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Industry praises Union Budget 2026 with milestone announcements for biopharma and healthcare ecosystem

01 February 2026 | News

Union Budget 2026-27 announces Biopharma Shakti programme, regional medical centres, upliftment of ayurveda sector and much more

The Union Budget for 2026-27 was presented by the Finance Minister Nirmala Sitharaman on 1st February 2026, right after which a surge of responses and views have been flowing in from the industry experts.

While some are praising the key announcements made for the biopharma, ayurveda and healthcare sectors in the Budget, others express further expectations.

“By placing biopharma among the seven strategic frontier sectors and launching Biopharma Shakti with an outlay of Rs10,000 crore over five years, the Union Budget makes a decisive investment in India’s health and innovation future. As India’s disease burden shifts toward cancer, diabetes and autoimmune disorders, biologics and biosimilars will be central to improving longevity and quality of life. This initiative—spanning manufacturing scale-up, global-grade regulation, new NIPER institutions and a nationwide clinical trials network—can firmly position India as a global biopharma manufacturing hub.”

Kiran Mazumdar Shaw, Chairperson, Biocon Group

"The Union Budget 2026 marks an important milestone for both biotech and biopharma ecosystem. With significant investments fostering innovation, upskilling and technology adoption, participation by both domestic and international players will bolster manufacturing infrastructure. The emphasis on expanded research, clinical trials, regulatory reforms and the creation of a network of 1,000 accredited clinical trial sites positions India to move up the value chain as a high-impact biotech innovation hub, with the potential to improve treatment options across cancer, autoimmune and metabolic conditions. Sustained attention to specialised skills and quality frameworks will be key to ensuring that innovation is translated safely and effectively into patient care."

Dr Priya Kapoor G. Hingorani, Managing Director, Miltenyi Biotec India and VP APAC

“The commitment to upgrading drug testing facilities for Ayurveda, with a focus on quality and skilled manpower to support exports, further reinforces the government’s intent to build robust quality infrastructure across healthcare segments. This approach aligns well with the India EU free trade agreement, which opens access to regulated global markets where compliance and quality are critical.”

Dr Saurabh Arora, Managing Director, Auriga Research

“The Budget’s proposal to add 10,000 medical seats in the current year and 75,000 seats over the next five years directly addresses the growing demand for doctors, specialists, and skilled healthcare workers. Alongside this, focused skilling initiatives for caregivers and allied professionals will strengthen frontline healthcare delivery and improve patient outcomes across urban and rural India.”

Anuj Chahal, Founder and CEO of Maverick Simulation Solutions

"Union Budget 2026 is pushing medical value tourism from a “hospital visit” into a full-stack, globally benchmarked care experience. The five regional medical value tourism hubs can standardise patient journeys across diagnostics, treatment, post-care and rehabilitation, while easing pressure on metros by building credible capacity in Tier 2 and Tier 3 cities. What stands out this year is the emphasis on technology as a growth lever, especially AI-enabled diagnostics, clinical decision support, patient coordination, and faster turnaround on care pathways, all of which directly improve international patient confidence and outcomes."

Pankaj Chandna, Co-Founder, Vaidam Health

"Mental health services in Western India require urgent attention, and the expansion of NIMHANS 2.0 can help fill the gap. Emergency and trauma care in district hospitals will also be strengthened for vulnerable populations. While customs duties

are proposed on 17 life-saving drugs, seven additional rare diseases will be exempted for personal imports of medicines and specialised nutrition."

Dr Simon Grant Physician and Trustee, Ruby Hall Clinic Pune

"While the Budget makes important strides, structural reforms remain necessary to unlock the IVD/MedTech industry's full potential. Rationalising inverted duty structures, enabling faster regulatory pathways, expanding targeted export incentives and offering dedicated fiscal support for medical-assistive device development and clinical validation will be key to sustaining momentum. Clear policy frameworks for Production Linked Incentive (PLI) expansions in diagnostics and structured R&D funding would further strengthen India's competitiveness."

Jatin Mahajan, President, Association of Diagnostics Manufacturers of India (ADMI)

"A particularly impactful measure is the exemption of basic customs duties on 17 cancer drugs and the extension of import duty exemptions to medicines for seven additional rare diseases. This is a strong patient-first intervention that directly reduces the cost burden of advanced, often life-saving therapies for families facing cancer and rare diseases. By easing the financial barriers to accessing complex treatments, the Budget meaningfully advances equitable access to care at a time when the burden of non-communicable diseases such as cancer, autoimmune disorders, and diabetes continues to rise. Importantly, this step also reinforces India's focus on improving access to cutting-edge therapies while fostering a supportive environment for innovation and global collaboration."

Anil Matai, Director General, OPPI

"The proposed biopharma-focused network, including new and upgraded NIPERs and a nationwide ecosystem of 1,000 accredited clinical trial sites, will significantly reinforce India's research, talent, and translational capabilities. Equally important is the government's focus on strengthening the Central Drugs Standard Control Organisation (CDSCO), which will enable faster, science-led approvals aligned with global regulatory benchmarks."

Aditya Sharma, Head of Process Solutions, India Region, Merck Life Science

"The expansion of medical education and focus on strengthening cancer care at the district level reflect a forward-looking approach to India's evolving disease burden. The Budget's recognition of rising challenges such as obesity, diabetes, autoimmune disorders, lifestyle disorders, and mental health calls for greater emphasis on prevention, early diagnosis, and integrated care models."

Dr Ashutosh Raghuvanshi, Managing Director & CEO, Fortis Healthcare

"The creation of new All India Institutes of Ayurveda and the upgradation of the WHO Global Traditional Medicine Centre reflect a progressive approach to integrating modern and traditional systems of medicine. Equally encouraging are the reduction of tax-collected at source (TCS) from 5% to 2% for education and medical purposes."

Varun Khanna, Group MD, Quality Care India

"Very significant is the Budget's focus on accelerating AI adoption across healthcare, education and research. By integrating life sciences with AI-enabled screening, clinical decision-making and talent development, the government is laying the foundation for a future-ready healthcare ecosystem one that supports healthier, longer lives and strengthens India's position as a global hub for healthcare innovation."

Masaharu Morita, Founder and Program Director, NURA - Ai Health Screening Centre

"For India's $50-billion pharmaceutical industry, which contributes nearly 2.5% to GDP, this Budget reinforces the shift from volume-led growth to value- and innovation-driven leadership. Complementing these initiatives with restoration of Weighted R&D Deduction up to 200% and expansion of PLI support to advanced modalities, APIs, biosimilars, and complex generics would further accelerate domestic manufacturing, reduce import dependence, and position India as a trusted global supplier of high-quality, affordable biopharmaceutical solutions. In the past such incentives were at times also shared by the biomedical devices and medical equipment. We look forward to continuity of reforms to make manufacturing competitive by the assurance given by the FM on deregulation and reduction of regulatory compliance burden so that we can become globally competitive and take advantage of the recent FTAs with EU, EFTA & UK."

Rajiv Nath, Forum Coordinator, Association of Indian Medical Device Industry (AiMeD)

"The addition of new NIPERs and the upgrading of existing ones will expand opportunities for advanced scientific education and skills development, building the talent pipeline essential for innovation-led growth. Recognising the rising burden of non-communicable diseases, particularly cancer, the budget also provides direct relief for patients by exempting basic customs duty on 17 cancer drugs and medicines and extending import duty exemptions to seven additional rare diseases. Combined with regulatory simplification through central–state coordination, these measures are set to strengthen India's biopharma ecosystem while ensuring patients in India and across the world continue to have access to affordable, high-quality medicines. We look forward to studying the detailed budget to further understand its impact on the pharmaceutical sector."

Satish Reddy, Chairman, Dr. Reddy's Laboratories Limited

"The Budget reinforces a holistic, patient-centric approach to healthcare, including mental health, AYUSH, medical tourism, and trauma care. A strong care ecosystem will train 1.5 lakh multiskilled caregivers in wellness, yoga, and medical support. Additionally, 17 cancer drugs and 7 rare disease drugs have been exempted from customs duty to improve patient access."

Sudarshan Jain, Secretary General, Indian Pharmaceutical Alliance

"Initiatives such as 75,000 new medical college seats, upgraded allied health institutions, training of 1.5 lakh caregivers, and new mental health institutes in Ranchi and Tezpur will enhance access to quality care, particularly in underserved areas. The Rs 10,000-crore Biopharma Shakti programme will strengthen India's domestic manufacturing and research ecosystem, supporting long-term innovation."

Ameera Shah, President, NATHEALTH and Promoter & Executive Chairperson, Metropolis Healthcare

"Over the next five years, long-term policy clarity, workforce readiness, and manufacturing scale can take India beyond small-molecule dominance and drive equitable healthcare access by 2030 and put the country strongly on its track towards Viksit Bharat 2047. Scaling manufacturing, supported by regulatory clarity and clinical readiness, is how India can establish defensible leadership in the global biopharma space."

Amit Mookim, Board of Director and CEO, Immuneel Therapeutics and Member of NATHEALTH

"Patient-centric wins include duty exemptions on lifesaving cancer/rare-disease drugs for immediate relief, plus medical value tourism, mental health infrastructure, allied workforce skilling, and digital integration for holistic delivery. From an industry and MSME perspective, while the overall direction is strongly positive, there remains an opportunity to further catalyse innovation. Expanding allocations under the PRIP framework and reinstating a 200% weighted R&D tax deduction for in-house pharmaceutical research would significantly accelerate private-sector investment in high-risk areas such as biologics, biosimilars, novel drug delivery systems and complex therapies. Overall, Budget 2026 builds a solid foundation for affordable, innovation-led healthcare, positioning India for global biopharma leadership."

Nikkhil K. Masurkar, CEO, ENTOD Pharmaceuticals

"The focus on people is especially heartening. Adding 10,000 medical seats in the coming year, alongside training 1.5 lakh caregivers and scaling allied health disciplines, can strengthen the Prime Minister's vision of Heal in India, Heal by India. Supporting states to create five hubs for medical tourism will elevate quality standards across regions. We appreciate the reaffirmed commitment to mental health and trauma care through the proposal to establish NIMHANS-2, upgrade apex mental health institutions in Ranchi and Tezpur, and expand emergency and trauma care capacity by 50% in district hospitals through dedicated centres."

Dr Prathap C Reddy, Chairman- Apollo Hospitals

"Strengthening the CDSCO is a crucial step toward building deeper trust in India's healthcare system. For patients, it means safer access to high-quality, innovative therapies. For the country, it strengthens our credibility as a global healthcare destination. The proposal to develop new regional medical centres is equally significant, bringing advanced healthcare closer to communities beyond metros. When combined with technology-led diagnostics and affordable access, these measures can fundamentally change health outcomes at scale."

Aditya Kandoi, Founder & CEO, Redcliffe Labs

"Investments in allied health services and workforce development will lead to decentralising care delivery, strengthening last-mile access and improving patient outcomes. The focus on cancer and rare diseases through duty exemptions will help ease the burden on patients and improve access to innovative therapies."

Rajwinder Mehdwan, Managing Director & CEO – Roche Pharma India & Neighbouring Markets

"The Union Budget 2026–27 will play a crucial role when it comes to strengthening stroke care in India. The proposal to develop regional medical hubs through public–private partnerships can greatly improve access to timely stroke diagnosis, emergency intervention and structured rehabilitation. Stroke outcomes depend on rapid treatment, specialised infrastructure and coordinated post-care, all of which these integrated hubs are well positioned to provide. The emphasis on research, training and upgraded healthcare facilities will also support better clinical protocols and skilled manpower for stroke management."

Dr Arvind Sharma, Secretary, Indian Stroke Association (ISA)

"The Budget's focus on building capacity for mental healthcare across the country is a much awaited step. Significant announcements include upgrade of existing institutions for allied mental health professionals—including applied psychology and behavioural health and the announcement of new mental health institutes in Tezpur and Ranchi along with a second NIMHANS in North India; all signaling a clear intent to strengthen public infrastructure & timely trauma support."

Neha Kirpal, Founding Cohort Member, India Mental Health Alliance (IMHA)

"Support for manufacturing depth, skill development and improved access in Tier II, Tier III and underserved regions will be critical in advancing the Make in India vision and positioning India as a trusted global hub for high-quality medical technologies. We also look forward to continued momentum on earlier healthcare commitments, including the expansion of oncology infrastructure, which will be vital in addressing India's growing cancer burden."

Dr Shravan, Managing Director, BPL Medical Technologies

"For pharmaceuticals and biotechnology, the intent to strengthen biopharma capabilities and regulatory systems is encouraging. However, the Budget stops short of a major push toward easing global capital movement into biotech and life

sciences. Going forward, deeper R&D incentives, faster clinical pathways, and smoother cross-border capital access will be critical for India to emerge as a true global hub for innovation-led medicines."

Venkat Nelabhotla, Co-Founder, President, and CEO of Vyome Holdings, Inc.

"By prioritising research infrastructure, regulatory capacity and domestic manufacturing, the government has laid the foundation for an innovation-led growth model that will enhance industry competitiveness and reinforce India's position as a trusted global biopharma manufacturing and research hub, while addressing the growing burden of non-communicable diseases."

Nitin Jain, Founder and Managing Director, Iberia Pharmaceuticals

"I commend Finance Minister Nirmala Sitharaman on the Union Budget 2026–27 for recognising the strategic importance of medical tourism in India's healthcare growth story. India's medical value travel (MVT) sector has grown steadily over the years, and cities like Hyderabad, Delhi, Chennai, Mumbai and Bengaluru are already well-positioned to scale as global healthcare destinations. With the right execution and private-sector partnership, this initiative can significantly strengthen India's leadership in global medical tourism."

Shaaz Mehmood, Founder, Medijourn Solutions

"Strengthening allied healthcare professionals can be a game-changer for India's healthcare system. India currently has above 8.4 allied health professionals per 10,000 people, well below the desired level of 14-16 (as per WHO standards). By expanding training capacity, standardising certification, and improving deployment of allied professionals such as lab technicians, physiotherapists, radiographers and paramedics, the reform directly improves access, especially in rural and underserved areas where doctors are scarce."

Satyam Shivam Sundaram, Partner, Government and Public Sector, EY India

"As genomics and data-driven science increasingly underpin drug discovery, clinical research, and precision healthcare, the measures announced in the Budget will help strengthen India's potential to emerge as a globally competitive biopharma and healthcare innovation hub. They also encourage deeper collaboration across industry, academia, and healthcare systems."

Amitabh Rath, Director, Finance Shared Services, Illumina

"The proposal to develop regional medical hubs in partnership with the private sector can reinforce India's position as a global medical value destination while strengthening preventive, rehabilitative and continuum-of-care models within the country. Strengthening district hospitals through a 50% increase in emergency and trauma care capacity, alongside the establishment of a second NIMHANS and regional mental health apex centres, addresses critical gaps in last-mile and mental healthcare."

Dr Devi Prasad Shetty, Founder and Chairman, Narayana Health

"The Union Budget this year is not merely an annual financial exercise; it is a vision statement for India@2047. In my view, this is a forwardâ??looking budget that lays down farâ??reaching, generationalâ??change policies. Its provisions clearly speak to a Bharat that a threeâ??yearâ??old child today will step into as an adult. The thinking is longâ??term, structural, and transformative — and that is its greatest strength."

Purvesh Shelatkar, Designated Partner and part of the Investment Team at Shrimad Bhagwat Asset Management, and Executive Director at RoseMerc

"The Union Budget 2026–27 signals a clear intent to strengthen India's clinical research and life sciences ecosystem. As this ecosystem evolves, evidence generation cannot remain limited to trials alone. Indian medical journals, continuous medical education, and real-world data will be equally important in translating research into everyday clinical practice especially in a country as diverse as India. There is also a need to strengthen India's own platforms for scientific publishing, doctor education, and patient awareness so that India-specific evidence is generated, interpreted, and disseminated locally."

Nilesh Aggarwal, Founder, Medtalks

"We appreciate government's emphasis on strengthening CDSCO and advancing a more predictable, science-led regulatory framework. Aligning regulatory processes with global standards—while expanding India's clinical research capabilities —will help bring medical innovation to India faster, improve timely patient access to new therapies, and reinforce India's position as a trusted global life-sciences hub."

Winselow Tucker, President & General Manager, Eli Lilly and Company (India)

"This budget is a quiet but powerful acknowledgement that India's healthcare future lies beyond hospitals. The government's focus on building a geriatric care ecosystem and training 1.5 lakh caregivers signals a structural shift towards aging-in-place, home healthcare, and long-term care—areas that founders in AgeTech have been working on for years. This is the first time caregiving is being recognised as national healthcare infrastructure."

Varun Gupta, Founder & CEO, Zorgers Home Healthcare

"While nutraceuticals didn't receive headline tax relief, the deeper enablers—biopharma-led R&D, AYUSH institutional strengthening, trade facilitation, and manufacturing incentives—create a structurally positive runway."

Amit Srivastava, Founder and Chief Catalyst of Nutrify Today

"Biopharma SHAKTI sets the foundation for India's emergence as a global hub for biologics and biosimilars. As this ecosystem matures, the pharma packaging industry will play a critical enabling role—advancing high-performance, compliant and sustainable packaging solutions that support product integrity, regulatory confidence and export competitiveness across global markets."

Thimmaiah, MD & CEO, Manjushree Technopack

"The Government's continued focus on rare diseases also highlights the role of early and accurate diagnosis in managing and treating these disorders and genomics will play a critical role here. We believe that this budget is a step ahead in recognising India's scientific and technological capabilities to drive the nation's progress."

Surajit Chakrabartty, CFO, MedGenome Labs