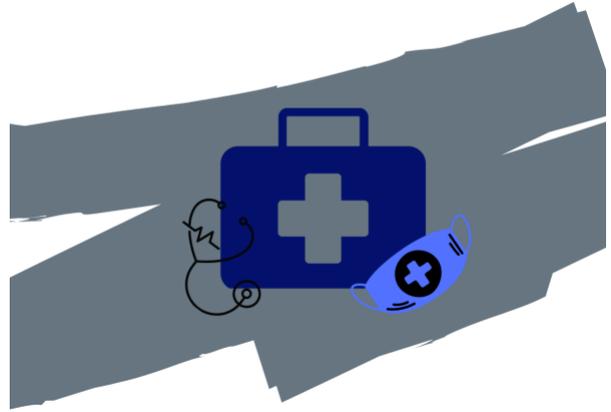


## Union Budget 2021-22 Healthcare Industry Brief

Although, there is no denying to the fact that each and every sector was drastically affected by the pandemic, but unarguably the medical and healthcare sector was probably put to the toughest test by the Covid19 Outbreak. And hence, it was essential that the 2021 Union Budget gave a major boost to the sector, and this is what this piece aims to address.

- Under the budget, India will spend a total of Rs. 2.23 Lakh Crore on the Healthcare sector. While many experts believe that the budget will provide the much-required stimulus to primary, secondary as well as tertiary healthcare systems, but we can take away positives as well as negatives from this budget.
- An amount of Rs. 35,000 crores will be spent on the Covid19 vaccination drive and it is believed that the decision to implement no cess or taxes on the drive, will be beneficial for the Indian Healthcare system in the long run.
- Furthermore, on the positive side, health and wellness centres will be opened up across the country at the rural and urban levels, to improve the healthcare infrastructure at the primary level. The Union budget also envisages an increase in capital investment in the pharma sector.
- On the negative aspects, the budgetary allocations to many Healthcare schemes and government departments have been lower than the revised estimates for 2020-21. Besides, reduction in GST for Active Pharmaceutical ingredients and a decrease in import duty for medical equipment were expected, but no such policy was incorporated for this financial year.



Hence, if the implementation issues are treated, the budget will hopefully help to improve overall healthcare and well-being in India.

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