower-income groups, offering relief for the masses to build their ecosystem. India's journey into the digital era is marked by remarkable expansion and creativity. The budget has a balanced approach to economic expansion, fiscal prudence, and social inclusivity.

Uday Kotak, Chairperson of Kotak Securities

India Heads for a Secure Fiscal Future

Uday Kotak, opines on Budget 2025's strong steps towards steady fiscal consolidation and a Viksit Bharat

The new Union Budget with its tax sweetener for the middle classes with an upto 12 lakh tax-free income is expected to help consumption and greatly improve the ease of doing business while helping steady fiscal consolidation and managing India's economic recovery. With the Union Budget's clear focus on fiscal discipline and a target to reduce the fiscal deficit to just 4,4% by FY 26, the Indian economy is on a new high.

The Finance Minister Nirmala Sitharaman's most notable reform in Budget 2025 is the simplification of the income tax regime. The introduction of new tax slabs with higher exemptions which include notable tax exemptions for the middle classes earning up to Rs 12 lakh annually along with some reduction in tax liabilities of those in the higher slab earning up to 25 lakh is expected to improve consumption rates and the Indian economy. With the Union Budget's clear focus on fiscal discipline and a target to reduce the fiscal deficit to just 4,4% by FY 26, the Indian economy is on a new high

In addition to income tax relief, the new Union Budget 2025 also focuses on provisions for start-ups and exemption of tax benefits for new ventures and a huge fund dedicated to supporting innovation and growth in small entrepreneurs segment in various fields. Uday Kotak has praised the well-rounded approach taken toward fiscal discipline, employment generation, and support for Micro, Small, and Medium Enterprises (MSMEs). With the right fiscal discipline being maintained along with a strong focus on employment and MSMEs, it is indeed a well-thought-out Budget for the coming year..

He feels that this simplification of capital gains tax and the strategic increase in the Securities Transaction Tax (STT) is a necessary measure to manage high derivative volume, which will help stabilize the Indian economy. Along with this, the paradigm shift from saver to investor also continues.

This new budget's focus on maintaining a well-planned fiscal discipline will help to reduce the fiscal deficit to 4.4% by FY2026. The Indian government's is committed to Rs 10.18 lakh crore in capital expenditure for FY25, stressing investments in infrastructure, connectivity, and energy.

The Indian economy had grown by around 5.4% in real terms in the July-September quarter of financial year 2024-25. The quarterly growth was a bit lower than RBI's forecast of 7% in the April-June quarter as India's GDP grew at a slower pace. Urban consumption had reduced as persistent inflation dampened the purchasing power of the urban poor. However, the new Union Budget with its many policies geared towards helping the middle classes, is expected to stabilize the Indian economy.

An Indian billionaire and one of India's most successful bankers, Uday Kotak as the founder and the former CEO of Kotak Mahindra Bank, remains extremely optimistic about market capitalization and profitability over the coming year.

Fuelling Industrial Transformation

Budget 2025 sets the direction for India's manufacturing expansion. Suresh Vekaria shares his observations on the expected multiplier effect on the economy

Suresh Vekaria, Managing Director, Synnova Gears and Transmissions Pvt Ltd

The Union Budget 2025 lays a strong foundation for India's long-term economic growth, with a focus on manufacturing, clean mobility, infrastructure development, MSMEs, and middle-class consumption and GDP growth targeted at 10.10%. With enhanced investment and turnover limits, the Credit Guarantee cover enhanced for MSMEs from Rs.10 crore to Rs.20 crore, creates a scope for Indian business houses to become global players.

With over 5.7 crore MSMEs generating 36% of the country's manufacturing output and 45% of its exports, these companies are essential to strengthening India's position as a major hub for global manufacturing.

At Synnova, we are extremely focused on following global standards of excellence in utilizing resources efficiently, innovating processes and products, emphasizing defect prevention, or focusing on waste reduction across the supply chain. The budget removes inverted duty structures, making domestic manufacturing more cost-effective for auto components. The budget is commendable for its strategic focus on empowering MSMEs, and it will further fuel our company's growth strategy.

The finance minister announced that the government will set up a ‘National Manufacturing Mission’ that aims at ease and cost of doing business, upskilling for in-demand jobs, MSMEs, availability of technology, and quality products. This is a positive initiative and will expand export capabilities and drive innovation in clean energy. Nuclear push for clean energy target of 100 GW of nuclear energy by 2047, while simplifying taxation and boosting investments in key industries.

Also, by setting up five National Centres of Excellence for skilling, it will enhance AI-based research and development while addressing the growing need for skills in technology-driven manufacturing. Global expertise and partnerships to equip our youth with the skills required for ‘Make for India, Make for the World’. The establishment of a national guidance framework to assist states in supporting Global Capability Centers (GCCs) will enhance global competitiveness.

The budget focused on multimodal connectivity and digital infrastructure to strengthen logistics efficiency and reduce costs. The specific focus on rural prosperity and agriculture, coupled with reforms in the Personal Income Tax, will help create demand. The allocation of Rs. 20,000 crore to implement a private sector-driven research, development, and innovation initiative is a significant move that will stimulate technological advancements and drive industrial transformation.

Budget 2025 increased the limit of income tax exemption to Rs.12 lacs. This will increase the disposable income of people allowing them to spend more on automobiles. The new structure will reduce taxes on middle class and leave more money in their hands boosting household consumption, savings and investment, paving the way for India to become a global manufacturing hub, driving innovation, sustainability, and economic growth.

Prof S Sadagopan, Founder Director, IIIT-Bangalore

Emerge and Excel

Lauding the government's vision of a Viksit Bharat, Prof S Sadagopan highlights the positive impact of the Union Budget 2025-25

Union Budget 2025-26, presented by Finance Minister Nirmala Sitharaman, got a lot of attention, thanks to increased income tax exemption limit and the revised tax slabs, benefiting the rather vocal salaried-class in India. But importantly is the positive impact of the budget for industry.

MSMEs and manufacturing: In the past couple of budgets, manufacturing by large-scale industry has been receiving attention from the government; leading to India emerging as one of the key exporters of smart phones and small cars. For example, Apple iPhone exports from India has reached over ₹1 lakh crore in 2024, Maruti Suzuki exported 280,000 cars in Asian countries, South America and Africa.

As a follow-up Budget 2025 talks of a national MSME manufacturing mission covering small, medium and large industries furthering “Make in India”

An Urban challenge fund of ₹1 lakh crores has been announced for Cities that will serve as growth hubs. Various customs duty exemptions have been introduced to boost manufacturing in sectors like electric vehicles and components used in ship-building.

Research and development: Modern industry is increasingly driven by science & technology. Research & Development forms the backbone of science & technology today. Union Budget 2025 has allotted ₹20,000 Crores for private-sector driven R & D and innovation initiatives; this will further the enhanced investments in public sector R &D (ISRO, DRDO, CSIR) announced in the budget

Start-ups: they play an increasing role in the growth of the nation. Recognising the importance of the start-ups, startups registered before March 2027 can avail themselves of an extended tax holiday, alongside simplified GST regulations to ease compliance burdens

Infrastructure: A modified UDAAN Scheme to further connect 120 new destinations announced in the budget would lead to economic growth and distribution of economic growth into the country's hinterland. Connectivity also serves as a key infrastructure for distributed manufacturing

Technology: A CoE (Centre of Excellence) in Artificial Intelligence for Education with Rs 500 Crores investment is being set up. IIT's – that provide the core manpower for tech industry - will see capacity expansion through the creation of additional 6,500 seats (from the current 17,000 B Tech seats across all 23 IITs) in five IIT's, started after 2014 – IITs at Jammu, Bhilai, Dharwad, Palakkad and Tirupati.

50,000 Atal Tinkering Labs in Government Schools in the next 5 years will create R&D culture among the students entering colleges.

Reshaping the Generation Next

Expressing his views on the Union Budget 2025-26, Syed Muhammad Ali al-Hussaini appreciates the government's endeavour towards empowering India's population with a world-class education and building capacities of human capital

Syed Muhammad Ali al-Hussaini, Chancellor, Khaja Bandanawaz University

Spearheading fast-paced growth in India's innovation landscape, Finance Minister Nirmala Sitharaman, in the Union Budget 2025-26, has allocated ₹20,000 crore to the Department of Science and Technology (DST) towards a private sector-driven research and development (R&D) fund. It is a much-appreciated scope for higher education institutions like ours, who are constantly innovating and embracing changes to keep up with the global trends.

A key highlight of the budget is the increased focus on technical education. The government has also committed funds for fostering innovation in deep tech and emerging sectors to accelerate ownership in critical technological domains. Khaja Bandanawaz University (KBNU) is a research-orientated university focused and dedicated to the betterment of humanity. Aligned with the traditions of the culture of the founding fathers, implementing high-end research and innovations provides a platform for our students, faculty, and external participation in research and development to achieve excellence in higher education. Industry-academia partnership will not only enhance learning but will also create a scope for future innovations.

While Anusandhan National Research Foundation has been an important initiative in fostering innovation, additional focus on private educational institutions in the current budget will provide a much-needed boost to the sector, given that a higher number of students take admission in private institutes compared to government ones.

I appreciate the initiative towards access and equity for underprivileged students through increased funding for scholarships, expansion of online and digital learning platforms, and cross-cultural collaborations through AI. Budget 2025 proposes setting up a Centre of Excellence in Artificial Intelligence for education with a total outlay of Rs 500 crore, which will enhance teaching and learning experiences and hone technological skills across disciplines. To equip the youth for global opportunities, the establishment of five National Centres of Excellence will focus on upskilling through global expertise.

The Bharatiya Bhasha Pustak Scheme, which promotes quality education accessible in various Indian languages, is an inclusive step towards providing equal opportunities to all students. The philosophy of KBNU is aligned with this humanitarian objective and has been creating uniform learning opportunities for all students from different backgrounds and social strata.

Overall, it is a good budget with innovative approaches. With an allocation of Rs 128,650 crore for education, the Union Budget 2025 introduces transformative reforms aimed at empowering young learners and fostering educational innovation. By increasing medical seats, enhancing skilling infrastructure, and growing IITs, the government is focused on creating more job opportunities and equipping the next generation with essential skillsets, supporting India's vision of becoming a 'Viksit Bharat.'

Radhika Gupta, MD and CEO, Edelweiss Mutual Fund

Tax reliefs to promote consumption

Radhika Gupta, feels Budget 2025 will boost consumption amid economic challenges and revive market sentiment

Edelweiss Mutual Fund, as a leading Asset Management Company (AMC) in India is looking forward to reaping the benefits from the new Union Budget In India, which has many favorable and well-thought out financial policies for the Indian masses.

The income tax relief from Rs 7.5 to 12 lakh, is the single most important aspect of the Union Budget 2025 that will energize consumption as it will put more money into the hands of the middle class and energize growth at this crucial juncture of the Indian economy. This tax relief has addressed the present here and now needs of the average Indian families and is a bold and much-needed move that will help to stabilize the economy. This increased consumption will directly benefit segments tied to consumer spending and lead to higher mutual funds inflows .Radhika Gupta feels that the present economic market is currently very jittery with many new political developments led by the US, after the latest economic policy announcements after President Donald Trump came into power this January. Competition in the AI market has also intensified with the launch of DeepSeek - a new set of frontier AI models from China that is low-cost to create and use- which and has intensified competition between OpenAI, Google, and other technology giants.

Midcaps were also taking a hit while reflecting investor nervousness ahead of the Union Budget, which has currently turned the tide putting most of these doubts to rest, after the announcement. The much-awaited increase in consumption is expected to finally happened and the lack of pickup in the private sector will also be addressed. Consumption is now the word of the day as the disposable income of the middle-income group increases and continues to strengthen India's economy. i

Having won several awards over the years, such as the Young Global Leader by the World Economic Forum and Young Women Leader of the Year award from the Confederation of Indian Industry (CII), both in 2022, her's is a strong voice to reckon with in the finance segment of the Indian economy. While leading Edelweiss Mutual Funds, she has always encouraged small and big investors to steer clear of panic and instead prioritize disciplined, long-term investment strategies of 10 years or more. The new Union Budget is also expected to positively impact the SIP schemes (Simple Savings Investment), which address both investment goals and the routine savings of common people. This will further help the mutual fund industry who have effectively designed and sharpened this tool over the years, making it appealing to a diverse group of investors across the country. With Budget 2025 now in action, all the focus will be on how the markets and consumer trends among the middle classes wil evolve over the year.

BUDGET 2025
INDUSTRY VIEWPOINT

Building the Future: Cantabil's Growth Plan

Cantabil continues its growth journey with strategic retail expansion, strong branding, and a focus on emerging markets

Deepak Bansal, Promoter & Whole-Time Director, Cantabil Retail India Ltd.

Q The textile and apparel industry has welcomed the Union budget for 2025-2026, with increased allocation for the industry. How do you see the budget as a shot in the arm for the industry as a whole and the retail apparel sector?

The Union Budget 2025-26 prioritizes consumption growth with impactful tax reforms. The higher tax exemption limit of ₹12 lakh under the new regime, along with streamlined TDS rates and thresholds, will enhance disposable income, driving consumer spending. These measures are expected to stimulate retail sector growth.

Q For the new stores planned for 2025, which locations or regions are being prioritized?

Cantabil has witnessed remarkable growth over the years, expanding its footprint across 20 states and over 275 cities in India, with a network of 580+ stores. Our expansion strategy remains strong, with a focus on increasing our presence in Tier II and Tier III cities while also enhancing our online reach.

In current fiscal year, we have launched 50 new exclusive retail outlets as of now and additionally 26 new stores are planned in the month of Feb & Mar'25. We spread our foot-prints in different cities including Jaipur, Jodhpur, Rajkot, Lucknow, Dehradun, Chandigarh, Pune, Ambala, Bhopal, Ludhiana, Prayagraj, Raipur, Nashik etc. Recognizing the vast growth potential in emerging markets, we are strategically targeting Maharashtra, Gujarat, Uttar Pradesh, Uttrakhand, Jammu & Kashmir, Madhya Pradesh, Punjab, Chandigarh, Bihar, Jharkhand, Chhattisgarh, Haryana, West Bengal, and the North East for further expansion.

Our long-term vision aligns with achieving ₹1,000 crore in revenue by FY 2027. A key milestone in this journey was the opening of our Flagship stores in Kamla Nagar & Karol Bagh, reinforcing our commitment to building a nationwide presence.

Q How has Cantabil adapted to the rise of online shopping and e-commerce trends?

Since the pandemic, our online journey has grown steadily, leading to a significant rise in sales. Today, we are present across all major marketplaces, including Myntra, Ajio, Flipkart, Nykaa, Amazon, and Tata Cliq, along with our own brand website, catering to the ever-expanding e-commerce landscape.

To enhance customer convenience, we have embraced an omni channel retail approach, seamlessly integrating our physical stores with online platforms. This not only allows customers nationwide to explore our collection with ease but also reduces delivery lead times. By bridging the gap between offline and online retail, we have made Cantabil products more accessible than ever, ensuring a seamless shopping experience for consumers across the country

Q What marketing or branding strategies have helped Cantabil become a trusted name in India?

Cantabil has established itself as a trusted name in Indian fashion through a strategic blend of effective marketing and branding initiatives. A key driver of our success is our commitment to affordability without compromising on quality—an approach that resonates strongly with budget-conscious yet style-savvy Indian consumers.

Our marketing efforts are designed to maximize reach and engagement, featuring targeted advertising that showcases our diverse product range, including formal wear, casual wear, and accessories. We actively encourage customer feedback, using valuable insights to enhance product quality and customer service, fostering strong, long-lasting relationships with our consumers.

Sajjan Jindal, Chairman and Managing Director, JSW Group

Boosting Domestic Growth

Sajjan Jindal welcomes the budget's push for middle-class consumption and infrastructure upgrades

The Union Budget 2025-26 presented by Finance Minister Nirmala Sitharaman is a forward-looking roadmap that will play a pivotal role in shaping the future of India's manufacturing industry, in line with the country's vision for a 'Viksit Bharat' by 2047.

The budget aims to initiate transformative reforms in taxation, the power sector, urban development, mining, the financial sector, and regulatory reforms to augment India's growth potential and global competitiveness.

According to Sajjan Jindal, this budget provides more money in the hands of the middle class, which will help boost consumption. A change in tax slabs is a welcome step, effectively placing more disposable income in the hands of the Indian consumer. This will encourage the private sector's capex to move in a positive direction. The government has maintained its thrust on capex, though the spend of Rs 11.2 trillion (US$ 128.48 billion) is lower than a spending of around Rs 13 trillion (US$ 149.13 billion) that he was hoping for, based on the past trend. But still, capex spend is at a robust level and will give a boost to the core sectors. The government had increased capex by 37.5% to Rs 10,00,000 crore (US$ 114.72 billion) in FY24, aiming to boost infrastructure, create multiplier effects, and encourage private sector investment, particularly in the post-Covid recovery phase.

The boost to MSMEs, by increasing investment and turnover limits and expanding credit guarantees, is a very important step towards increasing the contribution of the manufacturing sector to our economy. The creation of a 3-year pipeline for Public-Private Partnership (PPP) projects and making the PM Gati Shakti data available for private sectors are important steps that will help the industry plan and execute large projects.

Sajjan Jindal lauds the allocations, including Rs 20,000 crore to foster innovation and Rs 1.5 lakh crore in 50-year interest-free loans to states for capital expenditure on infrastructure development, which are expected to significantly bolster growth in the core sectors. It prioritizes growth in key sectors such as infrastructure, manufacturing, and technology.

"The boost to MSMEs, by increasing investment and turnover limits and expanding credit guarantees, is a very important step towards increasing the contribution of the manufacturing sector in our economy," said Sajjan Jindal.

JSW Group of companies is diversified in steel, mining, energy, sports, infrastructure and, software business. JSW is set to invest Rs 1.2 lakh crore across steel, energy, infrastructure, cement, and paints, deepening its commitment to the state of Karnataka. The investment, spanning steel, energy, infrastructure, cement, and paints, aims to bolster Karnataka's industrial and economic landscape while creating thousands of employment opportunities.

Beyond Boundaries, Building Futures

Aligning with the vision of 'Viksit Bharat,' Aditya Vikram Birla welcomes Union Budget 2025-26 as a catalyst for growth, reinforcing India's position in the global market

Aditya Vikram Birla, Chairman & MD, Cosmic Birla Group

The Cosmic Birla Group applauds the Union Budget 2025-26, presented by Finance Minister Nirmala Sitharaman, for its visionary roadmap that emphasizes infrastructure development, fiscal discipline, and social welfare. The budget prioritizes increased capital expenditure, with a strong focus on modernizing India's railway sector and improving connectivity, which will drive economic activities across the nation. Additionally, the government's push for green energy, digitization, and industry-specific incentives is expected to foster long-term sustainability and innovation. Aditya Vikram Birla, Chairman & MD of Cosmic Birla Group, has expressed his optimism regarding the budget, stating, "We view this as a positive step towards reinforcing India's position in the global market. The focus on infrastructure and technology-driven growth aligns perfectly with our vision. These initiatives will create a conducive environment for businesses, drive job creation, and enhance India's competitiveness in the world economy."

Cosmic Birla Group's growth strategy is aligned with budget priorities. As a diversified conglomerate with interests spanning multiple industries, Cosmic Birla Group sees immense potential in the budget's provisions. The group operates across key sectors, including engineering, electric mobility, consumer goods, trade, and infrastructure.

Engineering and Infrastructure: Cosmic Birla Engineering Solutions, a subsidiary of the group, specializes in advanced manufacturing, construction solutions, and railway modernization. With the budget's increased allocation for rail and highway projects, the company anticipates robust growth in government contracts and infrastructure partnerships.

Electric Mobility and Sustainability: The group has been a key player in India's transition to sustainable transportation. Its electric vehicle (EV) division is expanding production capabilities, with a state-of-the-art manufacturing facility in West Bengal.The budget's focus on green energy and incentives for EV adoption further strengthens the group's long-term plans.

Consumer Goods and Trade: Cosmic Birla Group's consumer goods division continues to cater to a broad market with high-quality products in home essentials, electronics, and lifestyle segments. The push for digital transformation and supply chain efficiency in the budget will enhance operational capabilities and market reach.

Technology and Digital Transformation: With the government's emphasis on digitization, Cosmic Birla Tech is gearing up for AI-driven innovations in industrial automation and fintech solutions, contributing to India's digital economy. The Cosmic Birla Group remains committed to leveraging these growth opportunities and playing a pivotal role in India's journey toward economic prosperity and technological advancement.