

## Healthcare innovation in India to double, \$60 B opportunity by 2028: Report

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**Pharma services and health-tech account for 80% of the market, Biotech and Medtech emerge as greenshoots**



India's healthcare innovation landscape is poised for a significant leap, with its market potential expected to double to approximately \$60 billion by FY 2028.

Pharma services and healthtech are anticipated to drive about 80% of this growth, maintaining their positions as the largest segments in the market, according to the findings of 'Healthcare Innovation in India' report by Bain & Company and HealthQuad.

This growth will be driven by rising consumerisation of health, reconfigurations to the global healthcare value chain, a deepening of Indian scientific and technological expertise, and regulatory tailwinds.

The report outlines the opportunity in healthcare innovation where companies increasingly leverage emerging technologies to add innovation vectors including new business models, software-led solutions, and products that extend beyond more longstanding value engineering considerations.

India's vaccines and biotech sector, valued at \$4 billion in FY2023 contributes 15% to the healthcare innovation market having proliferated in the past three years. India remains a global powerhouse, supplying 60% of global vaccine demand.

MedTech is evolving from an import-reliant industry to one capable of producing innovative, new-to-the-world products. This

\$11 billion market, currently dominated by imports (75-80%), witnessed Indian players contribute roughly \$2.5 billion in FY 2023, showcasing significant growth.

Investor sentiment around healthcare has remained stable across stages over the last five years. Investments in healthcare innovation typically ranges from \$1.5 billion to \$2 billion annually. Healthtech consistently attracted interest, netting more than 55% of overall deal volume across the last four to five years.