Why India is Becoming a Worldwide Hub of Medical Device Manufacturing

The rise of India as a global leader in **medical device** production can be characterized by a set of strong government regulations, a highly skilled labour force, the presence of growing R&D centres, and the popularity of medical tourism.

1. Strategic Government Policies

The Make in India and Aatmanirbhar Bharat initiatives launched by the Indian government have revolutionized the playing field in the industry of **medical device manufacturers in India**, with **FDI in the sector (medical device) being increased to 100%**, streamlining of investment

process, and encouraging other global manufacturers to start their operations in India. This has boosted Greenfield (new) and Brownfield (acquisition) investment, as well as developing a robust ecosystem of components and capability increases in manufacturing.

The speed of domestic production has been further increased with **Aatmanirbhar Bharat (self-reliant India)**, with production particularly gaining momentum following the pandemic that highlighted how India depended on imports to provide essential healthcare equipment. **The Production Linked Incentive scheme (PLI) by the government and the National Medical Devices Policy 2023 will provide financial, infrastructural**, and regulatory incentives to local production and lower the reliance on foreign imports.

2. Talented People and High Precision Production

India has a huge reserve of trained engineers and technicians who are experts in advanced manufacturing technologies like **CNC machining, 3D printing, and robotics**. Enables Indian manufacturing companies of **medical devices** to come up with high-quality, safe **medical devices** that are in demand globally.

The fact that large Indian players such as Trivitron Healthcare and Transasia Bio-Medicals have risen to compete against the world market leaders demonstrates the emerging strength and competence of the sector.

3. Thriving R&D Clusters and Innovation Ecosystem

The Government of India has introduced **21 such clusters**, which are spread across nine different states, in order to make use of the immense resources available in the country to fabricate **medical devices**. The R&D clusters aim to achieve a sustainable future for the industry

through collaboration among manufacturers, reduction of production costs, and promotion of innovation. More than **700 industries** in total relocate their operations into these clusters, which are situated in states like **Uttar Pradesh, Maharashtra, and Haryana**.

As part of their efforts, the government launched the **National Policy on Research and Development and Innovation in the Pharma-Medtech Sector,** along with the promotion of the Research and Innovation in the **Pharma MedTech Sector (PRIP) Scheme** to provide financial and infrastructural support to various departments as well as research facilities.

4. Expanding Healthcare Infrastructure & Medical Tourism

The high domestic healthcare market offers large-scale economies and helps to bring down costs while also increasing the competitiveness of Indian **medical device manufacturers**. The healthcare infrastructure development and a rising need for more complex medical technology are the drivers of the market growth (diagnostic imaging, minimally invasive devices, AI-driven diagnostics).
India has become the destination of choice for medical tourists in the last five years as it has attracted **2.36 million medical tourists from 210 countries, offering high-quality and affordable care, and advanced medical devices**.

5. Market Growth and Export Potential

Medical device manufacturers in India are targeting not only the domestic market but also international markets. The medical device industry in India is currently worth **$12–14 billion (2023-24). It is expected to grow at the rate of 15% annually to reach $30–50 billion by 2030.**

Exports have reached the $4 billion milestone, with Indian-manufactured devices finding a strong foothold in international markets, particularly in the US.

This sector is aimed at grabbing a maximum of 1**0–12%** market share of the global market in the next **25 years.**

6. Digital Health and Startups

The startup ecosystem is best, with **more than 250 companies** creating new things in smart devices, AI in diagnostics, and solutions for homecare.
The adoption of the digital health sector, including remote monitoring and wearable devices, is changing both the manufacturing and the healthcare delivery.

The low production costs and high level of skills in its **MedTech industry of India** were made evident during the **COVID-19 pandemic**, which places much significance on modern, high-quality, and affordable medical devices and services.

The growth of India as a major **medical device manufacturing** destination across the world is driven by proactive governmental efforts, a talent pool of labor force, high research and development, a strong cluster, a growing health sector, and burgeoning medical tourism. When all these combine, then India is the place where quality, inexpensive, and new medical devices can be found that sell in both the local and global markets.