Quote by Veda Halve, Assistant Vice President-Healthcare, Primus Partners

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India's Ayush Sector Looks Beyond Primary Care

Dedicated Ayush dispensaries increased from 26,130 in 2013-2014 to 37,804 in 2024-2025, while hospitals rose much more slowly, from 3,605 to 3,885.

Authored by Sohini Das



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After more than a decade of being driven by medical education and primary care, Ayush -- which combines four systems of alternative medicine -- is beginning to see a shift towards secondary and tertiary care, helped by wider insurance coverage and growing private investment in hospitals.

The shift could mark a new phase for the sector.

According to ministry of Ayush data submitted in Parliament, the number of undergraduate colleges offering Ayush courses increased from 520 in 2013-2014 to 921 in 2025-2026.

The ministry of Ayush -- which stands for ayurveda, yoga and naturopathy, unani, siddha, and homeopathy -- was created in 2014.

Public healthcare infrastructure expanded too, but unevenly: Dedicated Ayush dispensaries increased from 26,130 in 2013-2014 to 37,804 in 2024-2025, while hospitals rose much more slowly, from 3,605 to 3,885.

Much of the expansion over the past decade has been at the primary care level, through dispensaries and the wider public health network.

There are now signs of greater activity in secondary and tertiary care as well.

Ayush Sector Targets $99 Billion By 2030:

A recent report by Primus Partners, Ayush Vision 2030, estimates the Ayush healthcare-services economy at around $26 billion in 2024, compared with $21.5 billion in 2022.

These include clinical and hospital care, wellness, digital health and community health programmes.

Under a high-growth scenario, Primus sees the sector reaching $99 billion by 2030, potentially making services the largest component of Ayush.

It estimates that this would require an annual growth of around 25 per cent, backed by greater investment in healthcare infrastructure, financing and integration with the wider health system.

"The next phase hinges on the changing perception of Ayush as a preventive therapy to an evidence-backed practice integrated into the healthcare system," Veda Halve, assistant vice president, healthcare, Primus Partners, said.

"It needs stronger linkages between primary, secondary and tertiary care, well-defined referral pathways, standardised treatment protocols and financing mechanisms that allow patients to access these services within the formal healthcare system," Halve added.

There are signs that some of that transition is beginning.

Rajiv Vasudevan, founder and chief executive officer of Apollo AyurVAID, a chain of ayurveda hospitals, said improving payer coverage (the amount paid by the insurance company or government scheme) is encouraging Ayurveda doctors and organised providers to move beyond outpatient clinics.

"With the compulsory inclusion of Ayush treatments in cashless health insurance products, and with CGHS, state government and other coverage coming in, we are seeing doctors in several cities opening their own hospitals and not just OPD clinics. Some of the organised chains are also expanding," he said.

In January 2024, the Insurance Regulatory and Development Authority of India (Irdai) advised insurers to have board-approved policies for Ayush coverage and provide cashless facilities, placing Ayush treatments at par with mainstream treatments for health insurance.

The ministry of Ayush's 2024-2025 annual report says insurers were advised to provide Ayush coverage with cashless facilities and claims up to the total sum insured.

The ministry has since issued revised benchmark rates and added procedures for ayurveda, siddha, unani, yoga and naturopathy treatments for insurance coverage in 2026.

Insurance Boosts Ayush Hospital Expansion:

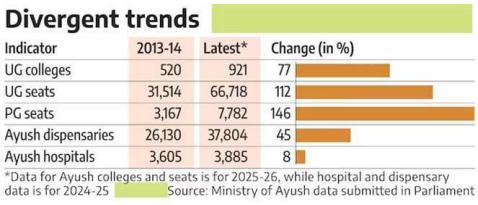
For hospital-based Ayurveda treatment, however, expansion need not initially follow the large corporate hospital model.

Vasudevan sees smaller doctor-led facilities as an important route to building secondary care capacity, particularly outside the largest cities.

"Access is still a major issue.

"Rather than looking only at huge hospitals, if Ayurveda has to scale, the opportunity is in smaller hospitals.

"In a tier-I city, a 30-bed hospital can be a good format, while in a smaller city a doctor-led hospital with around 10 beds can work," Vasudevan said.



The Ayushman Bharat Gap:

A bigger change, industry executives argue, could come if Ayush treatment is included more substantially under the government's flagship health insurance programme, Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana (AB-PMJAY).

The Ayush ministry's 2024-2025 annual report says it began efforts to include Ayush interventions under AB-PMJAY in 2018.

A working group subsequently prepared 150 ayurveda treatment packages, which were submitted to the National Health Authority along with standard treatment guidelines.

However, expansion in education is yet to be fully reflected in the registered practitioner-base.

Government data shows the number of registered Ayush practitioners increasing from 736,258 in 2014 to 747,499 in 2025, even as educational capacity expanded sharply.

Industry sources caution against reading the numbers as evidence that additional education capacity has failed to translate into clinicians.

A substantial part of the seat expansion has come in recent years, while undergraduate courses such as BAMS (bachelor of ayurvedic medicine and surgery) take five-and-a-half years, including internship.

Students admitted against more recently created capacity would therefore only now be entering the practitioner pool, while registration delays in some states can create a further lag.

Clinical Evidence Key To Ayush Growth:

Scaling organised care will also require stronger clinical evidence and measurable outcomes, particularly if insurers and government-funded schemes are expected to pay for treatment.

Primus identifies standardised clinical practice guidelines, stronger clinical trials, real-world evidence, outcome monitoring and accreditation among the requirements for scaling the services sector.

The ministry has also been attempting to build a larger evidence base through research institutions and its Ayush Research Portal, which brings together clinical, pre-clinical, drug and fundamental research across the different Ayush systems.

Beyond Product Exports:

The same questions of evidence, quality and standardisation will determine how far the sector can expand overseas.

Exports of Ayush and herbal products rose 6.11 per cent to $688.89 million in 2024-25 from $649.2 million in the previous year, according to the commerce ministry.

"If India is to expand the Ayush industry globally, we need to look beyond the export of raw materials and products towards the export of knowledge and services. Building global confidence in Indian Ayush products and services will require robust quality assurance, stronger clinical evidence, and standardisation aligned with international benchmarks," Halve said.

The Ayush ministry said in December 2025 that it had signed 25 country-to-country agreements on traditional medicine, established 15 academic chair agreements and entered into 52 research and academic collaborations.

The WHO Global Traditional Medicine Centre in Jamnagar provides another platform.

The past decade built scale in education and public-health access.

The next test is whether that base can support a larger organised healthcare-services industry, with secondary and tertiary care expanding alongside primary care and financing mechanisms allowing more patients to access it.