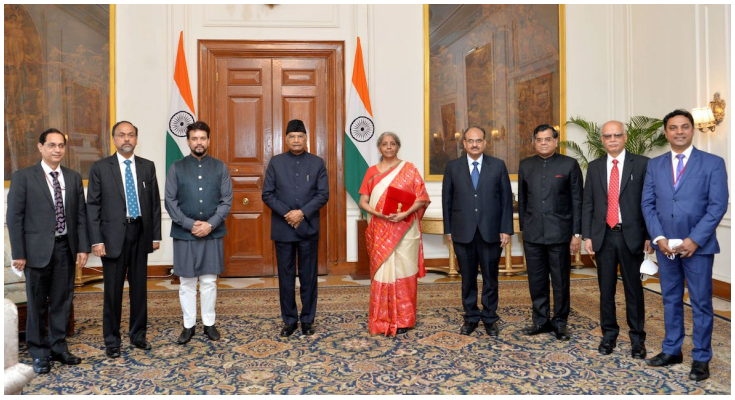
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Government allocates Rs 2,23,846 Cr to health sector

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Rs 35,000 Cr allocated for COVID-19 vaccine



The Union Budget presented by the Finance Minister Nirmala Sitharaman strongly positioned Health & Wellbeing as one of the 6 crucial pillars of Aatma Nirbhar Bharat. Healthy India, along with other sectors “will further strengthen the sankalp of Nation First”, she stated while presenting the Union Budget 2021-22 in the Parliament.

Underscoring the significant importance of health and wellbeing for the growth and development of the country, the budget allocation for the same has been increased to Rs 2,23,846 crore in Budget Expenditure (BE) 2021-22 as against last year’s BE of Rs 94,452 crore. This manifests into a sharp increase of 137 percentage.

Additionally, the Budget has brought a holistic approach to health as it has focused on strengthening three areas: Preventive, Curative, and Wellbeing.

The Finance Minister stated that while the investment on Health Infrastructure in this budget has increased substantially, “progressively, as institutions absorb more, we shall commit more”.

Healthcare-

Acknowledging the importance of robust health systems as a significant pillar of sustained progress in the health sector, a new centrally sponsored scheme, PM Aatma Nirbhar Swasth Bharat Yojana, will be launched with an outlay of about Rs 64,180 crore over 6 years.

This will develop capacities of primary, secondary, and tertiary care Health Systems, strengthen existing national institutions, and create new institutions, to cater to detection and cure of new and emerging diseases. This will be in addition to the National Health Mission.

The main interventions under the Scheme are:

- Support for 17,788 rural and 11,024 urban Health and Wellness Centers
- Setting up integrated public health labs in all districts and 3382 block public health units in 11 states;
- Establishing critical care hospital blocks in 602 districts and 12 central institutions;
- Strengthening of the National Centre for Disease Control (NCDC), its 5 regional branches and 20 metropolitan health surveillance units;
- Expansion of the Integrated Health Information Portal to all States/UTs to connect all public health labs;
- Operationalisation of 17 new Public Health Units and strengthening of 33 existing Public Health Units at Points of Entry, that is at 32 Airports, 11 Seaports and 7 land crossings;
- Setting up of 15 Health Emergency Operation Centers and 2 mobile hospitals; and
- Setting up of a national institution for One Health, a Regional Research Platform for WHO South East Asia Region, 9 Bio-Safety Level III laboratories and 4 regional National Institutes for Virology.

The Finance Minister pointed out that the National Commission for Allied Healthcare Professionals Bill has been introduced in Parliament with a view to ensuring transparent and efficient regulation of the 56 allied healthcare professions.

She announced that The National Nursing and Midwifery Commission Bill will be introduced by the government for passing to bring about transparency, efficiency and governance reforms in the nursing profession.

COVID-19 vaccine-

Development of COVID-19 vaccines found a pride of place in the Union Budget.

Rs 35,000 crore have been allocated for COVID-19 vaccine in BE 2021-22. “I am committed to provide further funds if required”, the Finance Minister said.

In addition, the Pneumococcal Vaccine, a ‘Made in India’ product, which is presently limited to only 5 states, will be rolled out across the country. This will avert more than 50,000 child deaths annually, the Finance Minister informed during the Budget speech.

R&D and Innovation-

To strengthen the overall research ecosystem of the country, the Finance Minister has proposed an outlay of Rs 50,000 crore, spread over five years, for National Research Foundation. “It will ensure that the overall research ecosystem of the country is strengthened with focus on identified national-priority thrust areas”, she added.

PLI Scheme-

The government has committed nearly Rs 1.97 lakh crore in the next 5 years starting FY 2021-22 to help bring scale and size in key sectors, create and nurture global champions and provide jobs to our youth.

FM said that India's manufacturing companies need to become an integral part of global supply chains, possess core competence and cutting-edge technology to become a $5 trillion economy and for this, our manufacturing sector has to grow in double digits on a sustained basis.

Startups-

In order to incentivize startups in the country, the FM announced extension in the eligibility for claiming tax holiday for startups by one more year till 31st March, 2022. In order to incentivize funding of startups, she proposed extending the Capital Gains exemption for investment in startups by one more year till 31st March, 2022.

Increased FDI in insurance-

Nirmala Sitharaman announced that the government will amend the Insurance Act, 1938 to increase the permissible FDI limit from 49% to 74% and allow foreign ownership and control with safeguards.

Click here to read the industry's postive & negative responses on the budget annoucements