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Union Budget strengthens the health sector: Health Minister

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National Research Foundation (NRF) is a grand step towards strengthening research in the country



The Union Minister for Finance and Corporate Affairs Nirmala Sitharaman has made her maiden Budget Speech and presented the Union Budget 2019-20 before the Parliament.

As part of the budget, the vision for the decade highlights achieving a healthy society via Ayushman Bharat, well-nourished women & children, safety of citizens; and putting emphasis on MSMEs, Start-ups, medical devices among others under Make in India.

A Relief for Start-ups-

- Capital gains exemptions from sale of residential house for investment in start-ups extended till FY21.
- 'Angel tax' issue resolved- start-ups and investors filing requisite declarations and providing information in their returns not to be subjected to any kind of scrutiny in respect of valuations of share premiums.
- Funds raised by start-ups to not require scrutiny from Income Tax Department
- E-verification mechanism for establishing identity of the investor and source of funds.
- Special administrative arrangements for pending assessments and grievance redressal
- No inquiry in such cases by the Assessing Officer without obtaining approval of the supervisory officer.
- No scrutiny of valuation of shares issued to Category-II Alternative Investment Funds.
- Relaxation of conditions for carry forward and set off of losses.

Post the budget announcement, the Union Health Minister has stated that the budget for the Health Ministry shows an appreciable increase of more than18.67% increase in the total outlay. This reflects the importance accorded to the health sector in the country, he added.

There is an additional Rs 9859.12 cr allocated in BE 2019-20 against BE 2018-19. The BE 2018-19 was Rs 52800 cr, whereas that of the current FY is Rs. 62659.12 cr, he said. The flagship programme, Ayushman Bharat has seen an increase of 154.87% (Rs. 4956 cr) which covers the two pillars of Health and Wellness Centres (HWCs) and PMJAY. There has been an increase of 92.44% (Rs. 402.06 cr) over previous year in the ASHA Benefit package, whereas an additional Rs. 450.01 (8.57% increase) has been allocated for immunisation, women and children.

As Minister of Science & Technology, Dr Harsh Vardhan said the proposed National Research Foundation (NRF) is a grand step which shall provide an extraordinary direction for consolidation and expansion of research, technology development and technology led innovation, and a new fillip for fulfillment of the vision of Prime Minister's New India. As stated in the Union Budget, NRF will ensure that overall research ecosystem in the country is strengthened with focus on identified thrust areas relevant to our national priorities and towards basic science without duplication of efforts and expenditure.

Click here to know how the healthcare industry is reacting to the newly announced budget.