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OPPI seeks policy-level clarifications for reducing treatment costs from Budget 2025

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OPPI highlights Budget Predictions and Recommendations



"To strengthen India's healthcare ecosystem and drive inclusive growth, the upcoming budget must prioritize increased public spending on health initiatives. This includes expanding coverage under the Ayushman Bharat scheme to missing middle, upgrading existing Centers of Excellence, establishing new ones, and enhancing primary healthcare infrastructure.

Policy-level clarifications, such as expanded exemptions for life-saving drugs and oncology medications from import duty are vital for reducing treatment costs. Simplifying Advance Pricing Agreement (APA) procedures, including timelines for swift case resolution, sharing APA authorities' search processes for better negotiations, and ensuring timely renewals without procedural redundancies, will also help improve efficiency and ease of doing business.

Furthermore, expansion of the scope of section 115BAB of the Income Tax Act, 1961 to companies solely engaged in pharmaceutical R&D and providing a 200% deduction rate on R&D expenditures will encourage innovation in the pharma space. Also, mandatory timelines for disposing of appeals particularly by the Income Tax Appellate Authorities and removing turnover criteria for safe harbor provisions for R&D will also encourage innovation and investment. These recommendations are essential to build a robust, equitable, and patient-focused healthcare framework for India's future."

Anil Matai, Director General, Organisation of Pharmaceutical Producers of India (OPPI)