



India's Pharma exports set for 10-15x growth by 2047 reaching a key milestone at India's 100th Year of Independence

- India's Pharmaceutical Exports expected to shift from volume to value, driving future growth
- Key sectors poised for significant growth: APIs, Biosimilars, and generic formulations
- Collaboration Between Government and Private Sector crucial for global competitiveness

Mumbai, New Delhi, Bengaluru, 08 February 2025: India's pharmaceutical exports are projected to double from approximately \$27 billion in 2023 to reach \$65 billion by 2030, and can further grow to an estimated \$350 billion by 2047, positioning India as the healthcare custodian of the world and propelling the vision of a Viksit Bharat. While India is the largest supplier of generic drugs globally, accounting for one in five generic drugs sold worldwide, the nation currently ranks 11th in terms of export value. By innovating and diversifying its export basket to include specialty generics, biosimilars, and innovative products, the report emphasizes how India can potentially secure a position among the top five nations in export value by 2047.

These are some of the findings of Bain & Company's report, '[*Healing the World: Roadmap for Making India a Global Pharma Exports Hub*](#)' created in collaboration with the country's leading pharmaceutical organizations including Indian Pharmaceutical Alliance (IPA), Indian Drugs Manufacturers Association (IDMA), and Pharmexcil, released today at IDMA's 63rd Annual Day in Mumbai, by Shri Piyush Goyal, Union Minister of Commerce and Industry.

On the occasion, **Union Minister of Commerce and Industry, Shri Piyush Goyal** said, "India has long been the pharmacy of the world. Now we want to change the narrative to 'India as the healthcare custodian of the world'. The government is fully committed to achieving this goal by fostering innovation, boosting R&D, and ensuring seamless regulatory processes. By strengthening collaboration between academia, industry, and government, we will continue to build a globally competitive sector that drives growth and contributes to healthcare worldwide."

Sriram Shrinivasan, Partner, Bain & Company said, "The transition from volume-based to value-led growth is essential for Indian pharma to secure its rightful place in the global market. Innovation, including the shift towards specialty generics, biosimilars, and novel products, will be the key to India's pharmaceutical future. With the right focus on quality, regulation, access to global markets, talent, and entrepreneurial innovation, India can rise to be among the top five pharma exporters globally by 2047. India's evolution from a nascent pharma exporter to achieving 10x growth over the past two decades (~\$3 billion to ~\$27 billion between CY03-23) is a clear testament to its vast potential."

The report reiterates that APIs, biosimilars and generic formulations are among the key sectors that will contribute to this growth.

- **APIs:** India's API export market is projected to grow from \$5 billion currently to \$80-90 billion by 2047. With China currently holding 35% of the outsourced market, global supply chain shifts and developments like the US Biosecure Act stand to create opportunities for India. Moreover, India's competitive advantages—low labor and manufacturing costs, high service levels, and a skilled workforce—position it to capture a significant share. Achieving



success in APIs will require expertise in innovative chemistries, self-sufficiency in critical KSMs, integration with the specialty chemical industry, and expansion of bulk drug parks.

- **Biosimilars** – While Indian players currently hold less than 5% of the global biosimilars market, green shoots are visible, driven by increasing R&D investments, an expanded pipeline of 40+ products and planned capacity addition over the next 3-4 years. Indian biosimilar exports, currently valued at ~\$0.8B, are projected to grow 5x to \$4.2B by 2030, capturing 4% of the global market, and reach \$30-35B by 2047. Key factors driving growth in exports include global trends such as the simplification of biosimilar pathways in the US including interchangeability and bioequivalence and the positive influence of initiatives like the Biosecure Act. Additionally, to compete with large-scale biosimilar players in China and Korea, India will need to make strategic investments such as establishing biopharma parks, drive skill upgradation and offer R&D incentives.
- **Generic Formulations** – Generic formulations exports, currently the largest component of India's pharma exports at ~70% and valued at ~\$19B, are projected to grow to \$180-190B by 2047. While commodity generics dominate the segment, India must drive a shift from volume to value by scaling up specialty generics, which offer higher margins. This will require developing clinical trial capabilities for specialty generics, establishing on-ground presence in international markets, and strengthening M&A and business development skills to acquire expertise and share risks.

Dr. Viranchi Shah, National President at Indian Drug Manufacturers Association (IDMA) highlighted India's pharma potential and stated, "India can become one of the leaders in pharma exports, but needs strategic interventions. Bulk drug parks are key to API export growth—India must scale efforts to revive and strengthen its API industry while improving energy supply, waste treatment, and road connectivity. With under 5% penetration of generic formulation exports in NAFTA and Europe, a country-specific export strategy and MRAs to address non-tariff barriers are essential. R&D and innovation must be prioritized through collaborations between industry, government, and academia."

Additional growth drivers include vaccines, innovative products such as New Chemical Entities (NCEs), New Biological Entities (NBEs), and the Contract Research Organization (CRO) and Contract Development and Manufacturing Organization (CDMO) sectors. India supplies 55-60% of UNICEF's vaccines but lags in value due to MNC dominance. The focus should be on low- and middle-income countries (LMICs) near-term, with long-term efforts targeting high-income countries (HICs), requiring investments in clinical trials, manufacturing, and collaborations. India has over 40 NCE and NBE assets in the pipeline, with innovative exports expected to reach \$13-15B by 2047 with potential end-to-end in-house product development. Prioritizing R&D in rare diseases, ramping up R&D investments with a focus on fast growing areas like oncology, developing expertise in new modalities, integrating AI/ML drug discovery, and collaboration with bio-techs and academia will drive growth. The CRO/CDMO sectors are expected to benefit from skilled talent and AI, and the push towards supply chain diversification by developed economies. India can benefit, offering cost, quality, and service advantages. This will require ensuring GMP adherence, strengthening capabilities in AI/ML, specialty forms and biologics.



Responding to the findings of the report, **Sudarshan Jain, Secretary General, Indian Pharmaceutical Alliance (IPA)**, stated, "India aims to become a \$30 to \$35 trillion economy by 2047, which marks the 100th year of the country's independence. To achieve this, the pharmaceutical industry must excel on all fronts. The pharma sector is the fifth largest contributor to manufacturing GVA, drives ~4% of India's FDI inflows, generates a \$19 billion trade surplus, and supports 2.7 million livelihoods. It is crucial to double down on Indian pharmaceutical exports, which currently account for 6% of India's total merchandise exports by value."

Raja Bhanu, Director General of Pharmaceuticals Export Promotion Council of India (Pharmexcil) added "The USP of Indian generics has always been 'Quality, Affordability, and Scalability.' This will continue to be foundational as we move towards 'Bharat@2047', envisioning for exports of specialty generics, biosimilars, vaccines & biologics, personalised medicines, advanced gene therapies, and CDMO/CRO services with a market size of \$350 billion. We will achieve this through bold and strategic investments, smart domestic and foreign trade policy initiatives, regulatory harmonization, and an ecosystem that fosters innovation and collaboration among stakeholders. By leveraging the ever-evolving strength of digital technology we will distinguish ourselves as a trusted and indispensable partner for global healthcare solutions."

Key trends shaping the growth story include the shift towards value through CDMO/CRO, the drive for supply chain resilience (China +1), and robust funding for Indian pharma.

- **Shift Towards Value through CDMOs/CROs:** Indian CDMOs and CROs are increasingly taking on expanded roles across the value chain, from research to clinical trials, focusing on high-value innovative products. This shift, along with the out-licensing of IP-driven products, enables them to capture a larger portion of the value chain. The growth of these sectors will stimulate innovation and talent, paving the way for the next generation of biotech companies.
- **Supply Chain Resilience:** India has a unique opportunity to leverage global supply chain shifts, particularly the move away from reliance on China. With initiatives like "Make in India" and approximately \$3 billion in production-linked incentives (PLI) for pharmaceuticals and medical devices, India is well-positioned to capitalize on this trend. Expanding PLI will be crucial to harness India's geopolitical and demographic advantages.
- **Robust Funding for Indian Pharmaceuticals:** Healthcare's share of Indian PE/VC investments has seen a sharp increase from 6% in 2021 to 17% in the first half of 2024.. Private equity firms are creating platform plays across the value chain, while venture capital is driving biotech growth, strengthening India's biopharma capabilities, and positioning the country for global competitiveness.

India's pharmaceutical sector is set for transformative growth, with collaboration between the government and private sector playing a crucial role in driving innovation. By 2047, India's pharmaceutical industry will not only contribute to the nation's economic growth but also solidify the country's position as a global leader in healthcare, aligning with the vision of Viksit Bharat.

Media contacts: For more information or interview requests please contact:

Sitara Achreja (Bain & Company): sitara.achreja@bain.com ; +91 98103 67013

Shelza Khan (Bain & Company): shelza.khan@bain.com; +91 96439 38993



About Bain & Company

Bain & Company is a global consultancy that helps the world's most ambitious change makers define the future. Across 65 cities in 40 countries, we work alongside our clients as one team with a shared ambition to achieve extraordinary results, outperform the competition, and redefine industries. We complement our tailored, integrated expertise with a vibrant ecosystem of digital innovators to deliver better, faster, and more enduring outcomes. Our 10-year commitment to invest more than \$1 billion in pro bono services brings our talent, expertise, and insight to organizations tackling today's urgent challenges in education, racial equity, social justice, economic development, and the environment. We earned a platinum rating from EcoVadis, the leading platform for environmental, social, and ethical performance ratings for global supply chains, putting us in the top 1% of all companies. Since our founding in 1973, we have measured our success by the success of our clients, and we proudly maintain the highest level of client advocacy in the industry.

About Indian Drug Manufacturers' Association (IDMA)

The Indian Drug Manufacturers' Association (IDMA), established in 1961, has been instrumental in driving the Indian pharmaceutical industry's growth, ensuring near self-sufficiency in affordable, quality medicines for India and the world. With approximately 1,000 members and eight State Boards across Tamil Nadu, Kerala and Puducherry, Gujarat, West Bengal, Haryana, Himachal Pradesh and Uttarakhand, Madhya Pradesh, Telangana and Karnataka, IDMA represents small, medium, and large-scale manufacturers nationwide.

IDMA collaborates with regulators and government authorities on policy and regulatory issues, contributing to initiatives like Revised Schedule M (successfully achieved a one-year extension for MSMEs), drug and medical device pricing reforms, and the NMC Regulation, ensuring industry growth with a patient-centric focus.

About Indian Pharmaceutical Alliance (IPA)

Indian Pharmaceutical Alliance (IPA) represents 23 leading Indian pharmaceutical companies committed to patient care in India and across the world. Collectively, IPA member companies account for over 85% of the private sector investment in pharmaceutical research and development. They contribute more than 80% of the exports of drugs and pharmaceuticals and service over 64% of the domestic market. The primary focus areas of IPA are innovation, quality, and global reach.

About Pharmexcil

The Pharmaceuticals Export Promotion Council of India (Pharmexcil) was established in 2004 by the Ministry of Commerce and Industry, Government of India, under the Foreign Trade Policy. Its primary goal is to promote and facilitate the export of Indian pharmaceutical products globally. Supporting over 4,200 members involved in formulations, APIs, biologics, and pharma services, Pharmexcil provides a platform for collaboration, market research, export promotion, and compliance with international regulations.