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Pre-Budget Dialogue: Industry Leaders on India's Economic & Healthcare Priorities

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Insights from BioSpectrum India's Pre-Budget Session



With the Union Budget 2025 on the horizon, **BioSpectrum India** hosted a **pre-budget session virtually** led by **CEO Manasee Kurlekar**, featuring esteemed industry leaders **Dr. rer. nat. Nagaraj Rao**, **Managing Director of Rane Rao Reshamia Laboratories Pvt Ltd**, and **Dr. Chandrashekharan S**, **Chairman & Managing Director of Vipragen Biosciences**

The discussion focused on **India's GDP trajectory, innovation-driven biotech growth, healthcare infrastructure, talent retention, and policy expectations** from the upcoming budget.

India's GDP Growth & Competitive Landscape

Kicking off the session, **Dr. Nagaraj Rao** provided an economic outlook, stating that **India's GDP growth is projected between 6% to 7.5% in 2025**. He highlighted that while India benefits from a **robust domestic market**, **state-wise GDP disparities persist**, with states like Assam achieving an impressive **19.1% growth rate**.

He noted that **China's aggressive industrial strategy and government-backed infrastructure investments have given it an edge in biopharma and green energy sectors**. He emphasized that India's approach should not rely solely on government support but must involve **industry-led initiatives to improve industrial parks, utilities, and supply chain resilience**.

Key Takeaway: *India must accelerate infrastructure and industrial growth to reduce dependency on China and compete globally.*

Healthcare & Life Sciences: Government Intervention Needed

Dr. Chandrashekharan S addressed the **post-pandemic healthcare priorities**, emphasizing **India's rapid biopharma advancements** but also the **gaps in innovation, funding, and ecosystem support**.

He pointed out that **while India has made strides in life sciences, biotech manufacturing, and research incubation, a structured innovation framework is still lacking**. To compete with global leaders, India must focus on:

- **Expanding biotech clusters** to facilitate deep-tech startups and academic collaborations.
- **Strengthening regulatory and financial support** for startups scaling from R&D to commercial production.
- **Enhancing tax incentives** for companies investing in biotech R&D.
- **Reducing intellectual property (IP) registration costs** to help startups retain ownership of their innovations globally.

Key Takeaway: *India must bridge the gap between innovation and commercialization through regulatory reforms, IP protection, and financial support.*

Addressing the Talent & Retention Crisis

Both speakers agreed that **India faces a critical talent shortage in life sciences and technology-driven sectors**. **Dr. Rao** noted that while India produces world-class researchers, **many leave for better opportunities abroad due to lack of career stability and funding**.

He emphasized the need for:

- **Industry-academia partnerships** to ensure practical training beyond theoretical education.
- **Government-backed talent retention programs** to incentivize skilled professionals to stay in India.
- **Mentorship and long-term career planning** to prevent high attrition rates among biotech professionals.

Key Takeaway: *Building a strong innovation ecosystem requires nurturing and retaining talent through better education, funding, and career support.*

Digital Transformation in Biotech & Pharma

In discussing **digital advancements in healthcare and pharma**, **Dr. Chandrashekharan** highlighted that **AI, ML, and data-driven diagnostics are reshaping the industry**.

However, he warned that **without significant investment in AI-driven R&D, India risks lagging behind**. The government must support **digital infrastructure development** to ensure competitiveness in drug discovery, clinical research, and precision medicine.

Key Takeaway: *The budget should prioritize AI-driven biotech R&D, digital infrastructure, and smart manufacturing capabilities.*

Expectations from the 2025 Budget

Both **Dr. Rao and Dr. Chandrashekharan** shared their **wishlist for the upcoming budget**:

1. **Regulatory Simplification:** Extend **DCGI license validity from 3 to 10 years** to reduce bureaucratic burdens on pharma companies.
2. **IP Protection:** Government subsidies for **patent filing and IP maintenance** to help startups compete globally.
3. **Biotech Scale-Up Support:** Debt funding and tax incentives for **biotech firms transitioning from R&D to commercial production**.
4. **Medical Device Manufacturing:** Encourage domestic production through **policy integration between engineering, design, and regulatory approvals**.
5. **Talent Development & Retention:** Provide **tax benefits and grants** for companies investing in long-term employee training.

Final Thoughts: A Future-Ready Budget?

As the session concluded, **Dr. Rao** raised concerns over **India's high startup failure rate**, with **only 30 out of 1,400 biotech startups successfully scaling up**. He emphasized the need for **targeted financial assistance and mentorship programs** to prevent wasted potential.

Both speakers agreed that while **India has taken significant steps in pharma, biotech, and medical device innovation, the upcoming budget must provide long-term structural support to sustain growth**.

With the Union Budget 2025 just around the corner, **industry stakeholders await critical policy decisions that could shape India's trajectory as a global biotech leader**.

Click here to Watch Session Recording