The Indian pharma sector - Q1FY26

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India is likely to have a well-established pharmaceutical industry, supported by a robust network of around 3,000 drug companies and nearly 10,500 manufacturing units¹





.dd INR 11 tn

size FY301



Projected research and development (R&D) investments (FY28E)1

✓ INR **2.6** tn

Drug and pharmaceutical export (FY25)1

industry (FY28E)1

III INR **1.2** tn

*Contract Research, Development and Manufacturing Organisation

Segmental performance

Performance snapshot

Contribution to global generic drug exports1

*Active pharma ingredients

Indian bioeconomy (third largest in APAC region in FY25)1

INR**26** to by FY30E

API* market (third largest globally in FY25)1



8% share in global **API* industry**

Biosimilar market The Indian pharma industry (INR1 tn in FY25)1

is largely driven by the American continent²



22% CAGR by FY25



45% of revenue from Indian pharma export (Q1FY26)2

Drivers

Lower cost of production²



Lower R&D cost in India Health insurance premiums than the developed countries

Rise in pharma export3

6.5% (CAGR*)

Between FY25-FY30E. driven by affordable generics and APIs

Rising demand for health insurance²



rose to INR323 bn in Q1FY262

Government support



PLI**scheme to boost manufacturing1

*Compound annual growth rate *Production-linked incentive

Challenges

Supply chain and import dependence²

74% (FY25) India's bulk drugs and drug

intermediate imports came from China

Indian patent laws allow to produce

Patent barriers²

generics once patents expire

It may result in prolonged legal disputes with pharmaceutical companies

The U.S. tariff impact on Indian pharma companies²



Tariff threats could amplify risks such as overreliance on Indian manufacturing, limited alternatives for specialised generics and rising cost pressures



INR 259 bn

Indian pharmaceutical packaging market (FY30)¹

The cardiac and anti-diabetic therapies segments expanded 13.2 per cent and 9.4 per cent, respectively, August 2025, Y-o-Y⁴

In global pharmaceutical production by volume and India ranks 14th in terms of value1

INR4 tn

The government's target to elevate the medical devices industry in India (FY30)1

takeaways



Second largest contributor of global biotech and pharma workforce (FY25) 1

301 mn doses

India has provided vaccines to more than 100 countries¹ 60.000

Generic drugs are being manufactured across 60 therapeutic segments in India (FY25)1

160,000

Hospital beds expected to be added each year in the next decade1

The government earmarked INR10 bn for the promotion of bulk drug parks for FY251

Sources: 1) Indian Pharmaceutical Industry, IBEF, May 2025; 2) EMIS report (India pharmaceutical industry: CareEdge), August 2025; 3) EMIS report (Pharmaceutical Export Market in India (2025 – 2030) – What's New?: Netscribes), June 2025; 4) Pharmaceutical market grows 8.7% in August; cardiac and anti-diabetic segments lead: IBEF, 8 September 2025

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