

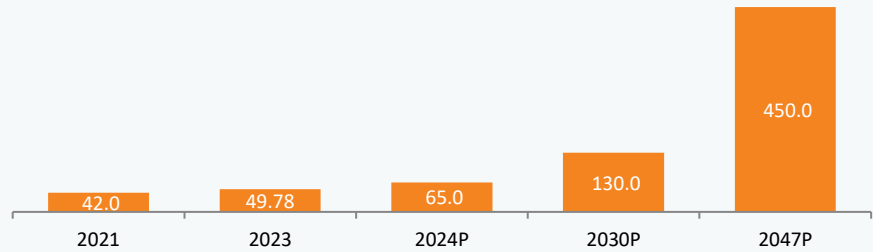


PHARMACEUTICALS



MARKET SIZE

Indian Pharmaceutical Market (US\$ billion)

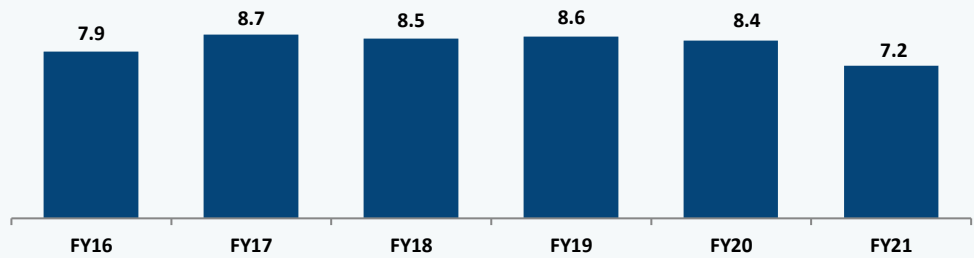


Note: P-Projected



SECTOR COMPOSITION

R&D Investment by Indian Pharma Companies* (% of sales)

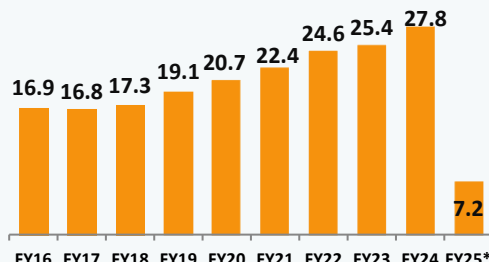


Note: *Top 10 companies as per research by HDFC Securities



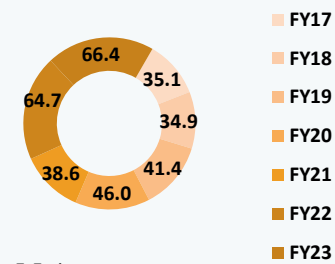
KEY TRENDS

Pharmaceutical Export from India (US\$ billion)

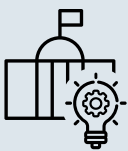


Note: Till FY25* (April-June)

Government Expenditure on Health in India (US\$ billion)



Note: E-Estimate



GOVERNMENT INITIATIVES



Pradhan Mantri Bhartiya
Janaushadhi Pariyojana
(PMBJP)



COVID BEEP



National Health Policy



ADVANTAGE INDIA

- Cost Efficiency:** India has emerged as the medical tourism hub of the world providing cost-effective treatments with the latest technology enabled by several pathbreaking reforms and provisions in healthcare sector. Access to affordable HIV treatment from India is one of the greatest success stories in medicine. India is one of the biggest suppliers of low-cost vaccines in the world, thereby rightly making it the 'Pharmacy of the World'.
- Economic Drivers:** The total market size of the Indian Pharma Industry is expected to reach US\$ 130 billion by 2030 and US\$ 450 billion market by 2047. The domestic pharmaceutical industry would likely reach US\$ 57 billion by FY25 and see an increase in operating margins of 100-150 basis points (bps). India has the largest number of USFDA-compliant pharmaceutical plants outside the US and over 2,000 WHO-GMP approved facilities, serving demand from 150+ countries worldwide, with 10,500+ manufacturing facilities
- Policy support:** The PLI scheme for pharmaceuticals is being implemented with a total outlay of the Rs. 15,000 crore (US\$ 2.04 billion) spanning from 2020-21 to 2028-29, to boost India's manufacturing capacity, elevate investment, and diversify product offerings in the sector. Through Pradhan Mantri Bhartiya Jan Aushadhi Kendras (PMBJKs) government has set a target to increase the number of PMBJKs to 10,500 by the end of March 2025. Product basket of PMBJP comprises of 1,451 drugs and 240 surgical instruments. The Union Cabinet, on April 26, 2023, approved the National Medical Devices Policy, 2023. The National Medical Devices Policy, 2023 is expected to facilitate an orderly growth of the medical device sector to meet the public health objectives of access, affordability, quality and innovation.
- Increasing Investments:** The cumulative FDI equity inflow in the Drugs and Pharmaceuticals industry is US\$ 22.52 billion during the period April 2000-March 2024, almost 3.4% of the total inflow received across sectors. In the Interim Budget 2024-25, the government earmarked Rs 1,000 crore (US\$ 120 million) for the promotion of bulk drug parks for FY25, a significant increase from the previous year.