

Quote by Vivek Tandon, Vice President, Primus Partners

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Medtech MNCs bet big on localisation

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ANJALI SINGH & SANKET KOUL
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Several multinational medical device makers are focusing on deepening their presence in India by expanding their local manufacturing footprint and research capabilities, a move that can catapult India into a strategic hub for the medical technology (medtech) industry.

Among those increasing their reach in the country are Siemens Healthineers and Philips, signalling a broader shift from India being only a sales destination to becoming a global production and innovation base.

Siemens Healthineers, one of the approved applicants under the Indian government's production-linked incentive (PLI) scheme for medical devices, is investing ₹91.9 crore to locally manufacture computed tomography (CT) and magnetic resonance imaging (MRI) systems at its Bengaluru facility. The firm is also constructing a new integrated campus in the city with an investment of 200 million euros (around ₹1,910 crore), which will become its largest global site by built-up area. The campus will house research & development (R&D), manufacturing, an innovation hub, and India headquarters.

Hariharan Subramanian, managing director of Siemens Healthcare, affirmed the company's bullish outlook on India, saying: "We believe in India's growth story and have an ambitious yet focused vision for its future. Our goal is to deliver sustainable and scalable health care solutions that will transform access to health care."

He highlighted the success of the company's 'Make in India' initiative, noting that its mobile C-arm Cios Fit, is entirely conceptualised, designed, and manufactured in India, and exported to over 64 countries. Siemens has further expanded its local manufacturing with the introduction of Multix Impact E Digital Radiography X-ray systems in Bengaluru and has also received approval to manufacture RT-PCR kits for mpox detection at its Vadodara site.

Meanwhile, Philips Healthcare is also ramping up its 'Make in India' efforts.

In the last few years, the company has cumulatively invested about ₹750 crore. It recently announced that an investment of ₹350 crore would go into the construction of a new R&D facility to consolidate its Healthcare Innovation Center (HIC) in Pune. The new 300,000 sq ft research & development facility will house around 1,900 employees and develop imaging and image-guided therapy technologies for global markets. The Pune centre is already a global hub for mobile surgery, exporting equipment to over 100 countries, including the locally manufactured Zenith series of mobile C-arms.

This builds on Philips' existing campus in Bengaluru, where the company has invested ₹400 crore to establish its largest innovation hub focused on AI-led health care solutions. This campus can accommodate over 5,000 professionals in a 650,000 sq ft facility and has over

BOOSTER SHOT

■ **Siemens Healthineers:** Investing ₹91.9 cr to locally manufacture CT and MRI systems, along with 200 million euros in new Bengaluru campus

■ **Philips Healthcare:** Will invest ₹350 cr in R&D facility in Pune

■ Experts say cost advantages, policy incentives and domestic demand are among driving factors

36 labs — Big Iron labs — as well as soft labs. This campus has evolved to be the largest innovation hub for the company globally.

Philips has also launched the 'Make in India' Affiniti Ultrasound machines.

This wave of investment is underpinned by a confluence of cost advantages, policy incentives like the PLI scheme, access to engineering talent, and rising domestic demand. "It's a perfect storm of opportunity," said Vivek Tandon, vice-president at consulting firm Primus Partners.

"India offers a unique mix of cost arbitrage, a large STEM (science, technology, engineering, and mathematics) talent pool, and stable policy support. That's why global medtech firms are embedding India into their core value chains," he added.

Tandon adds that India is no longer just a site for low-cost manufacturing or support functions.

"We're seeing global capability centres (GCCs) and innovation hubs in India leading product design, clinical research, artificial intelligence in diagnostics, and cybersecurity for health care systems globally," he noted. Companies like Medtronic, Boston Scientific, GE Healthcare, and Stryker have also set up expanded engineering and R&D operations in cities like Bengaluru and Hyderabad.

However, challenges remain. Despite this momentum, the localisation of India's medtech supply chain still lags sectors like automotive or smartphones. "High-end modalities like MRI and CT still rely on imported critical components such as superconducting magnets or precision sensors," said Tandon. "While Indian firms are gaining traction in support components, full value capture will require a stronger local vendor ecosystem."

The government is aware of these gaps. Newer initiatives such as MedTech Parks, the National Medical Device Policy, and the MedTech Mitra platform are aimed at addressing regulatory clarity, supply chain clustering, and startup mentoring.

"India's medtech sector is at an inflexion point," said Pavan Choudary, chairman of the Medical Technology Association of India. "The global supply chain realignment away from China is India's big opportunity — and we're seeing that play out now."

