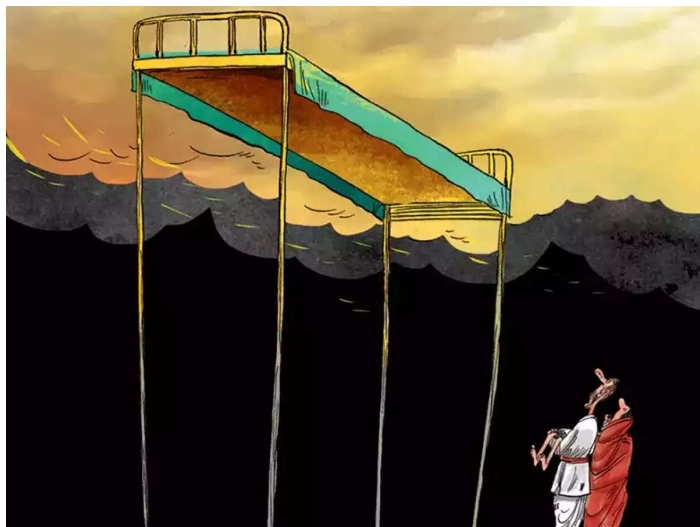


Nutrition & Immunity

New Delhi: The Covid-19 pandemic has emphasised the key role of healthcare in the lives of people, underlining the importance of higher budget allocation for improving the healthcare infrastructure in the country, sectoral players said.

The pharma sector which has played a leading role as the 'pharmacy of the world' said it expects support and incentives

especially for research & development and innovation in the coming budget.

The pandemic has completely changed the dynamics of the Indian healthcare ecosystem, NATHEALTH President and Apollo Hospitals Executive Vice-Chairperson Preetha Reddy told.

"It has reiterated the need for increased investment in healthcare infrastructure, national level programmes for skill development and training of healthcare staff, increase in number of medical colleges, effective PPP models and further boost for local manufacturing," she added.

These should be the key priorities for the government this time, Reddy said.

"Private healthcare providers are hopeful that there will be additional incentives to aid the sector in business recovery and also enable expansion across tier 2-3 cities - through provision of land at subsidised rates to set up hospitals, tax relief for new infrastructure creation, import duty relief for life saving equipment and ease of GST regulations for healthcare services," she added.

Reddy said that public spending in healthcare should increase to deal with future pandemics and for sustained preventive care.

Digital Health services found their rightful space during the pandemic and there is

a need to expand and support the essential backup services to enable digital healthcare to function efficiently in all primary and secondary healthcare centres, she added.

In a similar vein, Fortis Healthcare MD and CEO Ashutosh Raghuvanshi said the COVID pandemic has underlined the importance of higher budget allocation for healthcare.

"The current situation demands increased budgetary impetus for improving healthcare infrastructure at primary, secondary and tertiary levels, and also to enable the healthcare sector's speedy recovery," he added.

It is important to note that the healthcare sector is not only a potential foreign exchange earner but also a significant employment generator, Raghuvanshi said.

"Our overall strategy must integrate preventive and curative services and make healthcare more affordable and accessible for the people of India", he added.

Highlighting the need for increasing the budget allocation for healthcare, Aster DM Healthcare Founder Chairman and MD Azad Moopen said the COVID-19 pandemic hit home the fact that a strong healthcare infrastructure is absolutely essential to ensure a sustainable economy.

"It is important to at least double the healthcare budget from last year's meager allocation. This would help improve access to affordable care for the masses," he added.

Emphasising expectations from the budget for the pharma sector, Indian Pharmaceutical Alliance (IPA) Secretary General Sudarshan Jain said: "The overall policy ecosystem should help increase thrust on healthcare and build healthcare infrastructure to cater to the societal needs as healthcare is fundamental".

The pharma industry is looking for support and incentives in research & development, and innovation, he added.

Specifically, the industry is asking for measures such as incentivising investment by pharmaceutical companies in R&D and Innovation by reintroduction of 200 per cent tax deductions on R&D related expenses, providing direct funding support to academia and industry and easing access to external sources of funding, Jain said.

"Pharma industry is a knowledge-driven industry and India needs to move forward to Make and Discover in India from Make in India," he added.

Batting for the incentives for the pharma sector, Indian Drug Manufacturers' Association (IDMA) Executive Director Ashok Kumar Madan said, "For the ensuing budget, we have proposed for the restoration of the 200 per cent weighted tax deduction under section 35(2AB) of the Income Tax Act for the pharma sector".

To promote innovation we need to provide impetus to R&D as pharma is knowledge intensive, he added.

"We have suggested the withdrawal of customs duty exemption on the APIs which are being and can be manufactured in the country to provide a level playing field to Indian pharma industry," Madan said.

On the other hand, Medical Technology Association of India (MTAI) urged the government to reduce customs duties and rollback health cess in [Union Budget 2021-22](#) to help the medical device sector overcome the severe financial crisis created by Covid-19 pandemic.

MTAI Chairman and Director General Pavan Choudary said respecting the PM's appeal to save livelihood, the MedTech industry strived to protect jobs even in this inclement weather.

"The industry seeks immediate government assistance by removal of health cess and reduction in customs duties in the upcoming budget," MTAI Director Sanjay Bhutani said.