

Indian Healthcare Scenario

- India will spend USD 45.76 billion on healthcare in next five years & Revenues from healthcare sector account for 5.2% of GDP.
- Coupled with pharmaceutical sector, the total healthcare market could increase to USD 53–73 billion.
- India is an interesting geography for several global drug majors who are attracted by the huge talent pool, scientific skills and cheap labor that has enabled Indian companies manufacture drugs at about a third of the cost in the West.
- Medical Tourism has pegged at USD 350 million and will grow proportionally to USD 2 billion by 2012.
- India has the fastest growing healthcare IT market in Asia, with an expected growth rate of 22%.
- Healthcare spending in country will double over the next 10 years.
- Govt has allowed foreign direct investment up to 51% in hospital services and up to 26% in healthcare insurance.
- The market for medical devices and equipment in India is estimated to reach nearly US\$ 5 billion by 2012.
- Foreign investment has been allowed in all sectors of healthcare in India.
- Govt has reduced custom duty on medical equipments by 5%.
- Import duty on life saving equipment has been reduced from 25% to 5%.
- The rising standard of living along with increased purchasing power and willingness to pay for quality healthcare has led to the emergence of high quality corporate hospitals.
- Changing lifestyle patterns has created a market for preventive and curative care opportunities.
- Healthcare costs in India are about 1 / 10 of those in other countries.
- Low cost health facilities with very high quality of healthcare services are now available in India.
- Increasing number of tertiary care hospitals have led to increased demands of medical equipment.
- Special Economic Zones have been set up by govt. with large range of incentives including low tariffs and barriers, exemption from taxation etc.
- Under the SEZ Act 2005 “Healthcare” has been defined as an approved service & With the latest approvals, given by an inter-ministerial Board of Approval, the total number of formally approved SEZ is now at 395, of which, 154 have been notified by the Law ministry.
- Leading business and healthcare providers are also striving to make India an international health resort, with an airport to airport concept of health tourism.