



Union Budget 2024 Life Sciences and Health Care



- **Budget allocation:** The Ministry of Health and Family Welfare has been allocated ~INR 900 billion and the Department of Pharmaceuticals has been allocated ~INR 40 billion. No new specific policy measures have been outlined for the pharmaceuticals and healthcare sectors.
- **Broader policy measures:** The budget emphasizes research and innovation, skilling, industrial training and support for MSMEs, along with employment-linked incentives.
- **Research and innovation:** Initiatives include operationalising the Anusandhan National Research Fund for basic research and **prototype development**. A framework is proposed to stimulate **private sector-driven research and innovation** at a commercial scale, backed by a funding pool of INR 1 lakh crore.
- **Medical infrastructure:** Proposals include establishing **medical colleges** to boost development in Bihar.
- **Digital and technology:** Proposals include scaling up Digital Public Infrastructure applications, including in the healthcare sector.
- **Saturation approach:** The focus is on comprehensive coverage of eligible individuals through various health programmes.

- **Customs**

- BCD rate revised from present applicable rates as follows:
 - Nil on three specified cancer drugs (Trastuzumab Deruxtecan, Osimertinib and Durvalumab)
 - Nil on polyethylene for manufacture of orthopaedic implants
 - 5 percent, 7.5 percent and 10 percent, respectively, in a phased manner on X-ray tube and flat panel detectors
- The present BCD exemption/concession under various customs notifications on specified products has been extended up to 31 March 2026 and 31 March 2029, respectively.

- **Goods and services tax:** There are proposals such as extension of time limit to avail credit for FY17-18 to FY20-21 up to return filed until 30 November 2021; conditional waiver of interest and penalty in cases other than fraud, if the tax paid in full as specified, regularisation of non-levy or short levy where such non-payment or short-payment is due to common trade practices.

- **Income-tax:** The budget proposes **disallowance of settlement costs** incurred for resolving contraventions of notified laws.

- **Other key tax and regulatory announcements:** Proposals include simplifying the investment framework (FDI and ODI), reducing tax uncertainty and litigation (**Vivad se Vishwas**, limitation on reopening assessments) and **abolishing angel tax**.