



Confederation of Indian Industry

Unlocking 'India for the World' in MedTech

AUGUST 2025







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Confederation of Indian Industry

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Confederation of Indian Industry

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Foreword

The Indian medical devices industry is a sunrise sector poised for a massive transformation and manufacturing unlock. Historically, India has enjoyed a limited share in Global MedTech manufacturing and exports, at less than 2% of the global output. The Indian market has predominantly relied on imports of medical devices for servicing the domestic needs.

There is massive recognition of the opportunity that this sector presents, and hence steps have been taken to unlock the opportunity. Supportive government policies, financial incentives and streamlined regulations coupled with frugal innovations and inherent cost advantage in India have enabled a recent uptick in manufacturing of medical devices in India. Overall production volumes have gone up and share of import has gone down to ~60% (from 80%).

The opportunity, however, is much larger than that realized thus far. Thus far, India has predominantly focused on low-tech medical devices for manufacturing. Global market is growing at a brisk pace, and need for lower cost, high performance products is at a high, with demand growing in India, and in Global South. Frugal innovation and low-cost manufacturing from India can be a massive unlock to fulfil this demand. Even established large organizations are looking at the India Manufacturing opportunity with interest.

Additional efforts will be needed towards realizing this potential, to expand our manufacturing prowess to high-tech medical devices. India will need to take efforts to build a robust supply ecosystem for requisite raw materials for medical grade requirements. Steps will need to be taken to promote technology transfer for global players to set up shop in India. Local innovation would need to be fostered by promoting innovation capabilities, industry-academia collaboration and building infrastructure for low cost prototyping and trials. The solutions would also need to be curated for broader access to MSMEs, and promote at scale, utilization of existing MedTech parks and PLI schemes.

If done right, MedTech manufacturing can take the leap towards being a ~\$30 Bn sector by FY2030, reduce import dependency to less than 50% and increase India's share to 10–12% in the global market. In this report, we highlight 9 potential themes of solutions that can be considered by the regulators and the industry to navigate this journey.

This report can serve as a strategic roadmap to progress towards the vision of 'Viksit Bharat 2047' in MedTech.



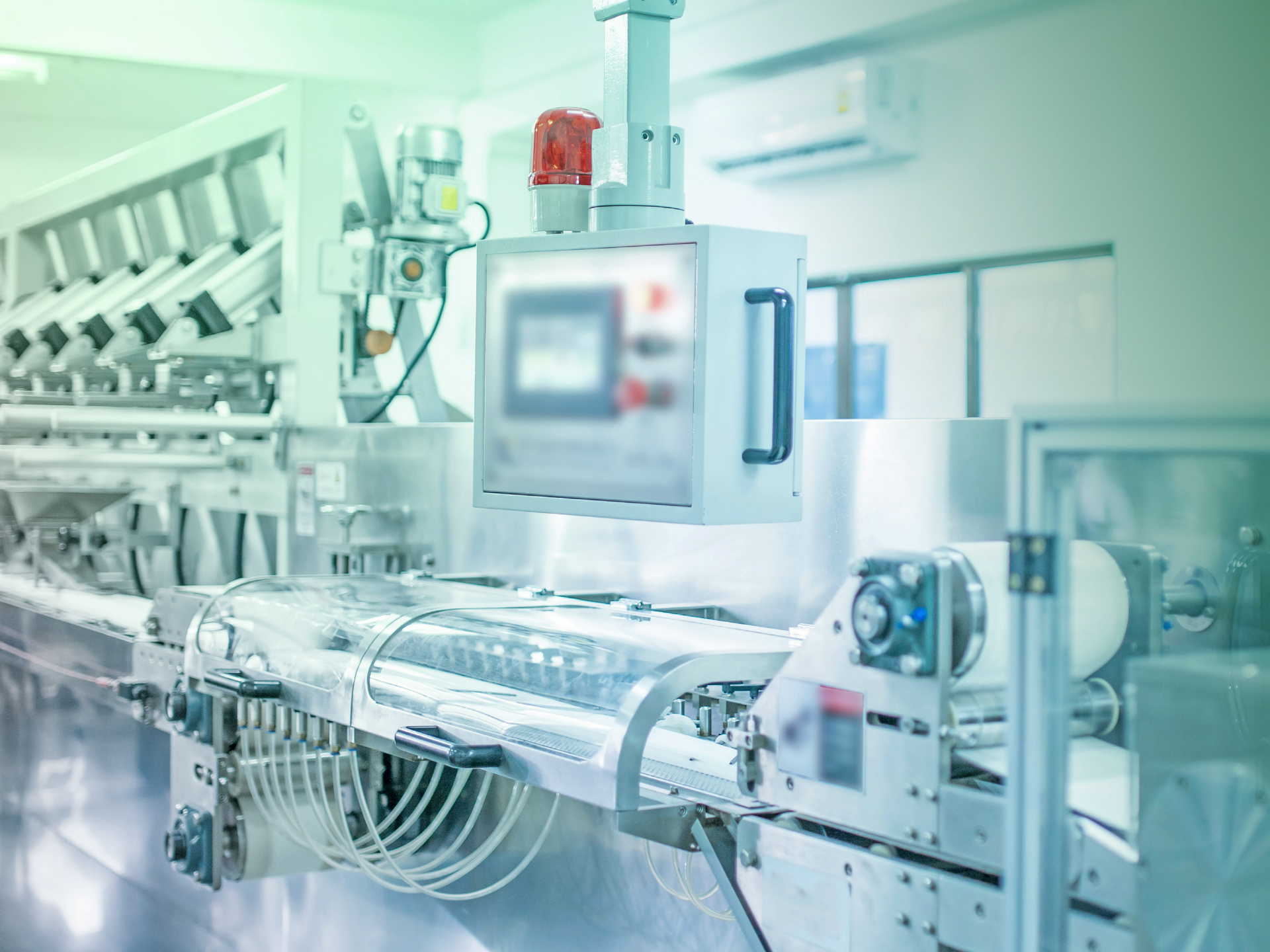
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Executive Summary – I/III

The Indian MedTech industry today is ~\$16 Bn, accounting for only ~2% of the global market valued at ~\$680 Bn

Opportunity in Indian MedTech sector to serve growing domestic and international demand, leverage inherent cost advantages and emerging manufacturing ecosystem is large. With Viksit Bharat 2047, the government has high aspiration for the sector to be one of the pillars in 'Make in India' thrust

- Aspiration to reduce import dependency to <50%
- Increase India's share to 10–12% of the global market

With that ambition, significant progress has been made over last few years to expand local manufacturing

- Infrastructure for MedTech manufacturing has been strengthened with 4 MedTech parks being created, AMTZ being most mature

- Government has launched many financial incentives such as PLI scheme, and state level tax benefits for local manufacturing
- Initiatives to enhance R&D infrastructure and capacity through government grants and 100% automatic route FDI since 2015 (\$3.9 Bn FDI as of December 2024)
- Up-skilling for MedTech disciplines (skill enhancement programs for technicians and researchers by NIPER)

India has inherent cost competitiveness advantage, and entrepreneurial eco-system boosted by incoming PE/VC investments which have further boosted local manufacturing footprint

- Last few years have seen uptick in domestic manufacturing – with investments from both domestic and MNC players
- Simultaneously, import reliance has reduced from ~80% in FY2022 to ~60% in FY2024

Executive Summary – II/III

While there is good momentum on local manufacturing, some challenges remain on the path to manufacturing excellence and becoming a global hub for MedTech

- Lack of comprehensive ecosystem for high-end devices – limited foundries for medical grade (cobalt/chromium/steel)
- Regulatory complexity – classification categories and approval formats are inconsistent with global markets, additional approvals required for exports
- Lack of skilled manpower availability – college/technical curriculum not suited to industry needs of biomedical engineering, device design, regulatory, QA/QC
- Mixed success for MedTech parks and clusters – under utilization due to limited high-end infrastructure and persistent implementation delays
- Low PLI scheme value realization – skewed towards large players, limited MSME benefits/ participation owing to high incremental revenue threshold

We believe the following 9 initiatives across government schemes, partnerships/ collaborations, product R&D and innovation will fuel next phase of manufacturing excellence

- Fine-tune PLI to promote MSME participation – stepped-down PLI thresholds to make participation viable for MSMEs
- Streamline imports aimed at promoting local manufacturing and exports – promote SEZ/EPZ with import duty rationalization and consider duty exemption for critical raw material
- Support creation of raw material ecosystem in India – extend incentives for manufacturing of medical grade critical raw material and enable co-location in a MedTech park
- Attract MNC manufacturing and R&D to India – structured engagement with global MNCs to establish manufacturing hubs and local design and R&D centers in India and actively engage with global and Indian manufacturers to promote JV/CMO engagements for large global players to make in India for the world

Executive Summary – III/III

- Unlock the power of MedTech parks fully – promote integration between MedTech parks and research institutes, establish cross-collaboration forums, facilitate global companies to set-up ‘Co-innovation labs’, establish shared and commercial scale ‘Foundries’
- Align regulatory requirements to support quick global approvals – streamline regulatory approvals with a single-window approval system and build bridge pathways to support Indian enterprise achieve global regulatory approvals aimed at exports
- Promote public-private collaboration in innovation and manufacturing – to accelerate indigenous design, rapid prototyping and commercialization of critical devices
- Promote global awareness and acceptance of Indian innovation – build an accessible innovation ecosystem through partnerships with global hospitals helping accelerate clinical validation

- Enable training and upskilling at-scale – establish training hubs and hands-on workshop centers, integrate advanced skills and clinical knowledge with academia

These steps will drive manufacturing, innovation, strengthen user-centric design, and build capacity for India to compete globally in high-end MedTech solutions, beyond the inherent competitive position

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manufacturing**

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01

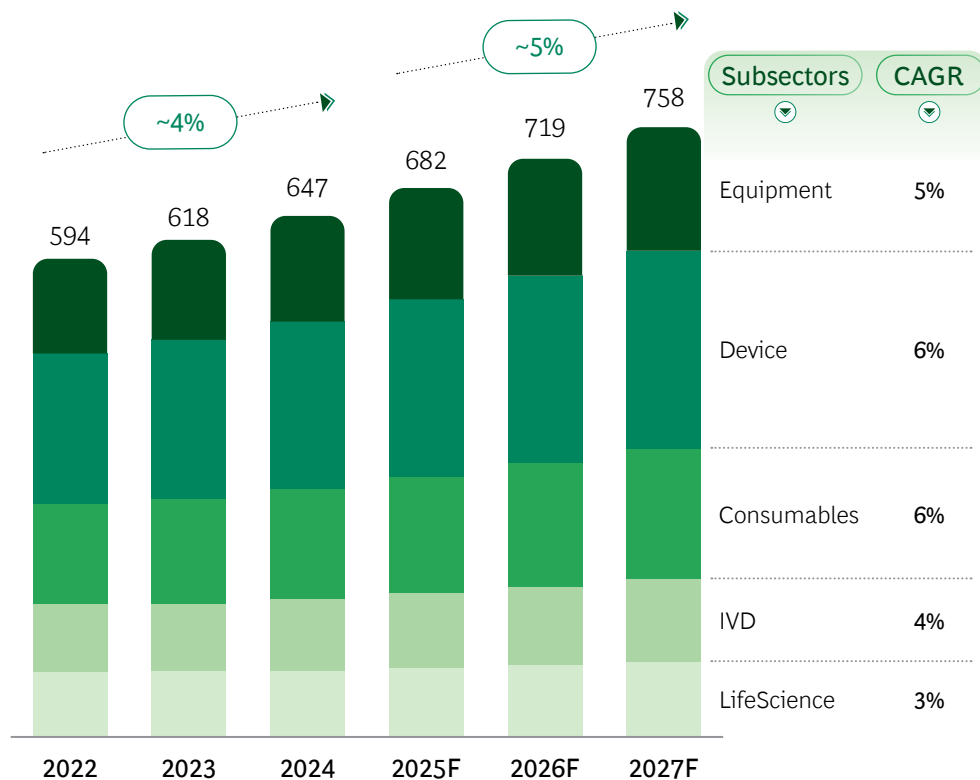
Industry at a
transformation stage ↗



MedTech market globally is large, currently ~\$680 Bn and growing at ~5%





 ~5% growth across key market segments expected until 2027

Global MedTech Sales (\$ Bn)



 Future growth driven by 4 key trends



-  **Ageing population**, i.e., higher prevalence of chronic diseases increase overall demand on health care solutions
-  **Higher lifestyle diseases**, e.g., increased obesity/CVD/diabetes, driving new patient volumes
-  **Decentralization of care**, i.e., treatment moving out of hospitals, fueling use of technology in alternative settings and new locations
-  **Growing focus and penetration of HC in Emerging markets** – increasing use of both basic and advanced health care solutions in recent years post Covid-19

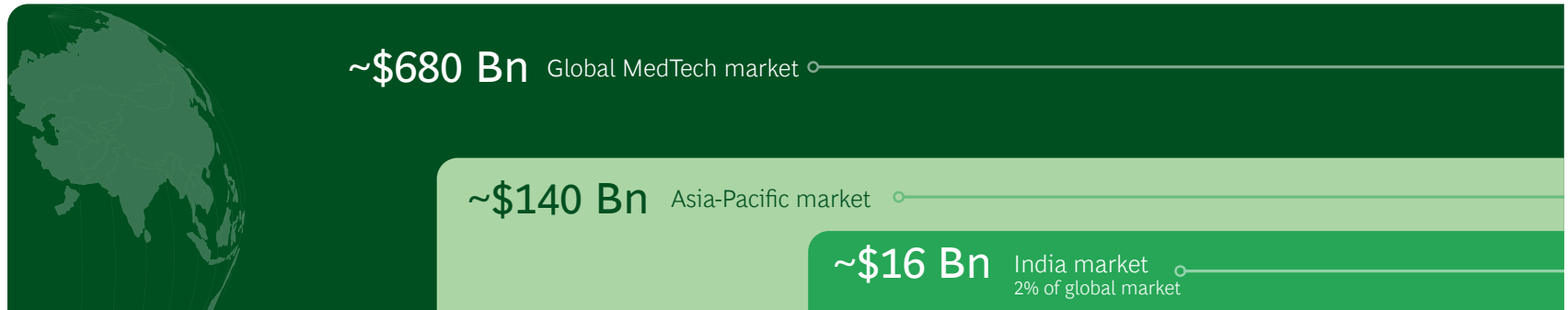
Note: Market segmentation and size according to BCG market definition. Company or report market sizes may differ depending on applied market definition

Source: Grand View Research; BCG analysis

India is currently the 4th largest MedTech market in Asia, growing faster than industry

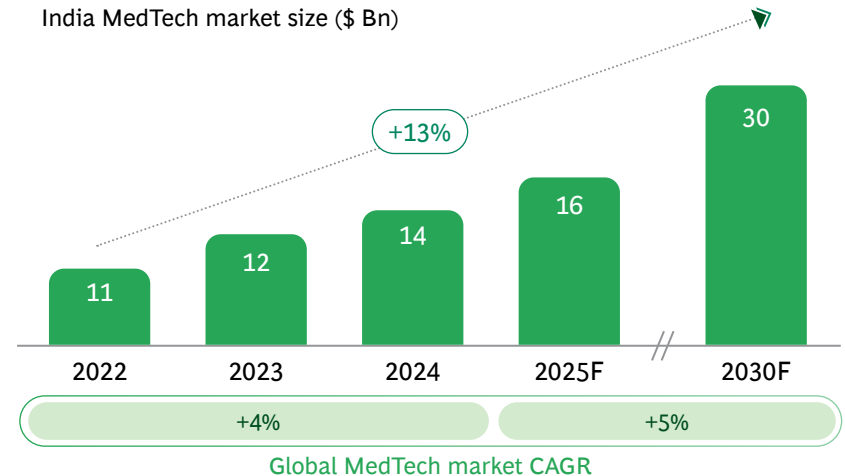


India's share in global MedTech market — FY'25



India's MedTech sector projected to grow ~3x of the global MedTech market growth rate

India MedTech market size (\$ Bn)



Source: Globe Newswire; Precedence Research; Market Reports; FY-30 Projected as per MoH Press Release

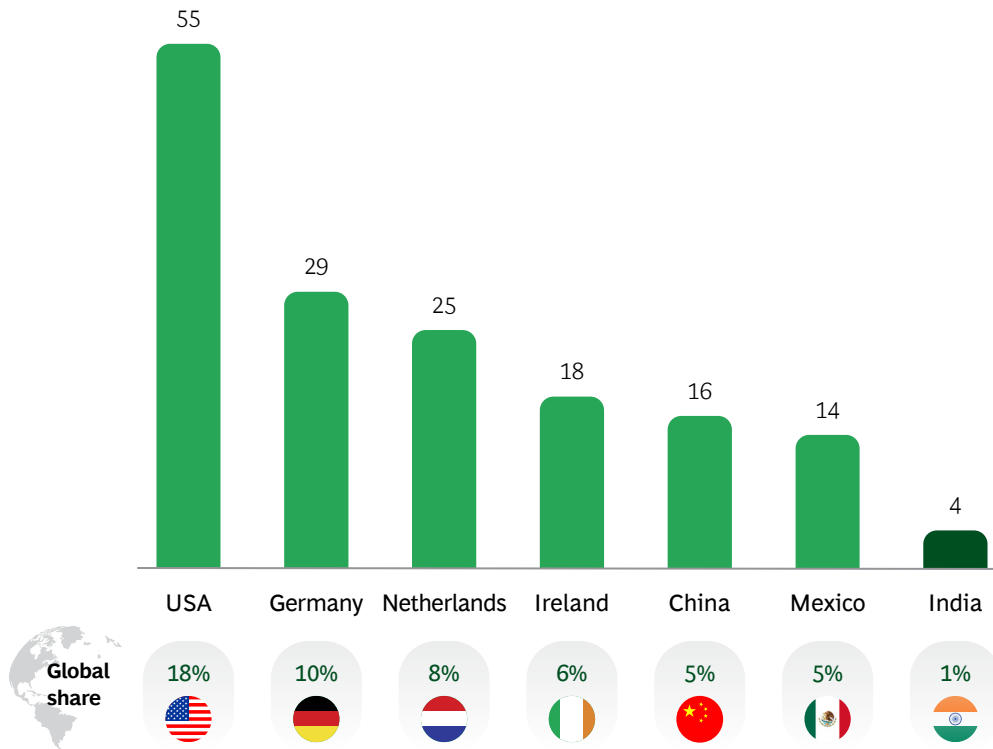


India's share in global MedTech manufacturing and exports has been historically small, at less than 2%



Exports of MedTech by country (\$ Bn)

Total Global exports = \$300 Bn



Three winning archetypes today



Innovation hubs (USA, Germany):
Export high-complexity, high-margin devices off deep R&D, strong QMS¹ and global regulatory credibility



Contract manufacturing + logistics hubs (Ireland, Netherlands): Dense OEM²/CMO³ plants with high-efficiency EU distribution networks



Cost/scale hubs (China, Mexico): Large EMS⁴/precision-machining bases for mid-tech, disposables and electronics equipment playing on volume and scale

1. Quality Management System; 2. Original Equipment Manufacturer; 3. Contract Manufacturing Organization; 4. Electronics Manufacturing Services

Note: Export market considered for HS-4 headings of 2018, 2019, 2021, and 2022

Source: UN Comtrade; Trend Economy; Observatory of Economic complexity; BCG analysis

There has been a concerted effort to advance manufacturing in Indian MedTech sector



Aspiration of Indian MedTech: Advance manufacturing and reduce import dependence

- Accelerate India's MedTech market to **\$30 Bn by 2030** and capture **10–12%** of global market share by 2047
- **Reduce import dependence** to <50% through domestic manufacturing and innovation
- Expand India's market share in Global exports by **10–12%** by 2030

Multiple initiatives have been taken towards this aspiration

MedTech Infrastructure

- Development of MedTech Parks in Andhra Pradesh, Tamil Nadu, Himachal Pradesh, Madhya Pradesh, and Uttar Pradesh
- NABL-accredited labs and common testing centers

Financial Incentives: PLI¹ Scheme

- ~5% financial incentive on incremental sales
- Outlay of ~\$410 Mn in 7 years

Innovation and Investment: PRIP² and FDI³

- Government grant for promoting innovation
- 100% automatic route FDI since 2015
- ~\$3.9 Bn FDI as of December 2024

Upskilling the Nation

- Setup of NIPERs⁴ for MedTech training
- Targeted skill enhancement programs for technicians and researchers



Key enablers of cost-competitiveness, entrepreneurial ecosystem and investments

Cost-competitiveness

- India has substantial cost advantage in terms of MedTech manufacturing
 - Land, labor, utilities, regulatory cost

Entrepreneurial ecosystem

- India promotes entrepreneurial skill-sets and environment to boost frugal innovations

Private Investments

- Backed by multiple PE/VC investments focused on manufacturing













1. Production-Linked Incentives; 2. Promotion of Research and Innovation in Pharma MedTech; 3. Foreign Direct Investment;

4. National Institute of Pharmaceutical Education and Research

Source: Department of Pharmaceuticals; Medical Technology Association of India; Press release; Secondary Research; BCG analysis

MedTech Parks | MedTech parks have been built with strong infrastructure; AMTZ¹ being most mature

	MedTech Park	R&D Capabilities	Manpower	Regulatory Support	Academic and Industry Linkages	Transport Infrastructure
01	 Andhra Pradesh (Visakhapatnam)	 <p>Boosted by Kalam Institute Research Center and advanced labs for testing</p>	 <p>150+ MedTech units on-site provide skilled manpower</p>	 <p>On-site US FDA, CE, ISO compliance facilitated</p>	 <p>ATRIUM², WHO and WTCA³ partnerships; Hosts 150+ companies</p>	 <p>Ports nearby; Devices shipped to 80+ countries</p>
02	 Telangana – Sultanpur (Hyderabad)	 <p>Good testing labs (EMI/EMC)⁴ with 3D printing and CNC⁵ machining technology</p>	<p>Abundant talent pool available with top engineering/ medical colleges in proximity</p>	<p>Partnerships with global certification agencies for streamlining approvals</p>	<p>Partnership with SMT⁶; Hosts 65+ companies</p>	<p>Nearby Airport; Exports to 89+ countries</p>
03	 Tamil Nadu (Chennai)	 <p>Robust innovation facilities under development fostered by R&D partnership with Anna University</p>	<p>On-site skill development center for training technicians in manufacturing will ensure skilled workforce</p>	<p>Onsite facilities to include certified testing labs and calibration center</p>	<p>Anna University as knowledge partner; Plan to host ~80+ companies</p>	<p>Close to Chennai seaport and airport</p>

Utilization: ● No utilization ● 100% utilization

Maturity Index: ● Fully mature ● Advanced ● Developing

*Multiple New MedTech parks are underway to boost MedTech manufacturing in India, i.e., Gujarat, Madhya Pradesh, Chhattisgarh

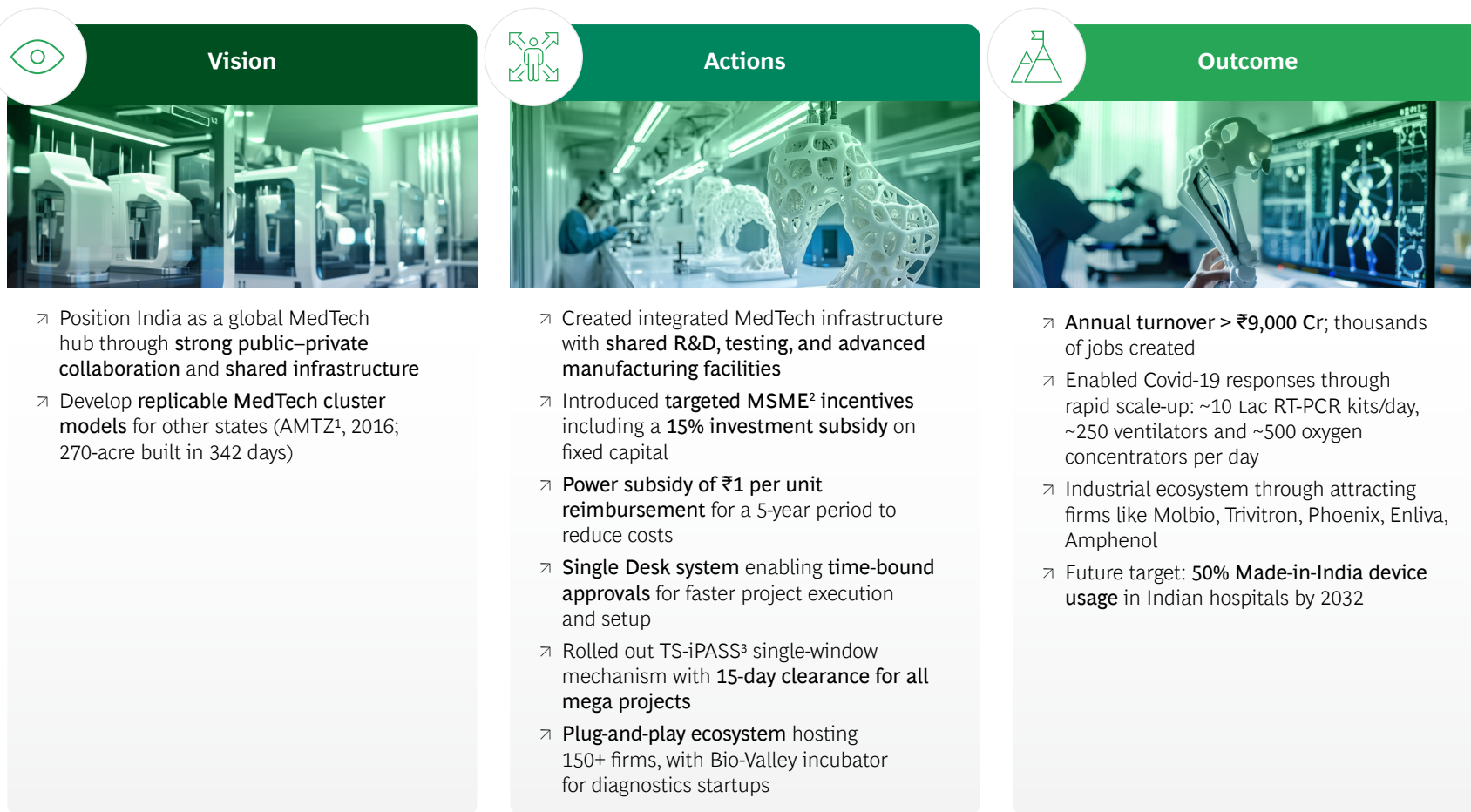
★ Deep-dive ahead;

1. Andhra Pradesh MedTech Zone; 2. Assistive Technology Réhabilitations Instrumentation Centre; 3. World Trade Centers Association;

4. Electromagnetic Interference (EMI) and Electromagnetic Compatibility (EMC); 5. Computer Numerical Control; 6. Sahajanand Medical Technologies

Source: Department of Pharmaceuticals; Secondary Research; BCG analysis

AMTZ Example | AMTZ has catalyzed domestic manufacturing in India



AMTZ¹ is a successful blueprint of how focused policy, infrastructure, and innovation ecosystems can transform India from being a MedTech importer into a global hub

1. Andhra Pradesh MedTech Zone; 2. Micro, Small, Medium Enterprises; 3. Telangana State Industrial Project Approval and Self-Certification System
Source: Survey Department of Pharmaceuticals

Incentives | State incentives fueling India's MedTech growth

01 Rajasthan

- 100% exemption on stamp duty and electricity
- 100% land tax waiver for 7 years
- 1.2–2% turnover-linked rebate for 10 years
- RajNivesh one-stop portal for time-bound clearances

02 Gujarat

- 100% stamp-duty reimbursement on land/lease
- Electricity-duty exemption for 5 years
- 25% capex subsidy¹ up to ₹200 Cr
- IFP² single-window online platform for approvals

03 Maharashtra

- Patent reimbursement: Up to ₹2 Lac (India) and up to ₹10 Lac (Foreign)
- SGST refund: 100% on first sale for 7–10 years
- Power subsidy: ₹0.5–1 per unit for 3 years

04 Karnataka

- KIADB³, 30% of land reserved for MSMEs⁴
- Bonus subsidy: +10% if the R&D center is co-located with the plant
- Faster approvals: Affidavit-based system and single-window clearance under NIP⁵

05 Haryana

- 100% electricity duty; 50–100% stamp-duty refund (land)
- MSME⁴ term loans: 5–8% interest rebate for 7 years
- Invest Haryana: single-window deemed clearances

06 Uttar Pradesh

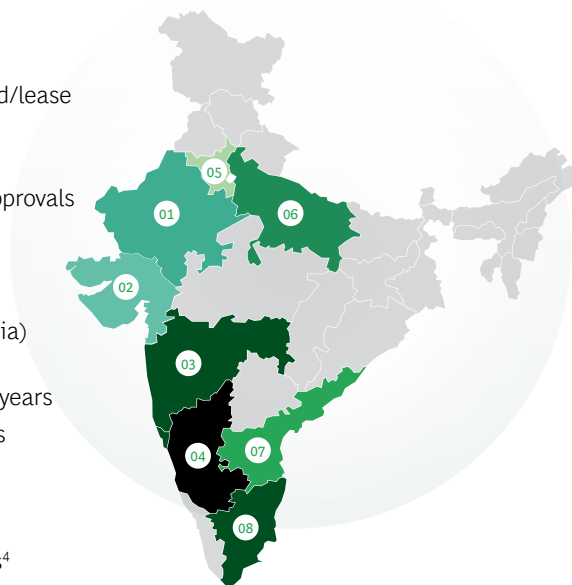
- Patent fees reimbursement: 100% domestic and 50% international
- Interest subsidy of 50% p. a. on quality/R&D loans
- Nivesh Mitra portal for fast-track clearances

07 Telangana

- MSMEs⁴: 15% investment subsidy on fixed capital
- Power: ₹1/unit reimbursement for 5 years
- Single Desk: time-bound approvals
- TS-iPASS⁶: single-window; 15-day approvals for mega projects

08 Tamil Nadu

- 1/3 subsidy incentives for companies: Fixed capital, Flexible (staged) capital or Turnover-based
- TN Single-Window portal + LS⁷ Promotion Cell for fast-track clearances
- State-affiliated testing labs for export certification



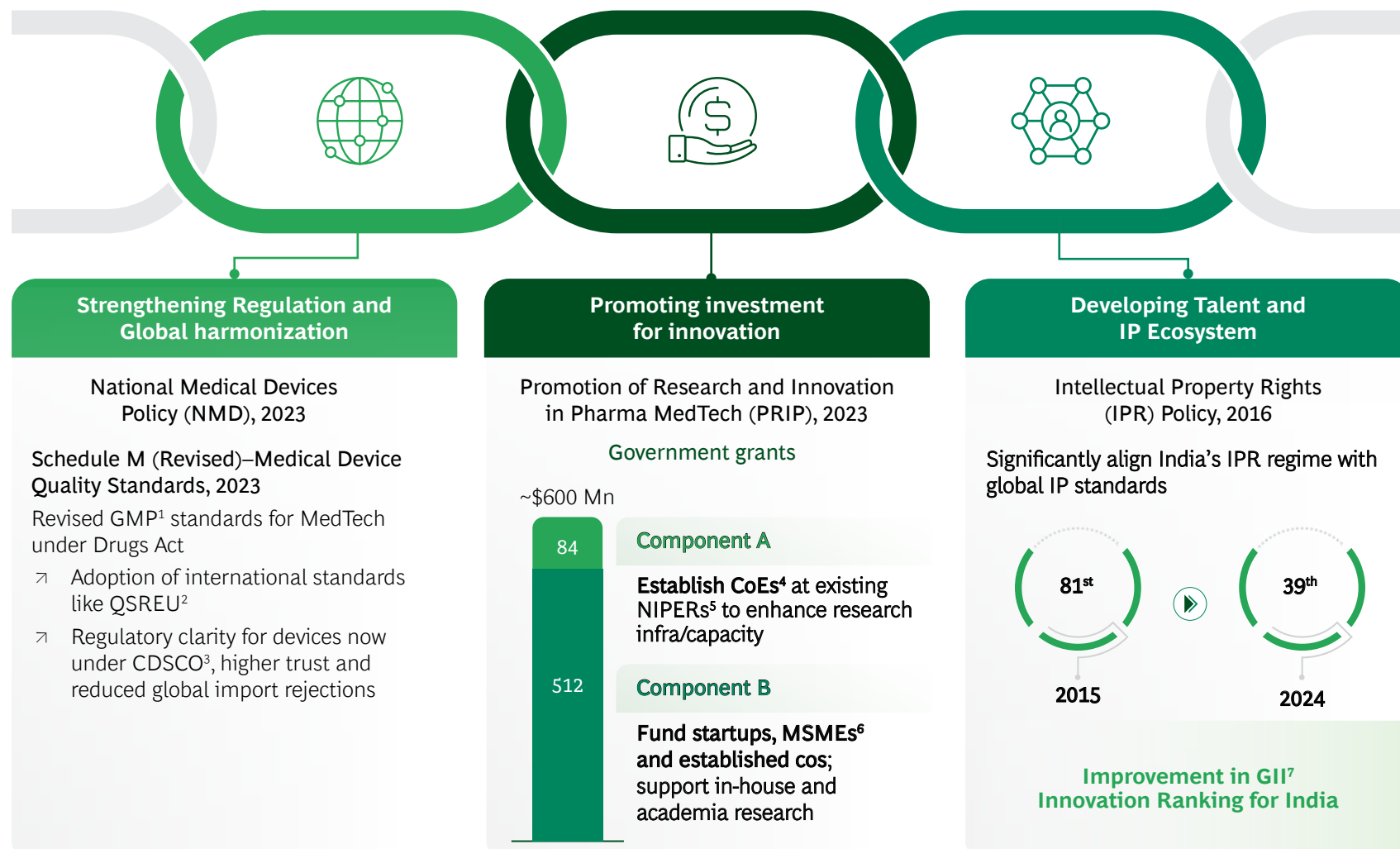
1. For biotech/biomedical devices and units; 2. Investor Facilitation Portal; 3. Karnataka Industrial Areas Development Board; 4. Micro, Small, Medium Enterprises;

5. New Industrial Policy; 6. Telangana State Industrial Project Approval and Self-Certification System; 7. Life Sciences

Note: The incentives are non-exhaustive for the select states (those with current and planned MedTech parks)

Source: Survey Department of Pharmaceuticals








Government Initiatives | Progressive policies are unlocking growth, innovation, and global competitiveness in Indian MedTech



1. Good Manufacturing Practice; 2. Quality System Regulation European Union; 3. Central Drugs Standard Control Organization; 4. Centers of Excellence; 5. National Institutes of Pharmaceutical Education and Research; 6. Micro, Small, Medium Enterprises; 7. Global Innovation Index
 Source: PIB Press Release; GII Rankings; Secondary Research

India's Cost Advantage | India offers substantial cost advantage for local MedTech manufacturing: illustration for mid-sized plant (~5,000 sq. m)

Indicative

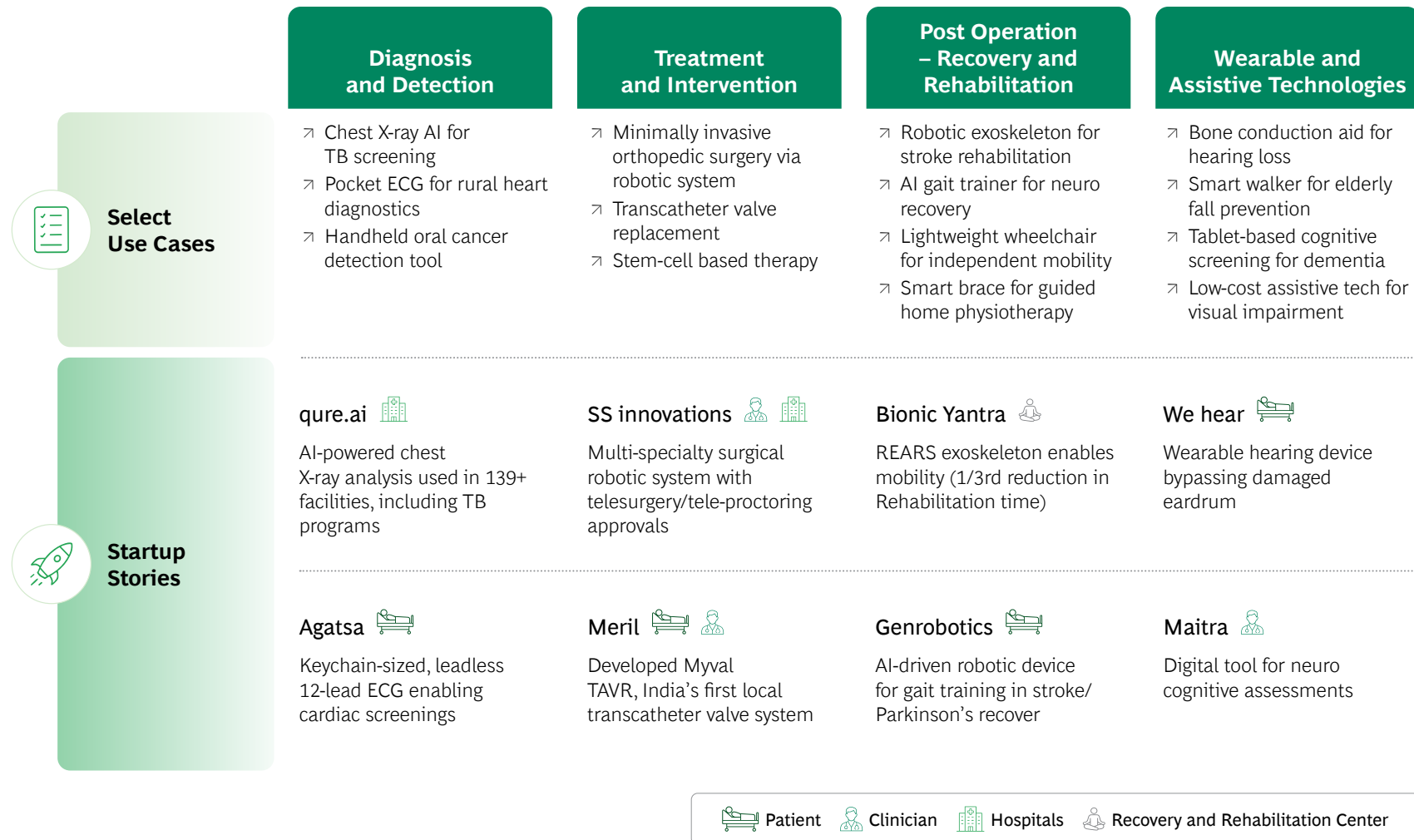
Cost Component	India	China	Mexico	USA	Europe
 Land Cost (5,000 sq. m)	● \$0.1–0.3 Mn; one-time purchase	● \$0.5–1 Mn national average	● \$0.1–0.8 Mn national average	● \$0.2–0.4 Mn; vary widely by state	● \$1.5–2.3 Mn, average across EU-5
 Construction (50,000 sq. ft CE facility)	● \$1–1.3 Mn	● \$1–2 Mn	● \$3.5–6 Mn	● \$4–7 Mn	● \$5–7 Mn
 Labor–Unskilled/ Semi-skilled (per month)	● \$150–350	● \$450–750	● \$715–1,040	● \$2,500–3,000	● \$2,000–3,000 for entry-level manufacturing workers
 Labor–Skilled/ Engineer (per month)	● \$300–600	● \$1,500–3,000	● \$2,300–4,500 (Engineer) \$1,200–2,100 (Technician)	● \$6,000–8,000	● \$5,000–8,000/ month, strong labor laws add indirect costs
 Utilities – Electricity	● ~\$0.09 kWh	● \$0.10–0.13/ kWh—heavily state- regulated	● \$0.12–0.18/kWh	● \$0.08–0.1/kWh	● \$0.15–0.25/kWh (Industrial rates are high due to energy taxes)
 Utilities – Water	● \$0.5–0.8/m ³	● \$0.4–0.8/m ³ for industrial water	● \$0.8–1.2/m ³	● \$1–3/m ³ on average	● \$2.2–5.5 including wastewater fees
 Product Regulatory Fees	● \$12–60/ device (CDSCO)	● Moderate fees- \$1,000–7,000 depending on device class	● \$20,000–60,000	● 510 (K) fee ~\$24,335 (\$6,084 for small business)	● EU MDR compliance costs \$250,000– 700,000

Cost ● Low ● Med ● High

Note: All costs are weighted averages and widely vary from state to state and regions within a country

Source: Secondary Research; Expert interviews; BCG analysis

Evolving ecosystem | MedTech ecosystem has emerged with frugal innovations across full spectrum of Medical devices

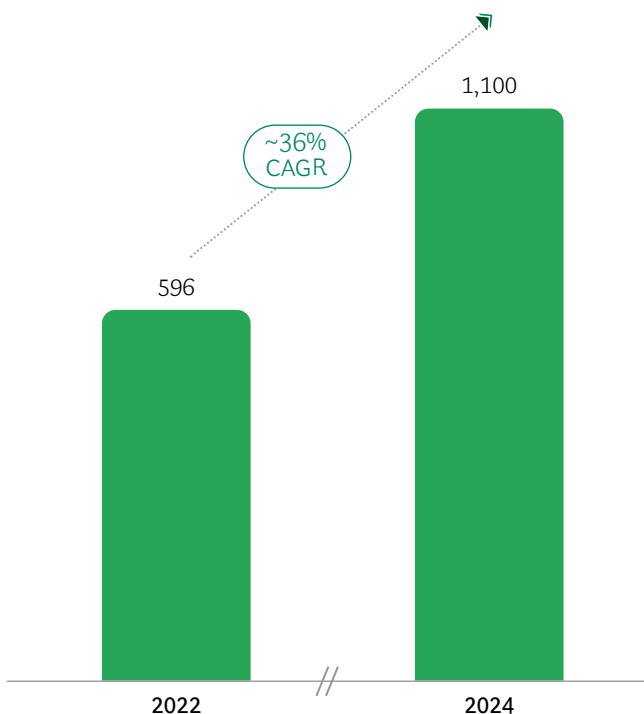


Source: Department of Pharmaceuticals-Government of India Annual Report 2024-2025; PBI Press Release; Industry Reports; Secondary Research; BCG analysis

PE/VC Investments | PE/VC investments have ramped up to support efforts to enhance manufacturing in India



PE¹/VC² investments in India's MedTech (\$ Mn)



Notable PE¹/VC² MedTech deals

Company	Investor	Purpose of seeking investment	Deal size (\$ Mn)
Healthium MedTech	KKR	Accelerate global expansion	840
Sahajanand Medical Technologies	Samara Capital	Global expansion and build next-generation cardiovascular solutions	150
Biorad Medisys	Kotak Strategic Situations Fund	Set up new manufacturing plant	48
Appasamy Associates	Warburg Pincus	Product innovation and export market growth	300
Futura Surgicare	Jashvik Capital	Build innovative devices and consumables	25
S3V Vascular Technologies	AM Naik and Madhusudan Kela	To set up manufacturing facility for neurovascular devices	36

Deal momentum with manufacturing as focus activity in India MedTech sector

1. Private Equity; 2. Venture Capital

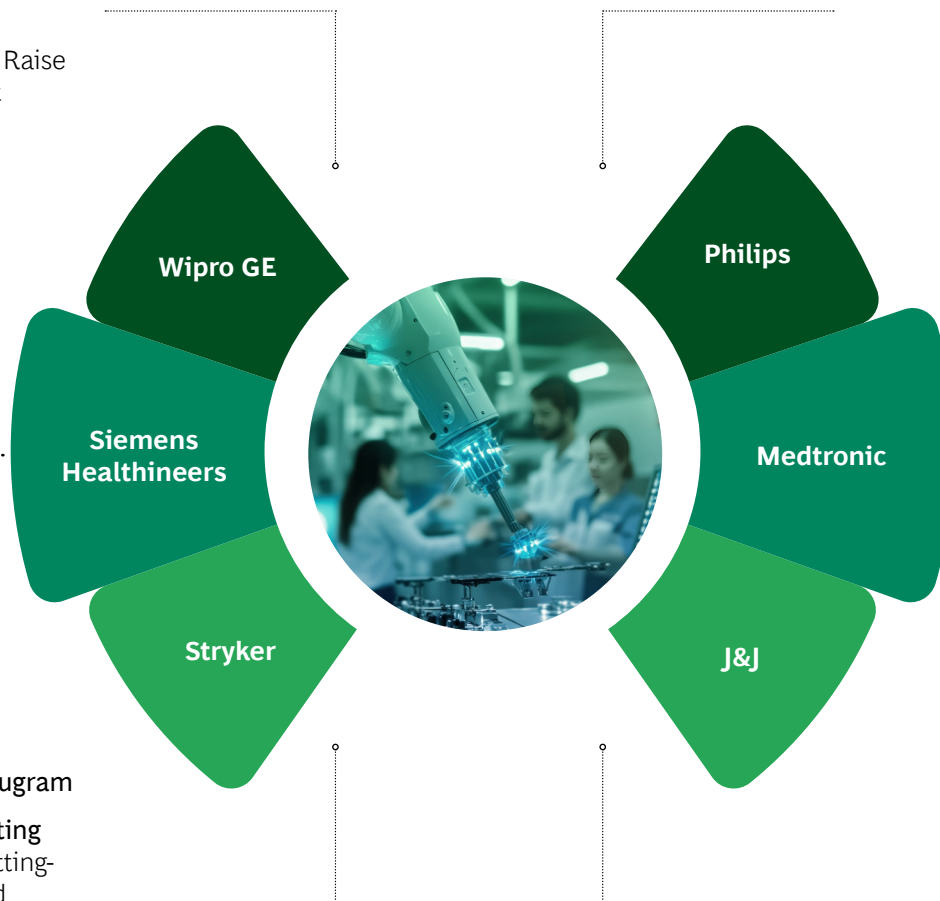
Source: Pitchbook-2023; Secondary Research; BCG analysis

MNCs are investing to leverage the Indian advantage on cost and technology

- Committed ~\$916 Mn for local manufacturing and R&D expansion till FY29
- 4 local production lines (PET-CT, CT, MR coils, X-ray) - Raise local production from current 40–45% to 70% by 2030
- Exporting to 70+ countries

- Investment of ~\$148 Mn for Bengaluru innovation hub under “Strategy 2025”
- Expands Make in India footprint with local manufacturing of Multix Impact E Digital Radiography X-ray System along with C-Arms, CT and MRI System

- Announced opening of 150,000 sq. ft R&D facility at International Tech park, Gurugram
- Expanded prototype and testing facility in India integrates cutting-edge infrastructure, enhanced microbiology capabilities, and a talented team to drive innovation



- ~\$12 Mn investment for Health Care Innovation Centre
- Expanded Chakan factory by 7,200 sq. m; MR coils, ultrasound, mobile surgery systems
- Launch of Affiniti ultrasound device

- Announced investment of ~\$481 Mn by 2025 to expand the Hyderabad Innovation Centre making it largest R&D hub outside the US

- Partnered with Philips to train over 300 clinicians in imaging techniques in its commitment to clinician upskilling

- With the Indian ophthalmic market valued at ~\$1,700 Mn in 2024, J&J vision is exploring local manufacturing to support access and distribution in India

- They are preparing for locally relevant innovations and clinical trials tailored to India

Source: Industry reports; Annual reports; Global MedTech interviews; BCG analysis

Indian companies and manufacturers continue to invest



New Product Approvals



44 high-end devices (CT, MRI, LINAC, ultrasound, mammography) **approved under the PLI¹ scheme** for domestic production



Domestic Player Expansion



Meril: \$18 Mn capex to make new devices²,
SMT³: \$10.4 Mn project to manufacturing 1 Mn+ stents and
2 Mn+ balloon catheters, Triviron: new radiation-protection
gloves plant to manufacturing ~2 Lac units annually

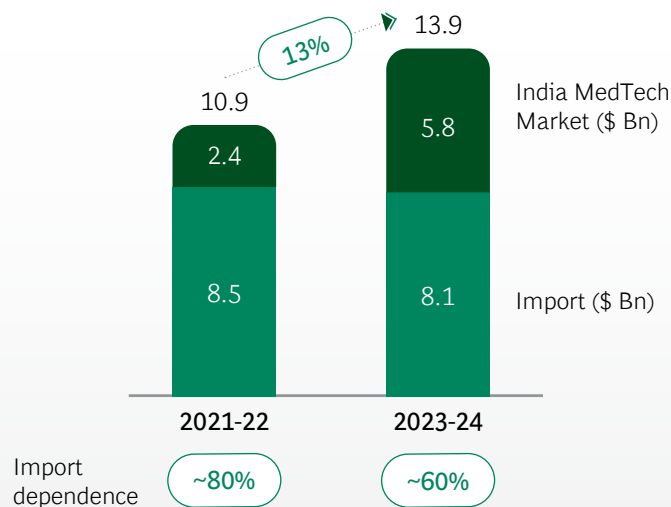
1. Production-Linked Incentives; **2.** Includes orthopedic implants, coronary stents/valves and endo-surgery products; **3.** Sahajanand Medical Technologies

Source: Industry reports; Secondary Research; BCG analysis

Significant uptick in domestic manufacturing and reduction in import reliance

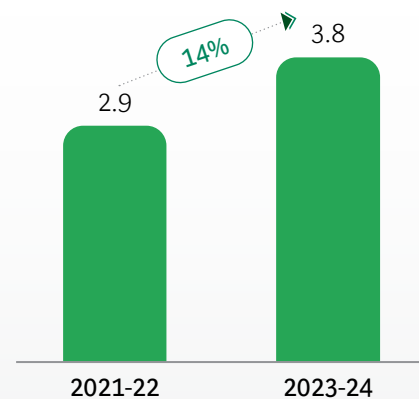


Reduced import dependency from ~80% to ~60%



Exports increased at ~14% CAGR - higher than ~13% industry growth

Export (\$ Bn)



Source: Department of Pharmaceuticals - Government of India Annual Report 2024-2025; PBI Press Release; Industry Reports; Secondary Research; BCG analysis



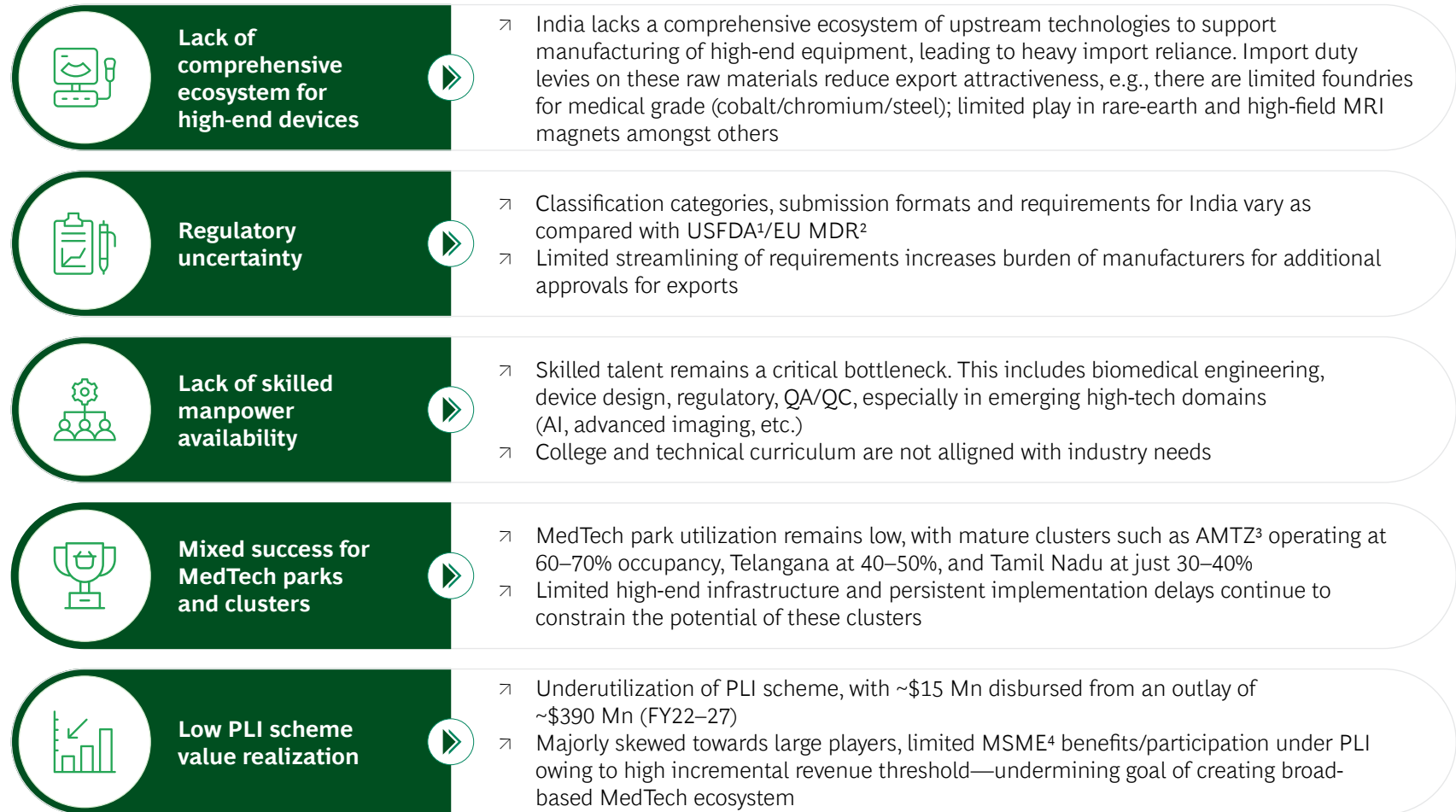
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Bumps on the road to becoming a **Global Manufacturing Hub**



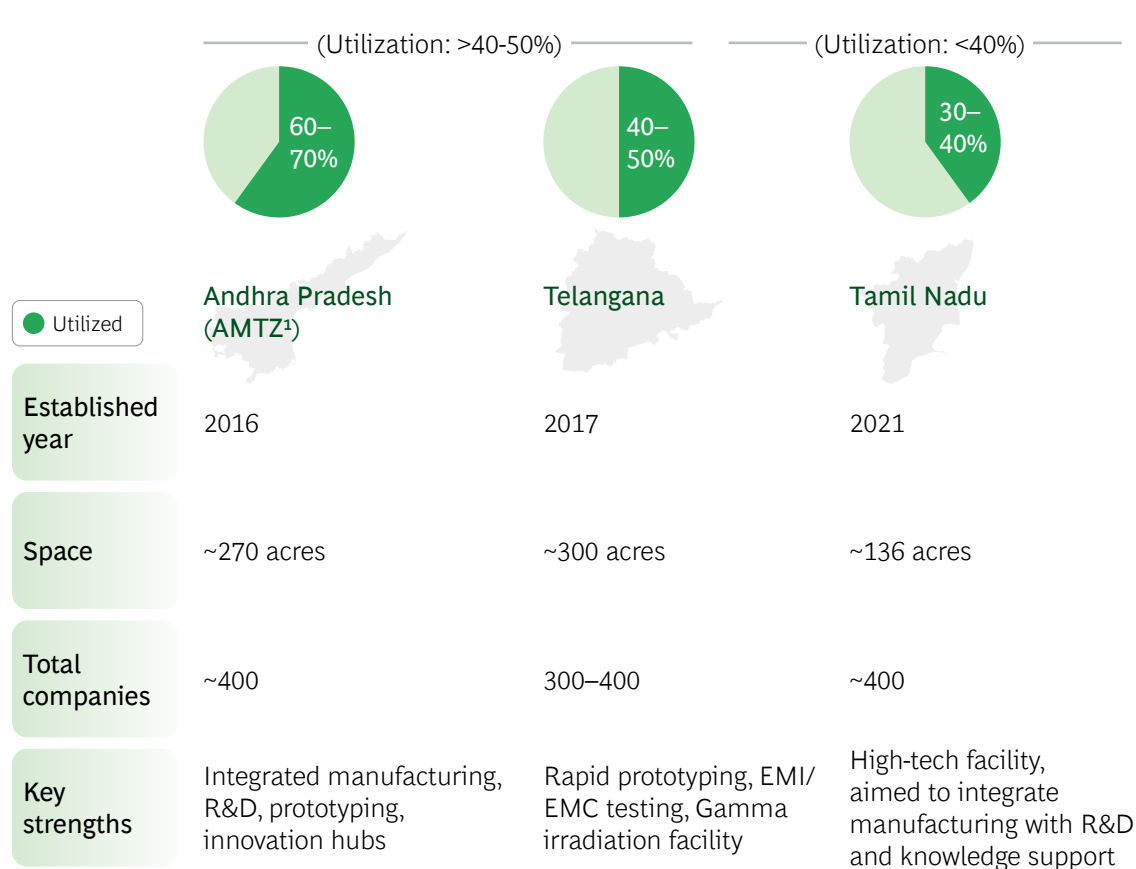


There are roadblocks to overcome as India progresses toward its vision of becoming a Global manufacturing hub



1. United States Food and Drug Administration; 2. European Union's Medical Device Regulation; 3. Andhra Pradesh MedTech Zone Limited; 4. Micro, Small, and Medium Enterprises
Source: Secondary Research; CDSCO website and circulars; BCG analysis

Indian MedTech parks have headroom to improve overall utilization



New MedTech Parks underway:

Gujarat being commissioned by late 2025 with investment of ~\$100–150 Mn underway, set to host ~400 MedTech companies

Madhya Pradesh announced its MedTech park in 2024, allotting land to over 30 MedTech companies with proposed investments of around ~\$200 Mn and **Chhattisgarh** announced Pharma and MedTech hub in December 2024

1. Andhra Pradesh MedTech Zone; 2. International Institute of Information Technology, Hyderabad; 3. Technology Hub; 4. Indian School of Business;

5. National Academy of Legal Studies and Research

Source: Department of Pharmaceuticals - Government of India Annual Report 2024-2025; PBI Press Release; Industry Reports; Secondary Research; BCG analysis

Challenges on realizing full-potential of MedTech parks

- Most parks need to strengthen **infrastructure to reach global standards; and attract ecosystem players**, except mature ones like **AMTZ¹** (MediValley, BioValley) and **Telangana** (T-Hub², PPP with government, IIIT-H³, ISB⁴, NALSAR⁵, private partners)
- **Funding models differ**, state-only parks (Gujarat, Telangana) are less attractive, while blended parks (AMTZ¹, Tamil Nadu) benefit from both central and state funding
- **Lack of skilled executioners, low talent-building efforts** and innovation infrastructure, impacting full potential realization of parks
- **Unclear marketing and business strategy** to expand to additional MedTech companies including global MedTech

Production-Linked Incentives (PLI) skewed towards large firms, limiting MSME participation



Incremental sales uplift threshold under PLI¹ Scheme for Category A³ and Category B⁴

**Scheme tenure:
2021 to 2028**

**Threshold minimum incremental sales
of manufactured goods**

FY	Category A ³ products	Category B ⁴ products
Year 1	₹60 Cr	₹20 Cr
Year 2	₹120 Cr	₹22 Cr
Year 3	₹180 Cr	₹24 Cr
Year 4	₹230 Cr	₹27 Cr
Year 5	₹280 Cr	₹29 Cr

Though there are PLI¹ schemes available, their impact hasn't been as expected. Moreover, they are more focused towards big companies rather than small companies. MSMEs², which comprise a large portion of India's manufacturing, are unable to benefit from the scheme. The scheme has criteria of incremental sales of ₹60 Cr which MSMEs² are unable to fulfil.

— *Leading executive, Indian MedTech Company*



PLI¹ Challenges



PLI's¹ greenfield-only requirement

The high upfront capex for new plants makes participation largely out of reach and discourages smaller players



High sales thresholds in PLI¹ schemes constrain participation:

Even when MSMEs² secure approvals, the steep incremental sales criteria (especially for Category A's³ ₹60 Cr in Year 1 rising to ₹280 Cr in Year 5, make it difficult for smaller players to keep pace as MSME² typically have an overall turnover of only ₹100-500 Cr

1. Production-linked incentives; **2.** Micro, Small, Medium Enterprises; **3.** Category A consists of Large, high-capex advanced equipments like CT, MRI, LINAC etc;

4. Category B consists of Smaller, less-cost intensive devices like X-ray tube, Anesthesia syringes and needles, Cyclotrons etc.;

Source: Department of Pharmaceuticals Report; Ministry of Finance Report; Secondary Research





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03. Next-level unlock for India's leadership in MedTech manufacturing

03

Next-level unlock for **India's leadership in MedTech manufacturing**








9-point agenda for India to emerge as a global manufacturing hub (I/II)

Solution Themes	Initiatives
<div>01</div>  <p>Fine-tune PLI to promote MSME participation</p>	<ul style="list-style-type: none"> ➤ Introduce 'step-down thresholds' under PLI schemes and increase awareness to ensure that MSMEs and smaller companies also qualify for incentive disbursements in subsequent years, rather than being limited to just gaining approvals under the PLI policy
<div>02</div>  <p>Streamline imports aimed at exports and promote manufacturing</p>	<ul style="list-style-type: none"> ➤ Promote SEZ¹/EPZ² with import duty rationalization on import of raw materials for export oriented ventures ➤ Consider duty exemption for critical raw materials – such as biomedical-grade plastics, special alloys, electronics, sensors, etc. aimed at exports
<div>03</div>  <p>Support creation of raw material ecosystem in India</p>	<ul style="list-style-type: none"> ➤ Extend incentives for manufacturing of medical grade critical raw material (e.g. rare earth magnets, foundries of medical grade Co³/Cr⁴) and enable co-location in a MedTech park
<div>04</div>  <p>Attract MNC manufacturing and R&D to India</p>	<ul style="list-style-type: none"> ➤ Create structured engagement with global MNCs to establish manufacturing hubs and local design and R&D centers in India by offering faster/single-window clearances; special concessions in the MedTech parks; access to clinical trials in India; and fast-track approvals for launch of their global portfolio in India ➤ Actively engage with global and Indian manufacturers to promote JV⁵/CMO⁶ engagements for large global players to make in India for the world, while addressing common concerns on IP protection and talent

1. Special Economic Zone; 2. Export Processing Zone; 3. Cobalt; 4. Chromium; 5. Joint Venture; 6. Contract Manufacturing organization
Source: BCG proprietary knowledge; Industry experts; Market Reports; Department of Pharmaceuticals Reports; Secondary Research

9-point agenda for India to emerge as a global manufacturing hub (II/II)

Solution Themes	Initiatives
<div>05</div>  Unlock the power of MedTech parks fully	<ul style="list-style-type: none"> ➤ Promote integration between MedTech parks and research institutes for enable prototyping and pilot testing ➤ Establish cross-park collaboration forums (as parks currently work independently) to drive knowledge sharing and joint advancement with global partners ➤ Facilitate global companies to set-up 'Co-innovation labs' within MedTech parks, engaging as OEMs and R&D partners, to accelerate technology transfer, deepen product R&D and move beyond buyer-seller relationships
<div>06</div>  Align regulatory requirements to support quick global approvals	<ul style="list-style-type: none"> ➤ Build bridge pathways to support Indian enterprises achieve global regulatory approvals aimed at exports, on back of their domestic approvals and quality assurance ➤ Streamline regulatory approvals with a single-window approval system along with 'preliminary regulatory assessment feedback' to simplify the existing 7-step approval process
<div>07</div>  Promote public-private collaboration in innovation and manufacturing	<ul style="list-style-type: none"> ➤ Promote collaboration between public R&D institutes and Indian manufacturers and industry to accelerate indigenous design, rapid prototyping and commercialization of critical devices through creating structured forums and information exchanges
<div>08</div>  Promote global awareness and acceptance of Indian innovation	<ul style="list-style-type: none"> ➤ Build an accessible innovation ecosystem through partnerships with global hospitals helping accelerate clinical validation for Indian MedTech innovations and drive user centric design
<div>09</div>  Enable training and upskilling	<ul style="list-style-type: none"> ➤ Establish training hubs and hands-on workshop centers for clinical education ➤ Integrate advanced skills and clinical knowledge with academia to build skilled manpower for specialized clinical applications, ensuring large-scale education in advanced medical procedures ➤ Launch 'Hospital-Engineer fellowship' programs, that provide biomedical skill-based training inside tertiary hospitals for 6-9 months, addressing unmet needs and offering hands-on MedTech exposure

Source: BCG proprietary knowledge; Industry experts; Market Reports; Department of Pharmaceuticals Reports; Secondary Research



Note to the Reader

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ACKNOWLEDGMENTS

The authors thank and acknowledge the support provided by Shivangi Ojha, Aayushi Shrivastava from Consulting team and Manik Nagpal from Vantage team in preparation of this report

Marketing Process: Nidhi Yadav, Bhumika Gupta, Simran Wadhwa, and Hazel Menezes

Design and Production: Saroj Singh, Subhradeep Basu, Abbasali Asamdi, Soumya Garg, Nihar Mehta, and Kshama Sawant

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Published by Confederation of Indian Industry (CII),
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