



HEALTH & PHARMACEUTICALS

India boasts the largest number of pharmaceutical manufacturing facilities compliant with the US Food and Drug Administration (USFDA) standards, with around 500 Active Pharmaceutical Ingredient (API) producers constituting 8% of the global API market. The country's pharmaceutical sector caters to over 50% of global vaccine demand, 40% of generic demand in the US, and a quarter of all medicines in the UK.

With a network of 3,000 drug companies and approximately 10,500 manufacturing units, India's domestic pharmaceutical industry holds significant sway globally. The nation's robust pool of scientists and engineers further propels the industry forward, with Indian firms supplying over 80% of the world's antiretroviral drugs for combating AIDS.

India's pharmaceutical sector continues to evolve, with a focus on generic medicines and cost-effective vaccines on a global scale. The industry's growth trajectory positions it as the third-largest in the world by volume and the 14th largest by value, contributing around 1.72% to the country's GDP. Projections indicate that the Indian pharmaceutical market could reach a value of US\$ 130 billion by 2030, aligning with the anticipated global market size surpassing the US\$ 1 trillion mark by 2023.

The Indian pharmaceuticals industry is poised for significant growth, with projections indicating a market size of US\$ 65 billion by 2024 and approximately US\$ 130 billion by 2030. Presently, the industry is valued at around US\$ 50 billion, with over US\$ 25 billion of its worth attributed to exports. Notably, India meets about 20% of the global demand for generic drugs, solidifying its position as a key player in the pharmaceutical landscape.

India's biotechnology sector also demonstrates substantial potential, ranking among the top 12 destinations globally and the third-largest in the Asia Pacific region. The industry witnessed robust growth in 2022, surpassing US\$ 80.12 billion, indicating a 14% increase from the previous year.



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From fiscal year 2018 to 2023, the Indian pharmaceutical industry experienced a compound annual growth rate (CAGR) of 6-8%, primarily fueled by an 8% surge in exports and a 6% uptick in the domestic market.

Looking ahead, the biosimilars market in India is expected to witness impressive growth, with a projected CAGR of 22%, reaching US\$ 12 billion by 2025. Additionally, India stands as the third-largest producer of Active Pharmaceutical Ingredients (APIs), contributing 8% to the global API industry.

The medical devices sector in India holds promise as well, currently estimated at US\$ 11 billion, with a projected share of 1.5% in the global market. Forecasts suggest a remarkable CAGR of 37% from 2020 to 2025, with the sector reaching US\$ 50 billion.

The domestic pharmaceutical sector anticipates a sales growth of 8-10% in the fiscal year 2023-24, as analyzed by CRISIL. Furthermore, Indian pharmaceutical companies command a significant share in the prescription market in the US and EU, boasting the largest number of FDA-approved plants outside the US.

The pharmaceutical exports from India have been thriving, reaching over 200 nations worldwide, including highly regulated markets such as the USA, West Europe, Japan, and Australia. Notably, India's export of hydroxychloroquine to around 114 countries globally underscores its role in global healthcare.

Investments and developments in the Indian pharmaceutical industry have been noteworthy, with substantial foreign direct investment (FDI) inflows and strategic initiatives. The cumulative FDI equity inflow in the Drugs and Pharmaceuticals industry has exceeded US\$ 21.58 billion, contributing significantly to the sector's growth.



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Government initiatives further bolster the pharmaceutical sector, with measures aimed at promoting innovation, enhancing healthcare infrastructure, and fostering research and development. Schemes such as the National Medical Devices Policy and the Ayushman Bharat Digital Mission are instrumental in driving the industry forward.

As the pharmaceutical industry continues to evolve, India remains a key player on the global stage, offering affordable and high-quality medications to millions worldwide. With a focus on innovation, affordability, and quality, the Indian pharmaceutical sector is poised for continued growth and success in the years to come.

MergerCap Advisory specializes in facilitating mergers and acquisitions within the pharmaceutical and healthcare sectors. Our expertise lies in providing comprehensive advisory services to companies seeking strategic partnerships, mergers, or acquisitions to enhance their market position, drive growth, and achieve their business objectives.

With a deep understanding of the pharmaceutical and healthcare industries, MergerCap Advisory offers tailored solutions to clients looking to navigate complex transactions. Whether it's identifying potential targets, conducting due diligence, negotiating deals, or structuring transactions, we provide strategic guidance and support at every stage of the M&A process.

Our team of experienced professionals combines industry knowledge, financial expertise, and strategic insight to deliver value-added solutions that meet our clients' specific needs. We work closely with pharmaceutical and healthcare companies, investors, and stakeholders to execute transactions that create synergies, unlock value, and drive long-term success.

At MergerCap Advisory, we are committed to helping our clients achieve their strategic objectives and maximize value in an ever-evolving market landscape. With our proven track record and dedication to excellence, we are the trusted partner for pharmaceutical and healthcare companies seeking M&A opportunities.