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Union Budget 2026-27 announces Biopharma Shakti with total outlay of Rs 10,000 Cr and much more

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To create an ecosystem for production of biologicals, products and bio-drugs domestically



The Union Budget for 2026-27 was presented by the Finance Minister Nirmala Sitharaman on 1st February 2026.

With an aim to develop India as a global biopharma manufacturing hub, the Union Budget has proposed the Bioforma Shakti (Strategy for Modernising Health Services through Knowledge, Technology and Innovation) programme. Under this, Rs 10,000 crore has been earmarked for the next five years. The programme will create an ecosystem for production of biologicals, products and bio-drugs domestically.

As per the budget, three new National Institutes of Pharmaceutical Education and Research (NIPERs) with a focus on Biopharma, will be built, alongside upgradation of seven existing institutions.

The budget has also proposed creation of a network of more than one thousand recognised Indian clinical trial sites. The Union Budget also proposes to strengthen the Central Drugs Standard Control Organisation to meet global standards and for timely approval through a dedicated scientific review cadre and experts.

The Finance Minister has announced a slew of measures aimed at building a new range of employable and career-important skilling activities for youth in a variety of sectors, including public health services. For Allied Health Care Professionals, existing institutions will be upgraded and new programmes will be set up in the private and government sectors, along with establishment of new institutions. It will cover 10 major medical disciplines including Optometry, Radiology, Anaesthesia, OT Technology, Applied Psychology and Mental Health. In this direction, 1 lakh Allied Health Care Professionals will be added in the next five years.

In her speech, the Finance Minister said that a robust care ecosystem will be created covering the elderly and specialised care services. A series of National Skills Qualifications Framework (NSQF)-aligned programmes will be developed to prepare multi-skill service providers with use and implementation of wellness, care, yoga and medicine and assistive devices. As a result, about one and a half lakh care service providers will be trained in the next few years.

In order to expand India as a hub for medical tourism services, the Union Budget has proposed a special programme to assist the States under which five Regional Medical Centres will be set up with private sector participation. These centres will serve as integrated healthcare service provider complexes providing medical, education and research facilities at one place.

Ayush Centres, Medical Tourism Facilitation Centres and special centres for screening, post-treatment and de-addiction will also be set up at these locations. All these centres will provide different employment opportunities to medical professionals, including doctors and allied healthcare professionals.

Emphasising on the ayurveda sector, three new All India Institutes of Ayurveda will be set up. An announcement has also been made to upgrade AYUSH pharmacy and drug testing laboratories to the highest standards of certification environment and to provide more skilled personnel, and to promote evidence-based research, training and awareness for traditional medicines. The WHO Global Traditional Medicine Centre in Jamnagar, Gujarat, has been approved for the development of the Pharmacy of Ayush Pharmacy and Drug Testing Laboratories.

With a commitment to mental health and trauma care, NIMHANS-II will be set up for mental health in North India, while the National Institutes of Mental Health at Ranchi and Tezpur will be upgraded to regional apex institutions.

Along with this, a provision has been made to increase the capacity of emergency services in district hospitals and increase the emergency care centres and trauma care centres by about 50 percent. According to this year's Union Budget, a robust care ecosystem will be created encompassing geriatric medical and allied care services. One and a half lakh care service providers will be trained in the next few years.

Further, The budget proposes to provide assistance to Artificial Limbs Manufacturing Corporation of India (ALIMCO) for increasing production of assistive devices, investment in research and development and AI integration.

Basic customs duty will be waived on 17 cancer medicines, with 7 individual export of drugs for additional rare diseases to be exempted from tax.

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