



सत्यमेव जयते

Government of India
Ministry of Commerce and Industry
Department of Industrial Policy and Promotion

Medical Devices in India



**JAPAN
2018**

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JAPAN PLUS
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SECTOR HIGHLIGHTS

- **4th largest market for medical devices** in Asia, top 20 Globally
- **Indian medical devices industry is growing at a CAGR of 15.8%, vis-à-vis a CAGR of 4.1%** for the Global medical devices industry
- Medical devices industry in **India has the potential to grow at 28% p.a. to reach USD 50 billion by 2025**



GROWTH DRIVERS

Life Expectancy:

Ageing population; life expectancy to cross 70 years by 2022, thereby increased demand for healthcare including home-based care and devices

Disease burden:

Non-communicable diseases like cardio vascular diseases, cancer, diabetes, and respiratory diseases, are expected to comprise more than 75% of India's disease burden by 2025

Increasing Health Insurance Penetration:

The Indian health insurance penetration has increased in the last one decade and is expected to reach over USD 8 billion in FY 2020

Growing medical tourism:

Economical treatment, quality healthcare infrastructure and highly skilled doctors

GOVERNMENT INITIATIVES

FDI:

100% FDI allowed in medical devices through the automatic route for brownfield as well as greenfield setups

Increasing public health spending:

The public health spending is expected to increase even further with schemes such as Ayushman Bharat that will be the world's largest government funded Health Program

Medical Device Rules (2017):

New medical device rules & regulatory processes. The new rules seek to remove regulatory bottlenecks to make in India, facilitate ease of doing business

Revision of Medical Devices Prices Control Order:

Government looking at the middle ground of imposing a cap on the distributor and retailer margins

Cluster Development:

The Indian government has proposed the development of 3 medical device parks in India and AMTZ of which the first one is already developed and ready for occupation. In addition to this there are also other private industrial parks with medical devices facilities. Several of these also include strong capabilities for contract development of prototypes of medical devices making it possible for companies to develop new products quickly and cost efficiency in India.



OPPORTUNITY AREAS FOR JAPAN

1. Assembly of Electro Mechanical Devices:

- Several medical devices are electro mechanical devices, these devices range from simple devices such as syringe pumps, infusion pumps, Boyles apparatus to more complex devices such as dialysis equipment and Heart lung machines. The assembly of many of these electro mechanical devices can be easily shifted here with the support and capabilities of Medical Devices parks such as AMTZ and the preferential market access policies will support commercial viability of such projects. Additionally, many of these devices are also bedside therapeutic devices. With India focusing on increasing hospital beds supply to meet WHO recommendations the demand for such products will increase.

2. Manufacturing of Diagnostic equipment

- India's medical device market is expected to grow to at 16% CAGR over the next few years. Within this the Diagnostics imaging is the largest segment constituting 26% of the medical device market followed by IV Diagnostics that is the second largest segment with an estimated 24% share of the market.

EXISTING COOPERATION WITH JAPAN IN MEDICAL DEVICE INDUSTRY

1. Technical Training for Materializing International Diagnostic Business in India

To address diagnostic technological differences between India and Japan, a programme approved by the Ministry of Health, Labour and Welfare in Japan is introduced in India and is funded by "The International Promotion of Japan's Healthcare Technologies and Services in 2017" conducted by the National Center for Global Health and Medicine under the Ministry of Health, Labour and Welfare, Japan

2. MoC between CDSCO and Ministry of Health, Labour and Welfare of Japan on "Medical Products Regulation Dialogue and Cooperation Framework"

In 2015, a MoC between CDSCO and Ministry of Health, Labour and Welfare of Japan on Medical Products Regulation Dialogue and Cooperation Framework was signed. The Memorandum established the Medical Products Regulation Dialogue and Cooperation Framework to facilitate a constructive dialogue in areas pertinent **to raw materials for pharmaceutical use, biological products, medical devices, quasi-drugs, cosmetic products, and the relevant administrative and regulatory matters within the jurisdiction of the two Sides.**

JAPANESE SUCCESS STORIES

Horiba

- Have offices in Bangalore, Chennai and Delhi and a manufacturing unit in Haridwar. In 2016, the company inaugurated a technical center in Chakan Pune.
- Engages in the research, development, production, and sale of analytical and measurement equipment in the fields of environment, health, safety, and energy worldwide.

Omron

- OMRON Healthcare India was established in 2010, with the primary objective of health monitoring at home so that people can enjoy healthy and comfortable life and has a sales and marketing unit in Gurugram.
- The company is seeking to leverage the e-commerce space in India to find new customers and drive sales before reaching out to chain pharmacies in financial year 2018-2019. It also plans to expand its retail presence across the country by penetrating across 40 focus tier 1 and tier 2 cities. The company is now also looking to up with products in the respiratory protection segment.

Terumo

- Terumo Corporation was founded in 1921 as Sekisen Ken-onki Corporation by a group of medical scientists led by Dr. Kitasato Shibasaburō to produce medical thermometers in Japan. Worldwide it manufactures medical products and equipment, including pharmaceuticals, nutritional food supplement, blood bags, disposable medical devices, cardiovascular systems, vascular grafts, peritoneal dialysis, blood glucose monitoring system, medical electronic, and digital thermometers.
- Terumo India was established in 2013. In the past, Terumo conducted its sales in the Indian market via distributors importing from its Dubai Branch. Since establishing its India office Terumo along with conducting sales activities also manufactures blood bags for domestic as well as international markets.

JAPANESE COMPANIES IN INDIA

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