



# India : Performance of Medical Devices Industry

Quarterly Update: Q1 FY 2021 (Apr'2021 – Jun'2021)  
August, 2020

Authored by: Yogesh Sharma, Consultant (Healthcare Practice)

*We Deliver the  
India Advantage*



# Key Economic Indicators

**USD 372  
Bn**

Total healthcare  
Industry market size  
expected by 2022

**5<sup>th</sup>**

Largest economy  
in the world

**800+**

Private players  
in India

**4<sup>th</sup>**

Largest market in  
Asia

**1.5%**

Of real GDP  
spent on  
healthcare in  
FY17

**USD 11  
Bn**

Indian medical  
device industry in  
FY20

**USD 2.1  
Bn**

Total FDI Inflows in  
Medical Device  
Industry since Apr  
2000

**75-80 %**

Medical Device Import  
Dependency

Bn: Billion; CPI: Consumer Price Index; FDI: Foreign Direct Investment; GDP: Gross Domestic Product; GW: Giga Watt; Mn: Million; MW: Megawatt; TWh: Tera Watt Hour USD: United States Dollar

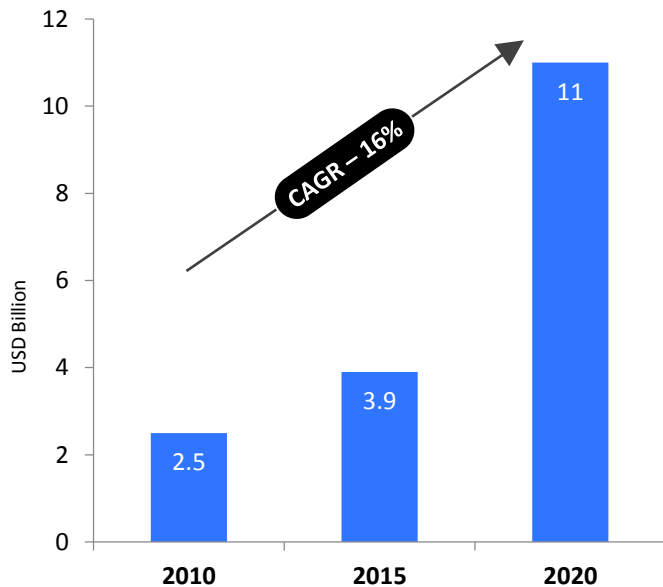
Source: IBEF, CEA (Central Electricity Authority)



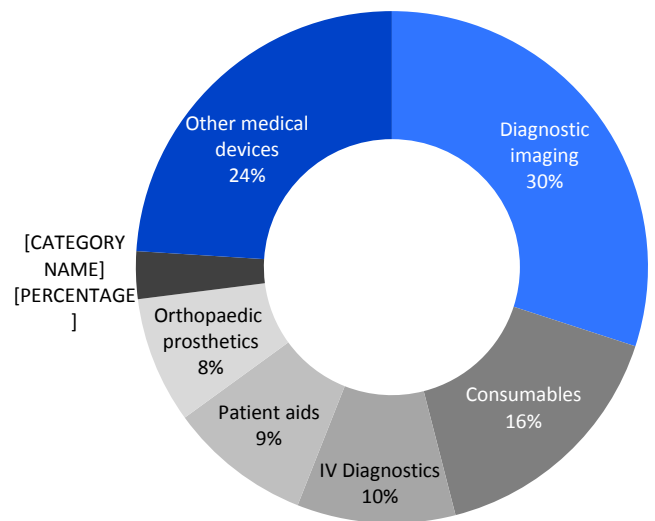
Photo from Needpix

# Medical Devices Industry Trend

## Medical Devices Industry Trend



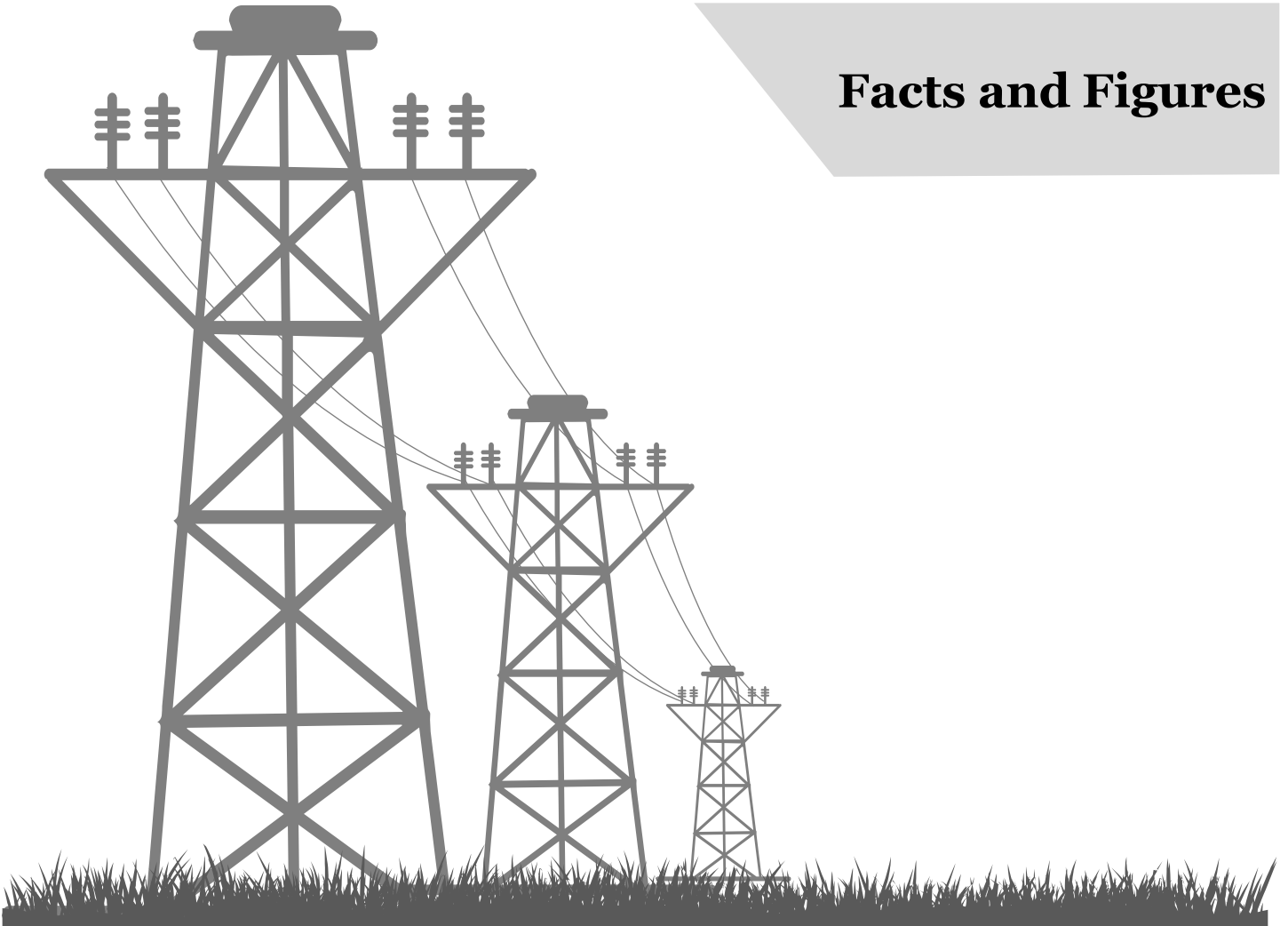
## Market Share, By Segment



Bn: Billion; CPI: Consumer Price Index; FDI: Foreign Direct Investment; GDP: Gross Domestic Product; GW: Giga Watt; Mn: Million; MW: Megawatt; TWh: Tera Watt Hour USD: United States Dollar

Source: IBEF, CEA (Central Electricity Authority)

## Facts and Figures



India among the top-20 markets for medical devices in the world and 4th in Asia after Japan, China and South Korea



Indian Medical device industry values at USD 11 Bn is expected to reach USD 50 Bn by 2025



Over 65% of manufacturers in India are domestic players operating in consumables segment with limited exports whereas, high technology end is lead by large Multinational Corporations



Manufacturing of Medical devices in India is spread across six manufacturing clusters across country

Bn: Billion; CPI: Consumer Price Index; FDI: Foreign Direct Investment; GDP: Gross Domestic Product; GW: Giga Watt; Mn: Million; MW: Megawatt; TWh: Tera Watt Hour USD: United States Dollar

Source: IBEF, CEA (Central Electricity Authority)





**The Medical Devices Industry is poised for significant growth in next five years**

Photo by Unsplash

# Government Initiatives & Policies

- Govt. brought all medical devices under regulation as drugs through Medical Devices Amendment Rules, 2020
- Production Linked Incentives Scheme for medical devices manufacturing with outlay of ~USD 500 Mn during the scheme tenure 2020-21 to 2025-26
  - Incentive @ 5% of incremental sales (2019-20) will be provided on identified segments of medical devices such as Cancer care/Radiotherapy, Radiology & Imaging, Anaesthetics & Cardio-respiratory, and all Implants.
- Funding for Medical Device Parks in country aimed at reducing the manufacturing costs of medical devices
  - Investment of ~USD 57 Mn for Financing Common Infrastructure facilities in 4 Medical Device Parks
- Govt constituted Empowered Group of Secretaries (EGOS) to attract investments in India by providing investment support and facilitation to global investors. The EGOS will also coordinate with various departments and ministries to ensure timely clearances

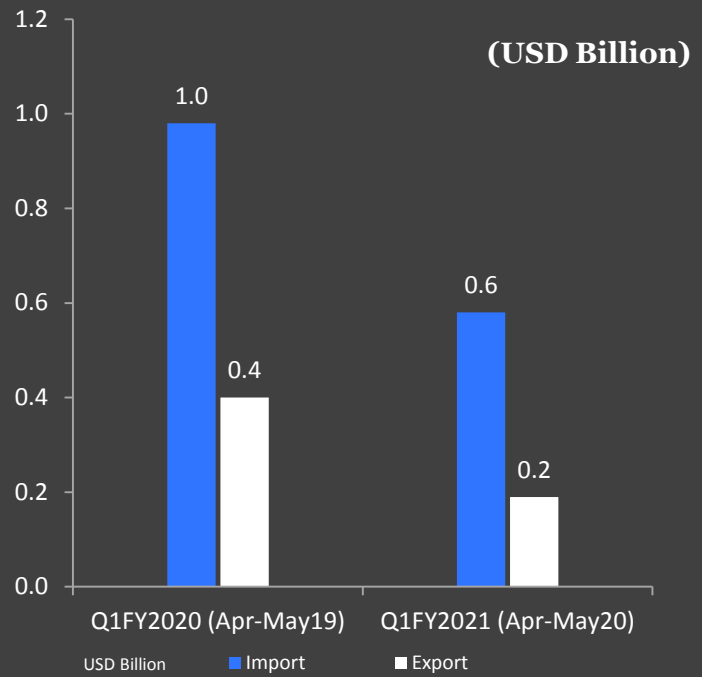
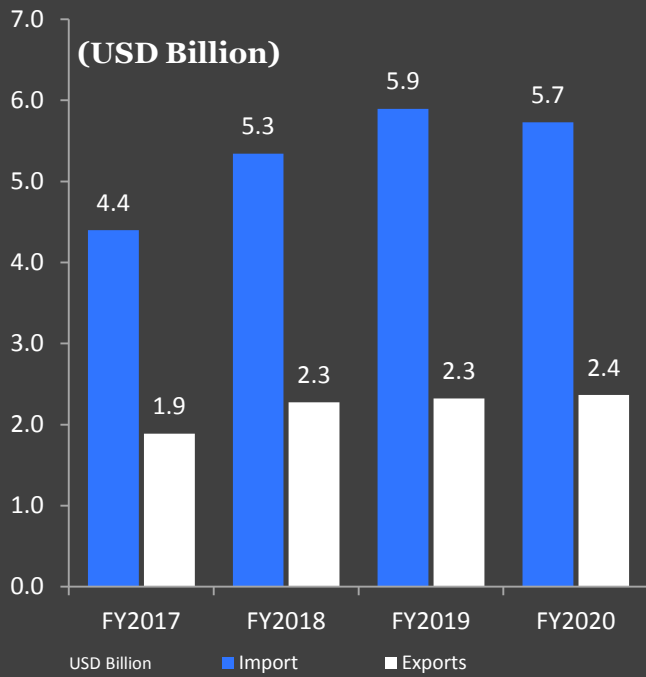
## Key Headlines

- “Medical technology industry has suffered around 50-85 per cent drop in revenue during April-June 2020 with a decline in elective surgical procedures at hospitals due to COVID-19 situation” – Medical Technology Association of India (MTAI)
- HHES & Medical Services Pvt Ltd. to invest USD 132.24 Mn for Medical Equipment Manufacturing Project in Sikkim
- Biocon’s subsidiary company Biocon Biologics valued at USD 3.5 bn after investment of USD 30 Mn by Tata Capital Growth fund

## Upcoming Events

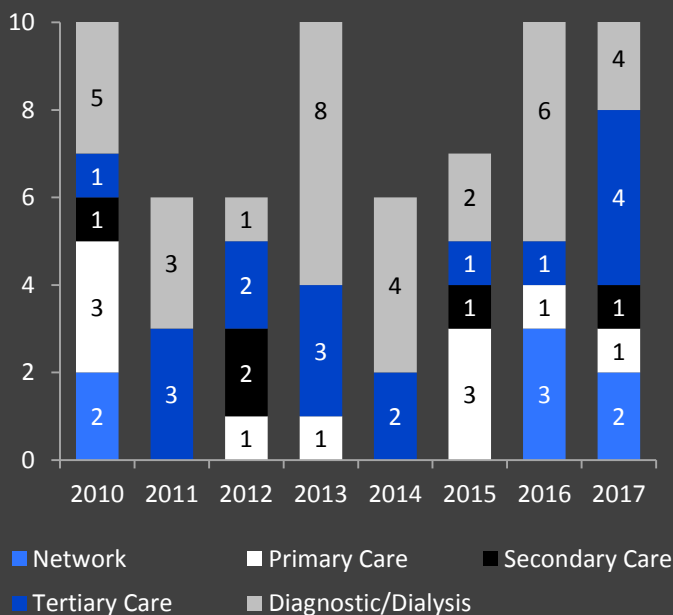
- Expodent Bengaluru 2020, by Association of Dental Industry & Trade of India (ADITI) on Sep 05-06, 2020

# Import Export Trend

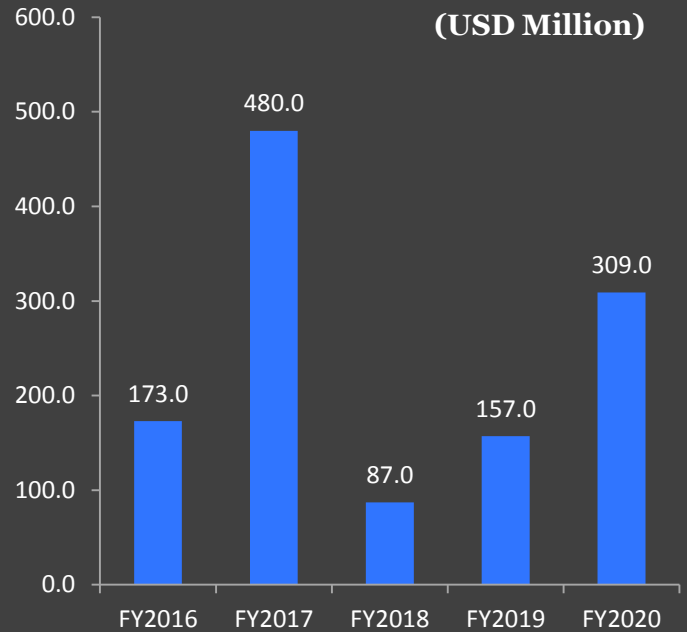


\*Quarterly data for June2020 not yet published

## Number of PPP Deals, By Healthcare Level



## FDI Investment in Indian Medical Devices Sector



CEA: Central Electricity Authority; FY: Financial Year; GoI: Government of India; GW: Giga Watt; NTPC: National Thermal Power Corporation; M&A: Merger and Acquisition; MW: Mega Watt; Q: Quarter; USD: United States Dollar

Source: Tecnova Research, CEA, IBEF, GoI, Industry Reports

## Major Investment

---

- USD 600 Mn FDI received in last 5 years in medical devices sector
- Delhi based startup Crimson Healthcare raised USD 2,50,000 from Mumbai Angels Network
- Aster DM Healthcare acquired Warseps Healthcare involved in developing, manufacturing & trading of medical devices

## Capacity Addition

---

- HiMedia ramped up VTM kits capacity from 500,000 per annum to 500,000 per day to cater rising COVID-19 testing demand
- Omron partners with Lupin to strengthen respiratory disease management with special focus on Asthma & COPD patients

## New Launches

---

- Omron India enters Telemedicine segment in partnership with Phablecare
- J Mitra & Co launched indigenous ELISA based antibody test kit for COVID-19
- Smart Swab collection Kiosk dev. by Wipro GE Healthcare launched in Bangalore

## Tecnova's Experience in Medical Device Industry

- Market opportunity assessment for European medical device manufacturer
- Go to Market Strategy for Germany based medical device manufacturer
- Regulatory approval for Germany based medical device manufacturer





Photo from Picsqels

**For any further enquiries, please contact**



**Sunil Kumar**

**AVP – Healthcare Practice**

**Execution**

**Tel: +91 124 4356 443**

**Mobile: +91 9818069742**

**Email: [sunil.kumar@tecnovaglobal.com](mailto:sunil.kumar@tecnovaglobal.com)**



**Ashish Garg**

**Manager - Marketing**

**Sales and Marketing**

**Tel: +91 124 4356 347**

**Mobile: +91 9871750121**

**Email: [ashish.garg@tecnovaglobal.com](mailto:ashish.garg@tecnovaglobal.com)**



*We Deliver the  
India Advantage*



#### Disclaimer

- This document, may contain material which is confidential and privileged and may include trademark, copyright and other intellectual property rights that are proprietary to Tecnova India Pvt. Ltd., its affiliates ("Tecnova"). This document and its attachments may be read, copied and used only by the addressee for the purpose(s) for which it was disclosed herein. If you have received it in error, please destroy the message and any attachment, and contact us immediately. If you are not the intended recipient, be aware that any review, disclosure, copying, distribution or use of the contents of this message without Tecnova's express permission is strictly prohibited.
- The Report does not purport to be all-inclusive or necessarily to contain all the information that a prospective investor may desire in investigating the Company or its divisions, and may be subject to updating, revision or amendment