

'Medical Device Industry may face a promising future in India'

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India, a country with over 1.2 billion people, represents a significant proportion of the global population. Its nascent middle class and growing economy, combined with rising disease rates, present ample opportunities for healthcare companies to see steady growth, says Mr Shashank Settupalli, Analyst, GlobalData.

Economic protectionism in the form of higher tariffs placed on raw material imports, and a historic lack of a robust regulatory framework contribute to market under-penetration of medical devices. However, The situation is slowly changing. In December 2014, the Indian government removed some barriers to the medical devices market, effectively allowing 100 percent foreign direct investment. The authorities took this decision to encourage local manufacturing and foster a greater potential for Indian companies to be acquired by major medical device players in the international arena. Additionally, Indian legislators are priming the healthcare regulatory apparatus for a drastic makeover. Lawmakers have drafted a 2015 bill amending the Drugs and Cosmetics Act to bring the import, manufacturing, distribution and sale of all medical devices under its purview.

Harmonising and restructuring the regulatory frameworks assuages skepticism and uncertainties for medical device manufacturers. Furthermore, these actions encourage physicians to adopt more medical devices by enacting strong standards and benchmarks. These reforms may not cause instant success for medical devices in India, but are, nevertheless, reassuring first steps to growth in a burgeoning economy, according to GlobalData.