

Special Report

# Japanese Healthcare Expansion in India

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## Expanding Operations & Investments in India

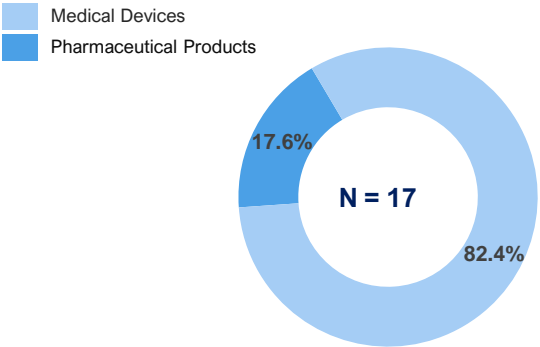
# Japanese Healthcare Companies in India

## 27 Japanese healthcare companies have commercial and/or manufacturing presence in India

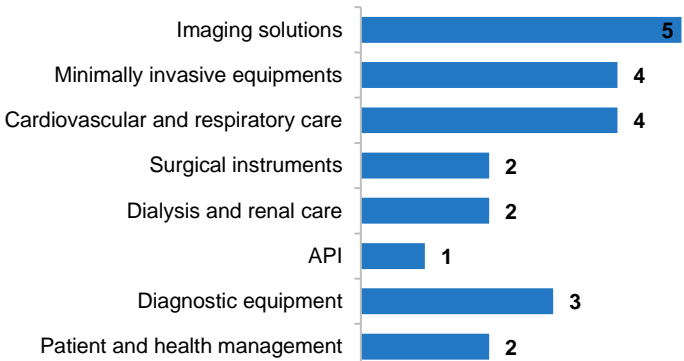
**27** Active Japanese Healthcare Companies in India

- As of 2024, over 1,450 Japanese companies operate in India; healthcare sector participation is nascent but growing.
- Firms typically establish local subsidiaries, branch offices, or regional headquarters.
- India's PLI schemes and stronger Japan-India relations promote manufacturing expansion and business opportunities.

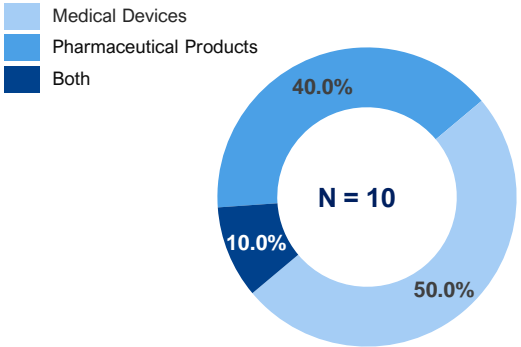
**17** With only Commercial presence in India



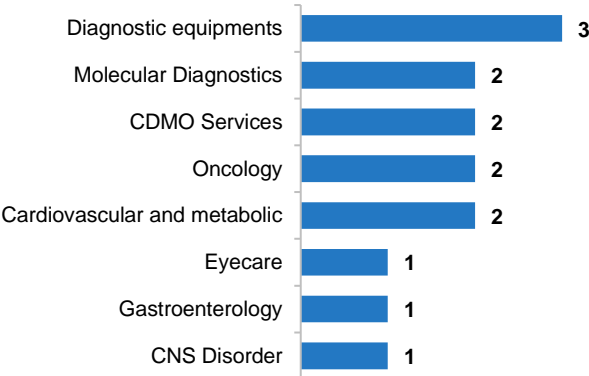
This segmentation highlights a higher presence in diagnostic imaging and endoscopic solutions among medical devices' companies



**10** With established manufacturing facilities in India



In manufacturing, they have cover in diagnostics, molecular biology, and biopharma services, alongside key pharmaceutical segments



Source: List of Japanese enterprises JICA, Japanese Business Establishments in India JETRO, Country report on international medical development, Aranca Analysis

# Japanese Medical Device Companies with Direct Commercial Presence in India

Medical equipment and high-tech solution companies generally maintain a commercial presence

| Company Name                             | Established in | Revenue (in USD Mn) |       |       |       |       | CAGR (20-24) |
|--|----------------|---------------------|-------|-------|-------|-------|--------------|
|  |                | 2020                | 2021  | 2022  | 2023  | 2024  |              |
| Shimadzu Medical (India) Pvt. Ltd.       | 2001           |                     |       |       |       |       |              |
| CBC Corporation India                    | 2005           |                     |       | 20.26 | 23.47 |       |              |
| Fujifilm India Pvt. Ltd.                 | 2007           |                     |       |       |       |       |              |
| Astellas Pharma India Private Limited    | 2008           | 5.07                | 4.59  | 5.97  | 3.8   | 5.28  | 1.0%         |
| A&D Instruments India Pvt. Ltd.          | 2008           | 15.72               | 17.61 | 30.7  | 36.08 | 34.35 | 21.6%        |
| Mitsubishi Chemical India                | 2008           | 8.31                | 6.85  | 8.93  | 8.37  | 9.76  | 4.1%         |
| Omron Healthcare                         | 2010           | 17.69               | 29.13 | 32.18 | 32.61 | 27.8  | 12.0%        |
| Olympus Corporation Services India       | 2010           | 57.52               | 39.9  | 51.83 | 64.75 | 79.99 | 8.6%         |
| Nipro Medical India                      | 2010           | 47.9                | 29.51 | 35.97 | 47.91 | 56.47 | 4.2%         |
| Konica Minolta Healthcare India Pvt. Ltd | 2010           | 24.14               | 23.35 | 34.07 | 34.59 |       |              |
| Nihon kohden india pvt. ltd.             | 2011           | 18.92               | 16.9  | 37.91 | 30.4  | 26.59 | 8.9%         |
| PENTAX Medical India                     | 2012           | 6.29                | 4.98  | 6.08  | 6.14  | 4.95  | -5.8%        |
| Terumo India                             | 2013           |                     |       |       |       |       |              |
| ASAHI INTECC CO., LTD                    | 2014           |                     |       |       |       |       |              |
| Tosoh India                              | 2015           | 42.19               | 40.37 | 61.89 | 55.82 | 73.22 | 14.8%        |
| Mani Medical India                       | 2017           | 3.6                 | 3.54  | 5.9   | 7.18  | 8.19  | 22.8%        |
| Canon Medical Systems India Pvt., Ltd.   | 2023           |                     |       |       |       |       |              |

**Source:** List of Japanese enterprises JICA, Japanese Business Establishments in India JETRO, Aranca Analysis

# Japanese Pharmaceutical Companies with Direct Commercial Presence in India

Pharma companies & CMOs often establish manufacturing facilities for cost advantages

| Company Name                                 | Established in | Revenue (in USD Mn) |        |        |        |        | CAGR (20-24) |
|--|----------------|---------------------|--------|--------|--------|--------|--------------|
|  |                | 2020                | 2021   | 2022   | 2023   | 2024   |              |
| Sysmex India                                 | 1998           | 24.19               |        |        |        |        |              |
| Eisai pharmaceuticals                        | 2004           | 94.59               | 66.65  | 63.18  | 68.82  | 57.09  | -11.9%       |
| Horiba India                                 | 2006           | 35.79               | 33.41  | 50.74  | 54.62  | 59.16  | 13.4%        |
| Arkray Healthcare Pvt Ltd                    | 2007           | 15.00               | 20.38  | 25.17  | 23.35  |        |              |
| Meiji Seika Pharma (Medreich)                | 2011           | 170.01              | 181.65 | 191.26 | 199.26 | 209.82 |              |
| DSS Takara Bio India                         | 2011           | 6.24                | 9.25   | 7.94   | 4.79   |        |              |
| Ajinomoto Bio-Pharma Services India Pvt. Ltd | 2011           | 16.27               | 7.84   | 23.84  | 14.08  | 23.3   | 9.4%         |
| Takeda pharmaceuticals India                 | 2011           | 76.02               | 65.48  | 73.57  | 68.82  | 94.28  | 5.5%         |
| Otsuka Pharmaceutical India Private Limited  | 2012           | 45.78               | 63.6   | 69.38  | 77.99  |        |              |
| SUNWAYS ROHTO PRIVATE LIMITED                | 2013           |                     |        |        |        |        |              |

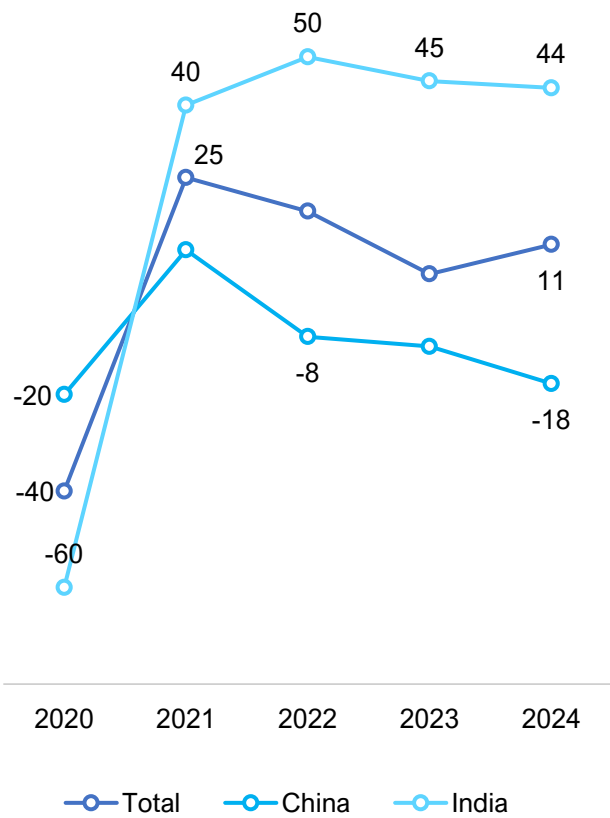
**Source:** List of Japanese enterprises JICA, Japanese Business Establishments in India JETRO, Aranca Analysis

# Japanese Companies Overseas Expansion Sentiments

JETRO: ~81% Japanese firms prefer expansion in India, reflecting strong business confidence

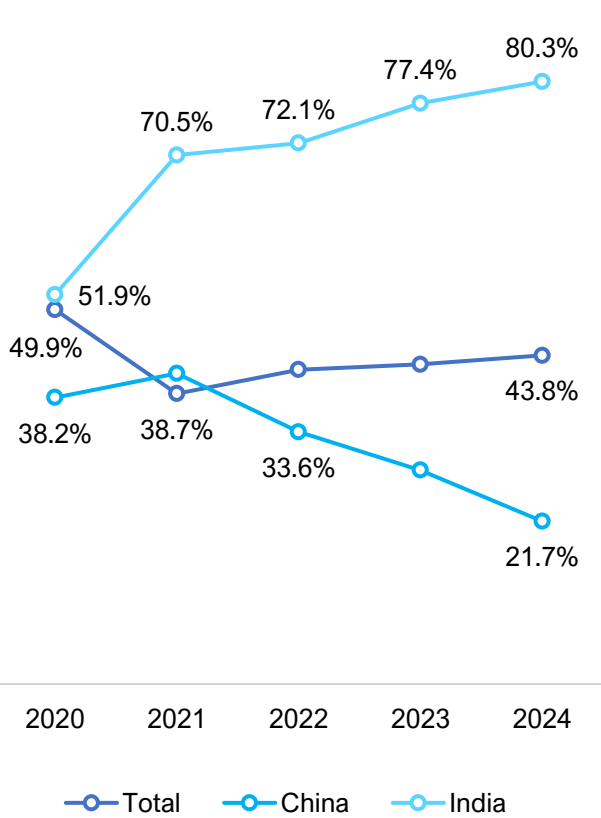
## Confidence in Overseas Business

2020 – 2024



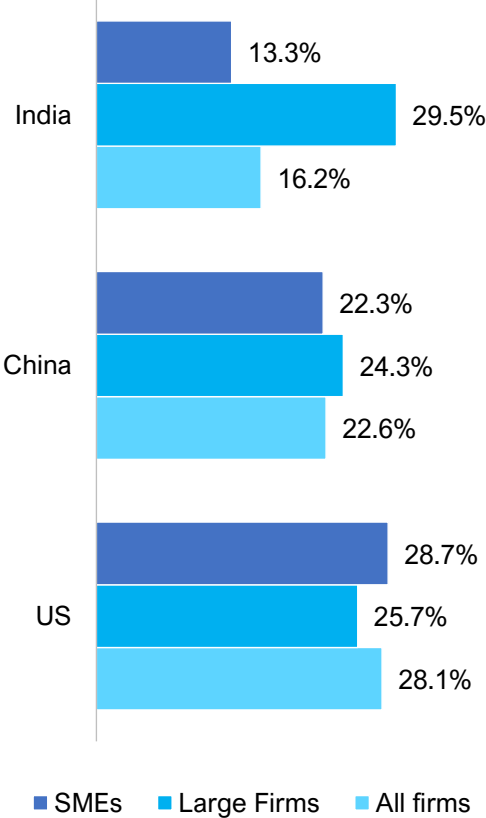
## Overseas Expansion (next 1-2 yrs)

2020 – 2024



## Expansion Countries – By Company

2020 – 2024



Source: List of Japanese enterprises JICA, Japanese Business Establishments in India JETRO, Aranca Analysis

# Trends in the Healthcare Sector of India

Rapid digitization and local production growth, driven by government initiatives has been observed..

## Digitization and use of AI to drive innovation and efficiency

AI/ML is revolutionizing India's healthcare sector, fostering innovation in diagnostics (Qure.ai), telemedicine (Practo), and supply chain management (MediBuddy). Government initiatives like NITI Aayog's AI strategy are driving adoption, with the healthtech market rapidly integrating AI and ML for growth.

## Leveraging India's growing technological and scientific expertise

Top pharma companies such as Novartis and AstraZeneca are leveraging Indian facilities for drug discovery, clinical trials, and AI-driven R&D. Government-backed medical and pharma parks such as Hyderabad Pharma City are boosting local manufacturing and driving innovation.

## Global pharma and med-tech hub

India is emerging as a key destination for pharma outsourcing, driven by cost efficiency, a skilled workforce, and reduced reliance on China. With CDMO, API, and biosimilars production expanding, companies such as Biocon, Syngene, and Dr. Reddy's are leading the charge.

## Innovation driven by government policies

India's healthcare sector is driven by government policies such as Production-Linked Incentive (PLI) scheme that is promoting API production, Ayushman Bharat Digital Mission (ABDM) which aims to digitize healthcare through United Health Interface and electronic Health records and boosting MedTech startups by providing funding.

## Shift towards Consumer-centric innovation

With most of Indian consumers prioritizing convenience and quality, India's healthtech market is evolving with rising digital adoption, preventive health focus, and AI-driven personalization especially after COVID-19.

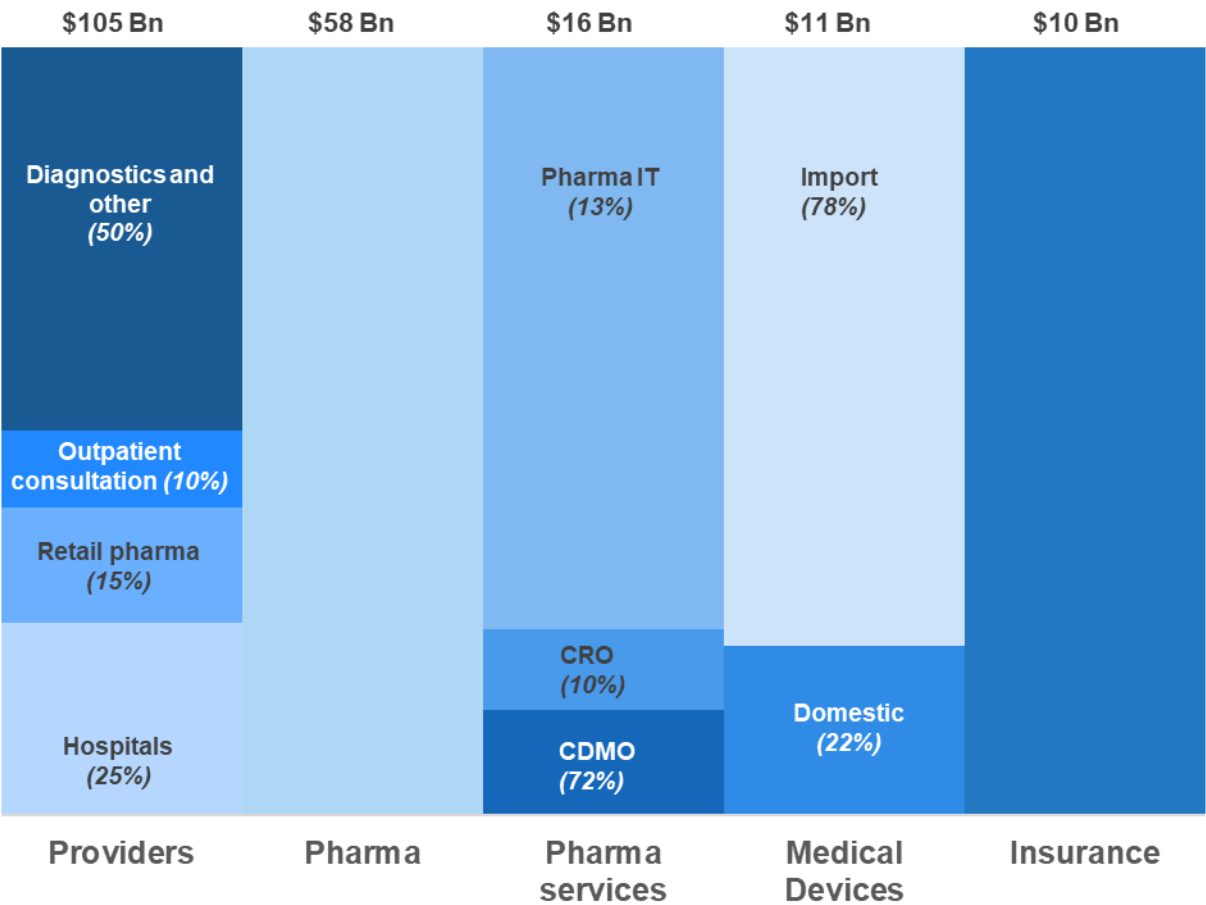
Source: Company Websites, Industry Reports, Aranca Analysis

# Current Market Size and Projected Growth of Indian Healthcare Sector

..leading to \$198 Bn healthcare sector of India, expected to grow at ~12.7% CAGR, to \$320Bn by 2028

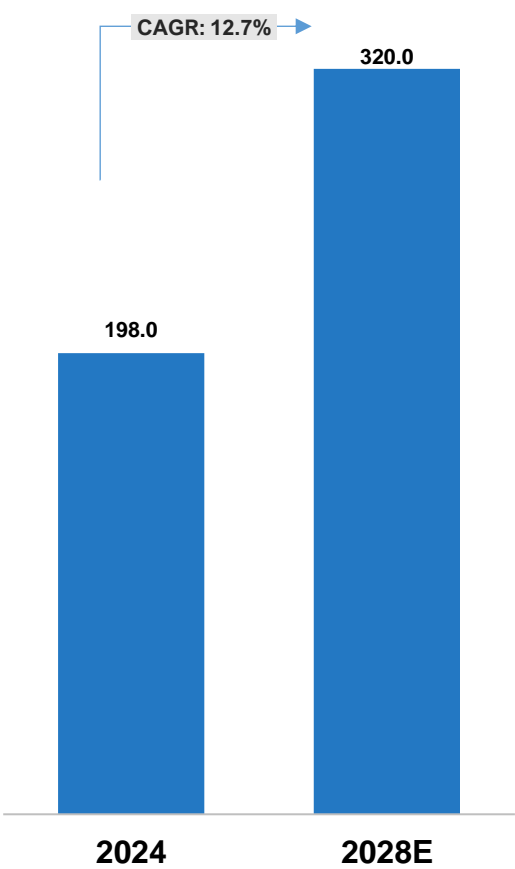
## Indian Healthcare Market Size

2024| Figures in \$ Billion



## Indian Healthcare Market Size Growth

2024-2028| Figures in \$ Billion



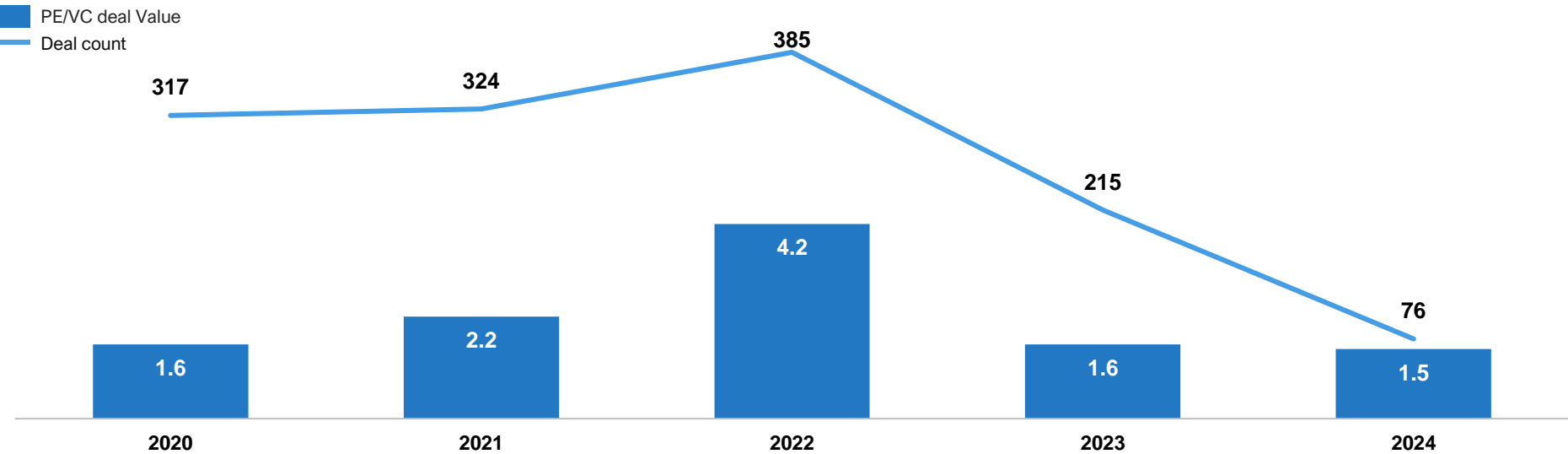
Source: India Brand Equity Foundation, HealthQuad | Bain & Company, Inc., Healthcare innovation in India Report, Aranca Analysis

# PE/VC funding for Healthcare Innovation in India

Deal value has remained consistent, but average value per deal has grown, with 2022 being an outlier

## Funding for Healthcare Innovation in India

2020-24| Figures in \$ Billion



| Investment                            | 2020 | 2021 | 2022  | 2023 | 2024 |
|---------------------------------------|------|------|-------|------|------|
| Average multiple (Valuation/ revenue) | ~91X | ~79X | ~111X | ~38X | N/A  |
| Average round size (\$M)              | 5.7  | 7.9  | 12.5  | 8.7  | 29.8 |

The average deal value has grown over the years, with investments remaining steady. However, 2022 saw a sharp rise due to five PharmEasy investments totaling \$1.5B.

\*Includes PE/VC, grants, and debt-equity activities  
\*\*2024 includes values of first three quarters

Source: India Brand Equity Foundation, HealthQuad | Bain & Company, Inc. Healthcare innovation in India, Aranca Analysis



# Investments for Healthcare Innovations in India

## Japanese firms have significant activity across major investment themes in India's healthcare sector

| Key Themes  | Overview   | Examples of investments by Japanese firms   |
|---|--|---|
| Retail pharmacies going digital                                     | E-pharmacy startups are innovating with online medicine delivery and AI-powered prescriptions, while traditional pharmacies adopt digital solutions to enhance customer convenience.   | PharmEasy, an online drug delivery platform has raised \$0.21 billion of venture funding with one of the active investors being Dream Incubator.  |
| Rise of Digital health and wellness                                 | The surge in digital adoption, which accelerated during the pandemic, continues with investments in telehealth and e-consultations.  | Companies such as Medikabazaar, a B2B platform for the procurement of medical supplies – has received funding from Rebright partners, a Japanese Venture Capital.   |
| Technological improvements to support operational efficiencies      | Efforts to digitize healthcare and streamline the supply chain have attracted investors, especially in enterprise solutions improving efficiency and market scalability.   | Saveo pharmaceutical distribution platform designed for the procurement of medicines and related supplies for pharmacies – has received funding from several Japanese investors namely: Gunosy Capital, ICMG Partners, and Incubate Fund Asia |
| Investments supporting Diversification and adjacencies in the space | India's healthcare sector is seeing rising investments and pharma diversification. Pharma giants such as Sun Pharma and Cipla have invested in companies such as Agatsa software, a med-tech company and Achira Labs, a microfluidics-based medical diagnostics company. | While Japanese companies have not made any such investments – this represents a strong opportunity, wherein pharmaceutical firms could benefit from investing in India's expanding MedTech, diagnostics, and digital health sectors.          |
| Late-stage investments driven by government initiatives             | Government-backed localization in healthcare has boosted expertise among Indian pharma players, attracting investor funding and government investments.  | Emcure Pharmaceuticals, a pharmaceutical manufacturer from India has received funding from Nomura Holdings.   |

Source: HealthQuad | Bain & Company, Inc. Healthcare innovation in India, Aranca Analysis



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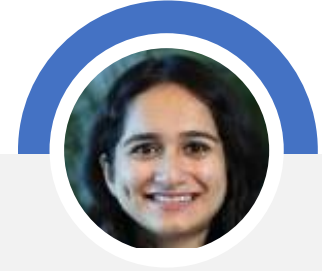
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