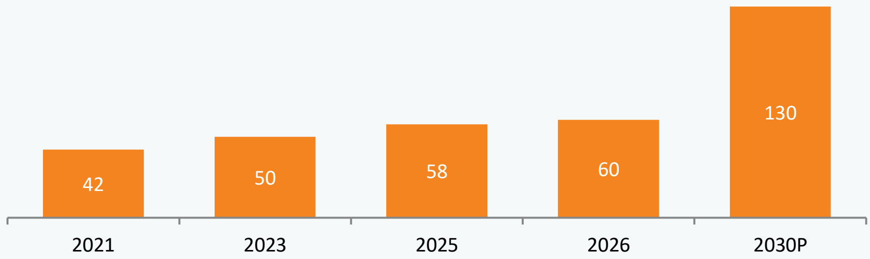
May 2026

PHARMACEUTICALS

MARKET SIZE

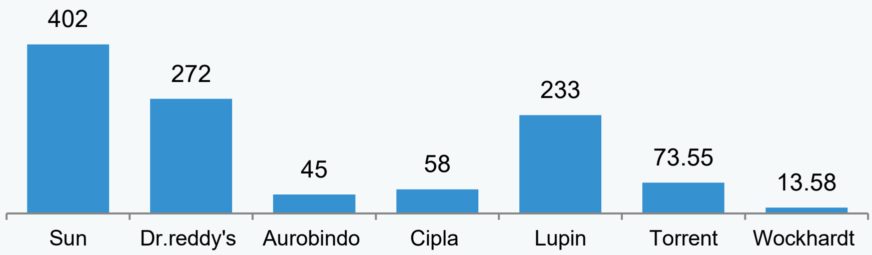
Indian Pharmaceutical Market (US$ billion)



Note: P-Projected

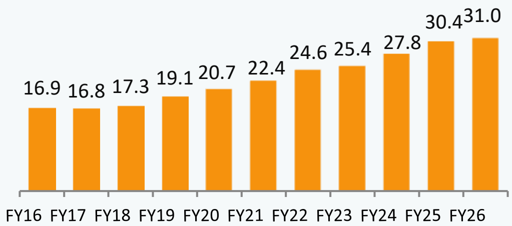
SECTOR COMPOSITION

Indian Pharmaceutical R&D spending by top pharma companies in FY26 (US$ million)

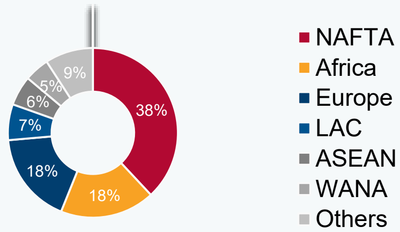


KEY TRENDS

Pharmaceutical Export from India (US$ billion)



Major Export Destinations in India's Pharma Export in FY26 (%)



GOVERNMENT INITIATIVES

Pradhan Mantri Bhartiya Janaushadhi Pariyojana (PMBJP)

COVID BEEP

National Health Policy

ADVANTAGE INDIA

- **Cost Efficiency**: As per the Press Information Bureau release dated February 2, 2026, India's pharmaceutical sector stands out for delivering high-quality medicines at low cost, making it a key global supplier of affordable generics. The Biopharma SHAKTI programme announced in Union Budget 2026–27 aims to further boost domestic production, innovation, and cost efficiency, strengthening India's position as a competitive global pharma hub.
- **Economic Drivers**: A February 24, 2026, report notes that India's pharma sector is leveraging cost efficiency, AI adoption, and faster innovation as key economic drivers, alongside strong global trust, to enhance productivity and position itself as a leading innovation hub by 2047.
- **Policy support**: The Press Information Bureau release dated April 13, 2026, highlights strong policy support for India's pharmaceutical sector through initiatives like the Biopharma Shakti Initiative and PRIP scheme, alongside PLI schemes and bulk drug parks. These measures are boosting R&D, strengthening domestic manufacturing, reducing import dependence, and positioning India as a globally competitive, innovation-driven pharma hub.
- **Increasing Investments**: The Drugs & Pharmaceuticals sector received FDI inflow of Rs. 1,59,102.60 crore (US$ 25.33 billion) from April 2000-March 2026. The Union Budget 2025-26 proposes to allocate Rs. 5,268.72 crore (US$ 602.90 million) for the Department of Pharmaceuticals (DoP), around 28.8% higher than the Rs. 4,089.95 crore (US$ 468.01 million) Budget Estimates (BE) for the FY25.