Healthcare Wellness and Pharma Sector Profile



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MINISTRY OF DEVELOPMENT
OF NORTH EASTERN REGION

Northeast Global Investors Summit

NORTHEAST OVERVIEW



The North-eastern Region (NER), which includes the eight States of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, and Tripura, is the easternmost region of India. Since each state has a border with at least one of the five nations to the east of the country, this area serves as a gateway to Southeast Asia and is of great strategic importance.

Furthermore, the NER is widely recognized as one of the most diverse regions in Asia, characterized by a rich tapestry of ethnicities and languages. Each state within NER boasts a unique blend of distinct cultures and traditions.



The Northeast region of India is a well-known biodiversity hotspot that is also home to a rich mix of cultures. In addition, the region is blessed with abundant natural resources that are yet to be fully explored and exploited. The region also holds a significant stake in the country's 'Act East Policy,' which is aimed at promoting economic, political, and cultural ties with Southeast Asia. With a wealth of natural resources, human resources, and potential for agriculture and horticulture, the region is rapidly emerging as a hub for sustainable manufacturing and service industries. Additionally, the region's rich ethnic, religious, linguistic, and cultural diversity makes it a highly attractive destination for tourists, offering significant potential for growth and development in the tourism sector.

With an area of 2.6 lakh sq. km, the NER accounts for about 7.98 per cent of the total geographical area of India while being home to 3.78 per cent of India's total population. The region is characterised by a mixed topography of hills and plains, with hills occupying 70 per cent of the land area. With a significant tribal population accounting for around 54 percent of its total population, especially in the hilly areas, the Northeast region of India is unique in its diversity. The region is home to approximately 135 Scheduled Tribe groups out of a total of approximately 705 across India

With plentiful natural resources, agro-horticultural and forest resources, hydroelectric potential, oil and natural gas and mineral deposits, the northeast region is well poised for investment and economic growth.


Population (millions)
2011 Census
Population density
(per sq. km.)
Literacy Rate (% age)
(Census2011)
Life Expectancy
(in Years)
DEMOGRAPHIC INDICATORS
Northeast : 45.7
India: 1210.9
Northeast : 175
India: 368
Northeast : 78.5
India: 74.0
Northeast : 71.8
India: 68.3

Key Economic Indicators

- The Region's GSDP at current prices is INR 5.75 lakh crore in FY 2021-22
- Compounded Annual Growth Rate (CAGR) of GSDP of North-eastern States grew at 08.17% from FY2015 to FY2022.
- Per capita income: The per capita income for the North-eastern region was Rs. 1,55,562 in the financial year 2019-20.
- Infrastructure: The region has a total of 13640 km of national highways.
- Infrastructure: 20119 km of state highways, and 2,657 km of major district roads.
- The average road density per 1000 Sq Km of area is 2258.5 Km against the national average of 1926.02 Km.

Snapshot of NER

States/Parameters	Airports	State High ways (Km)	National Highways (Km)	Waterways (Km)	Railway (Km)	International Border (Km)	GSDP 2020 -21 (lakh cr)	Per Capita 2020-21	Population (2011)	Literacy rate (%)	Area (Sq. Km)	Availability of Power (Crore Units)
Arunachal Pradesh	4	13500	2537	311	12	2170	0.312	154652	1,383,727	65.38	83,743	55
Assam	7	2530	3909	1938	2519	800	3.401	81034	31,205,576	72.2	78,438	570
Manipur	1	781	1750	44	13	398	0.341	84746	2,855,794	76.9	22,327	50
Meghalaya	1	768	1156	90	9	400	0.347	87170	3,366,755	74.4	22,429	145
Mizoram	1	170	1423	155	2	860	0.180	187327	1,097,206	91.33	22,081	36
Nagaland	1	650	1548	276	11	215	0.304	120518	1,978,502	79.55	16,579	51
Sikkim	1	663	463		0	319	0.318	403376	610,577	81.24	7,098	38
Tripura	1	1057	854		193	400	0.544	125675	3,673,917	87.8	10,486	90
Total	17	20119	13640	2814	2759	5562	5.747	155562	46172054		263181	1035

***At current price base 2011-12**

Advantage Northeast

Gateway to Southeast Asia: A strategic location that offers easy access to ASEAN markets.

India's Green Hub: Home to lush forests and rich biodiversity, it is an ideal destination for wellness centre and Ayurveda centres.

Government Incentives: A range of incentives, including tax holidays, subsidies, and reimbursements to support business growth.

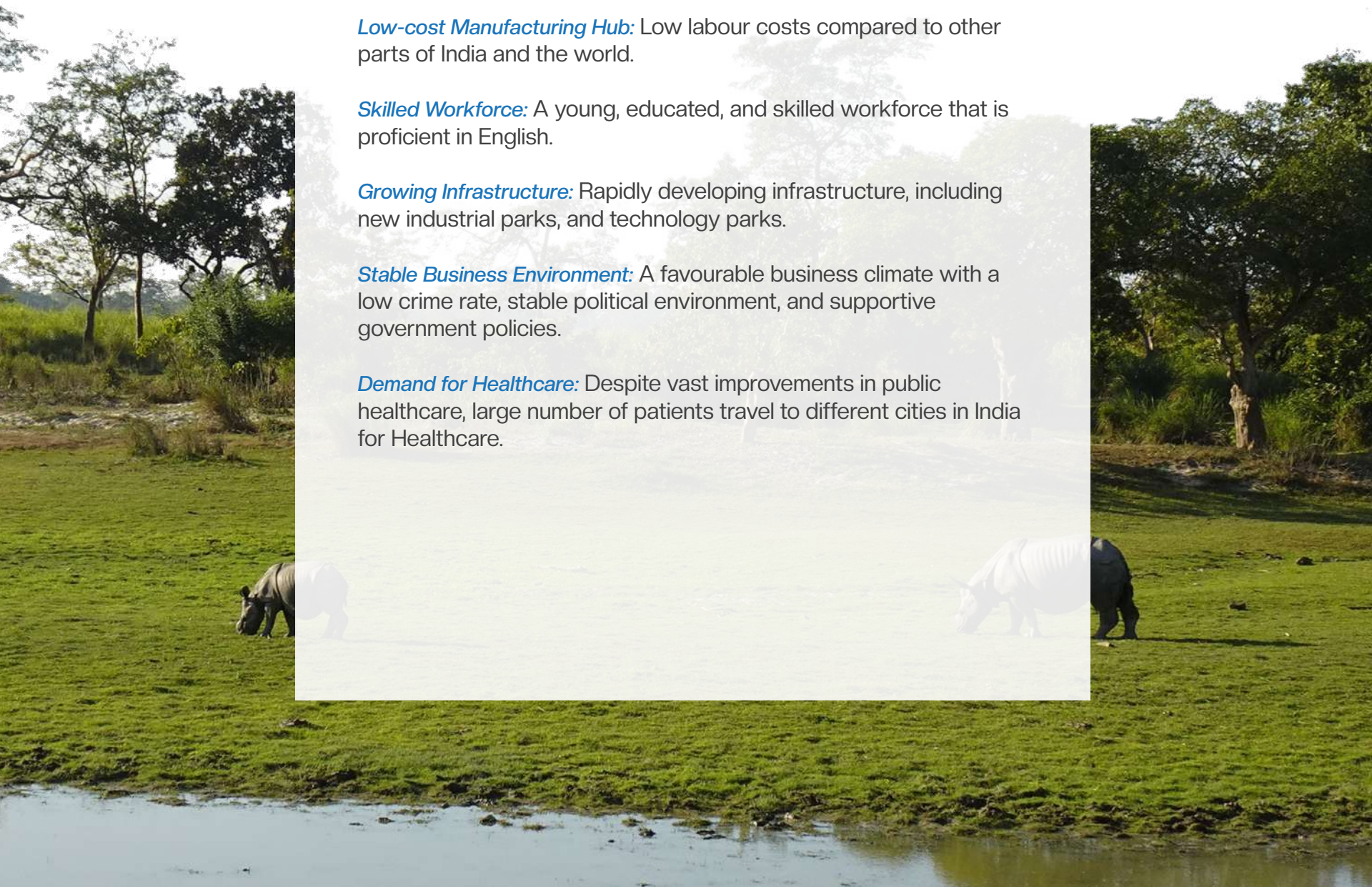
Low-cost Manufacturing Hub: Low labour costs compared to other parts of India and the world.

Skilled Workforce: A young, educated, and skilled workforce that is proficient in English.

Growing Infrastructure: Rapidly developing infrastructure, including new industrial parks, and technology parks.

Stable Business Environment: A favourable business climate with a low crime rate, stable political environment, and supportive government policies.

Demand for Healthcare: Despite vast improvements in public healthcare, large number of patients travel to different cities in India for Healthcare.





Connectivity in NER

Accessibility
The region has a good network of road, rail and air connectivity which provides seamless access to each corner of the region.

Road Connectivity
The region has provided round the year connectivity to all the industrial areas. To reduce the travel time between major cities and industrial areas within the 8 states, various four lane Highways are being constructed across the region.

Air Connectivity
The region has 17 operational airports situated across the 8 states. Also, helicopter is the fastest way to commute within the States, it has a few helipads with Heli Taxi service between main state capitals.

Rail Connectivity
The region has also connected with rail connectivity. To reduce the travel time between major cities and industrial areas within the 8 states, various rail tracks are being constructed across the region.

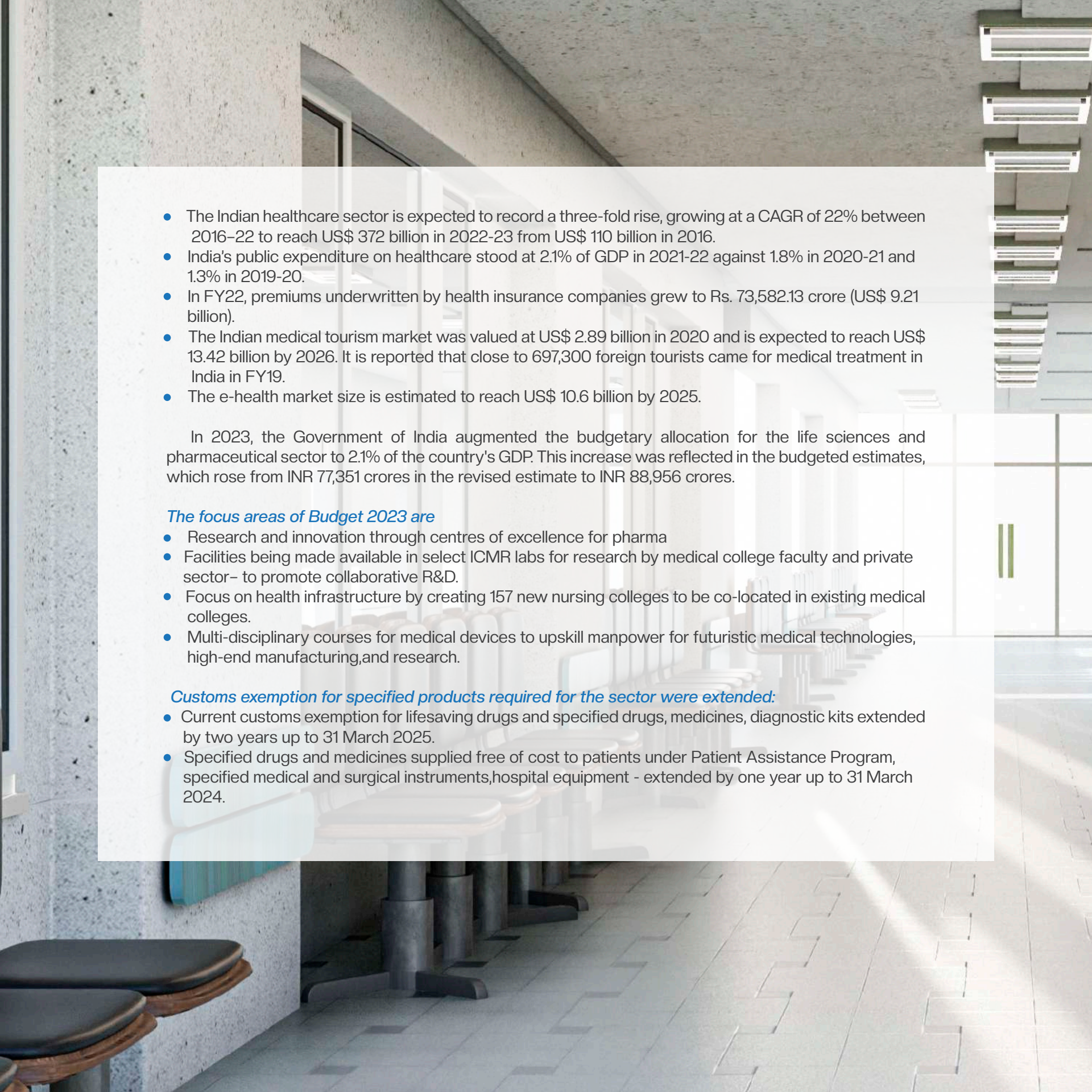


Healthcare Sector in India

The healthcare sector in India offers investment opportunities in hospitals, medical equipment, clinical trials, telemedicine, out sourcing,medical tourism, health insurance, medical devices and pharmaceutical manufacturing. Healthcare has become one of the largest sectors of the Indian economy, in terms of both revenue and employment. It has been growing at a CAGR of 22% since 2016, employing 4.7 Million people directly. Several factors are driving the growth of the Indian healthcare sector including increased life expectancy, a growing middle class, the rising proportion of lifestyle diseases, an increased emphasis on public-private partnerships as well as accelerated adoption of digital technologies, including telemedicine, besides heightened interest from investors and increased FDI inflows over the last two decades.

FDI in India's Health Sector (2000-2020)

Health-related FDI (USD Million)	25,357
Drugs & Pharmaceuticals	16,501
Hospital & Diagnostic Centres	6,727
Medical & Surgical Appliances	2,130



- The Indian healthcare sector is expected to record a three-fold rise, growing at a CAGR of 22% between 2016–22 to reach US$ 372 billion in 2022-23 from US$ 110 billion in 2016.
- India's public expenditure on healthcare stood at 2.1% of GDP in 2021-22 against 1.8% in 2020-21 and 1.3% in 2019-20.
- In FY22, premiums underwritten by health insurance companies grew to Rs. 73,582.13 crore (US$ 9.21 billion).
- The Indian medical tourism market was valued at US$ 2.89 billion in 2020 and is expected to reach US$ 13.42 billion by 2026. It is reported that close to 697,300 foreign tourists came for medical treatment in India in FY19.
- The e-health market size is estimated to reach US$ 10.6 billion by 2025.

In 2023, the Government of India augmented the budgetary allocation for the life sciences and pharmaceutical sector to 2.1% of the country's GDP. This increase was reflected in the budgeted estimates, which rose from INR 77,351 crores in the revised estimate to INR 88,956 crores.

The focus areas of Budget 2023 are

- Research and innovation through centres of excellence for pharma
- Facilities being made available in select ICMR labs for research by medical college faculty and private sector– to promote collaborative R&D.
- Focus on health infrastructure by creating 157 new nursing colleges to be co-located in existing medical colleges.
- Multi-disciplinary courses for medical devices to upskill manpower for futuristic medical technologies, high-end manufacturing,and research.

Customs exemption for specified products required for the sector were extended:

- Current customs exemption for lifesaving drugs and specified drugs, medicines, diagnostic kits extended by two years up to 31 March 2025.
- Specified drugs and medicines supplied free of cost to patients under Patient Assistance Program, specified medical and surgical instruments,hospital equipment - extended by one year up to 31 March 2024.



Healthcare Sector in NER

The healthcare sector is an integral part of any region's development, and North East India is no exception.The region has made significant strides in recent years to improve its healthcare facilities and services. With a population of over 45 million people, the need for quality healthcare services is growing.

Access to Healthcare: North East India has seen significant improvement in this area. Many new hospitals and clinics have been established, and telemedicine services have been introduced to remote areas. The government has also initiated schemes to ensure healthcare accessibility for all.

The National Health Mission (NHM) and Ayushman Bharat-Pradhan Mantri Jan Arogya Yojana (AB-PMJAY)are two such schemes that have been introduced to improve access to healthcare services for the people of the region.

Under the Assam Cancer Care Foundation (ACCF), a collaboration between the Assam Government and Tata Trusts for setting up 17 cancer care units in the state, of which six were inaugurated in 2022.

Public Health care facilities in NER (2018)

#	State	PHC	CHC	SDH	DH	Total	No. of beds
1	Arunachal Pradesh	122	62		15	199	2320
2	Assam	1007	166	14	33	1220	19115
3	Manipur	87	17	1	9	114	2562
4	Meghalaya	138	29	0	13	180	4585
5	Mizoram	65	10	3	9	87	2312
6	Nagaland	134	21	0	11	166	1944
7	Sikkim	25	2	1	4	32	1145
8	Tripura	114	22	12	9	157	4895
Total		1692	329	31	103	2155	38878

Skilled Healthcare Professionals: The healthcare sector in North East India has seen significant growth in terms of skilled professionals.Many medical colleges and institutions have been established in the region,which has produced a large pool of qualified doctors, nurses,and other healthcare professionals. This has helped to address the shortage of healthcare professionals in the region, which was once a major challenge.

Availability of Human Resource in NER

#	State	Multi-Purpose Health Worker	Staff Nurse at PHC / CHC	MO MBBS
1	Arunachal Pradesh	895	713	722
2	Assam	11843	3543	2934
3	Manipur	1295	443	675
4	Meghalaya	1339	801	518
5	Mizoram	549	249	283
6	Nagaland	1145	411	372
7	Sikkim	431	132	236
8	Tripura	1468	759	672
Total		18965	7051	6412





Medical colleges in NER

#	State	Medical colleges		Total Intake capacity (MBBS)
		Govt.	Private / Trust	
1	Arunachal Pradesh	1	0	50
2	Assam	12	0	1450
3	Manipur	3	1	525
4	Meghalaya	1	0	50
5	Mizoram	1	0	100
6	Nagaland	0	0	0
7	Sikkim	0	1	150
8	Tripura	1	1	225
Total		19	3	2550

Dental colleges in NER

#	State	Dental colleges		Total Intake capacity (BDS)
		Govt.	Private / Trust	
1	Assam	3	0	176
2	Manipur	2	0	100
Total		5	0	276



Traditional Healthcare: North East India is a region rich in traditional medicine and healing practices. Many of these traditional practices have been incorporated into modern healthcare, making it a unique blend of both traditional and modern health care practices.The region is also known for its indigenous medicinal plants and herbs, which are used in the treatment of various ailments.

Dental Ayurvedic & Homeopathy colleges in NER

State	College	Count	Intake Capacity
Arunachal Pradesh	Homeopathy College	1	50
Assam	Ayurvedic College	1	62
	Homeopathy College	3	150
Total		5	262

Medical Tourism: The healthcare sector in North East India has the potential to attract medical tourists from around the world.The region offers world-class healthcare services at affordable prices. It is also home to some of the best Ayurvedic and alternative medicine centres in the country. Medical tourism can contribute significantly to the region's economy, providing employment opportunities and improving the healthcare infrastructure further.

The healthcare sector in North East India has tremendous growth potential. With the government's focus on healthcare, more and more investments are being made in this sector by the Government as well as the private sector.

Major Health care Investors in North East Region

Hospitals	Laboratories / Diagnostic Centres
• Apollo Hospitals • Excel Health care • Narayana Healthcare • Downtown Hospital Ltd • GNRC Hospitals Pvt. Ltd. • North East Health City Pvt. Ltd. • Ayursundra Seuperciality Hospital • Nemcare hospitals Pvt. Ltd. • GPT Healthcare Pvt. Ltd. (ILS Hospitals)	• Dr. Lal Pathlabs • Apollo Clinic • SRL Diagnostics • Pathkind • Redcliffe • Lupin

Ayush & Wellness

The North Eastern Institute of Ayurveda & Homoeopathy (NEIAH), Shillong, Meghalaya is an autonomous institute newly established under the Ministry of AYUSH, Government of India.As part of the National AYUSH Mission (NAM) Scheme, a total of 1000 new Health & Wellness Centres (HWC),will be opened in the NE states for growth and development of AYUSH systems. The aim of these centres is to provide a holistic wellness model based on principles of AYUSH systems of medicine. To boost the popularity of traditional medicines provided by AYUSH, the minister announced setting up of 100 AYUSH dispensaries under NAM in the northeast region.

Ayushman Bharat - Health and Wellness Centers in NER

#	State	Count
1	Arunachal Pradesh	204
2	Assam	2210
3	Manipur	211
4	Meghalaya	278
5	Mizoram	182
6	Nagaland	218
7	Sikkim	91
8	Tripura	253
	Total	3647

The Ministry of AYUSH has decided to upgrade the Government Ayurvedic College in Guwahati and develop it as a Centre of Excellence.Apart from this, a facilitation Centre for Semi Processing of raw material will be set up in NER. Regional Raw Drug Repository (RRDR) in NE states in collaboration with National Institute of Bio-Resources and Sustainable Development in Imphal, Manipur under Department of Bio-Technology. These initiatives will be undertaken under the Central Sector Scheme run by National Medicinal Plants Board, Ministry of AYUSH.The AYUSH medical facilities under North-Eastern State Governments, Central Government and teaching hospitals in AYUSH colleges will be brought under AYUSH Health Management Information System (AHMIS) to develop digital data base of AYUSH interventions in various disease management.

Tibetan medicine *is a traditional system of medicine that has been practiced for over a thousand years in Tibet and the Himalayan regions of Nepal, Bhutan, and India. In recent years, Tibetan medicine has gained popularity in North EastI India,where there is a significant Tibetan community. Tibetan medicine utilizes a range of therapies including herbal medicine,acupuncture,moxibustion ,cupping, and massage*



Pharmaceuticals Manufacturing sector in NER

The pharmaceutical industry is one of the most rapidly growing industries in the world, and North East India is poised to be a significant player in this sector. With the region's abundance of natural resources, favourable government policies, and strategic location, investing in the pharma sector in North East India can yield great returns.The region has a diverse flora many of them of medicinal value which makes it an ideal location for the pharmaceutical industry.With a wide range of medicinal plants and herbs, the region is rich in natural resources that can be utilized in the production of pharmaceuticals.Moreover, the region's temperate climate is also conducive to growing a variety of crops, including medicinal plants.

Some Pharmaceuticals Manufacturers in North East

- Zydus Nutrition Care
- Glenmark Pharmaceutical
- Swiss Garnier Genexia Ltd.
- Sangrila Industries Pvt Ltd.
- Anjali Herbals
- SBL Pvt Ltd
- Alembic
- Alkem Lab
- Unichem
- Sun Pharmaceuticals
- Ajanta Pharmaceuticals
- Hetero Labs and Healthcare
- Natco Pharma
- Pure and cure healthcare
- STP Pharmaceutical (P) Ltd.
- Cipla Ltd
- Intas Pharma
- Torrent Pharma

In recent years, several pharma companies have already set up their manufacturing units in the North East region, taking advantage of the region's abundant resources and favourable policies. These companies have not only contributed to the growth of the region's economy but have also created employment opportunities for the local population.



Investment Opportunities in Healthcare Sector in NER

- In the hospital segment, the expansion of private players to Tier 3 and semi-urban locations, beyond metropolitan cities, offers an attractive investment opportunity.

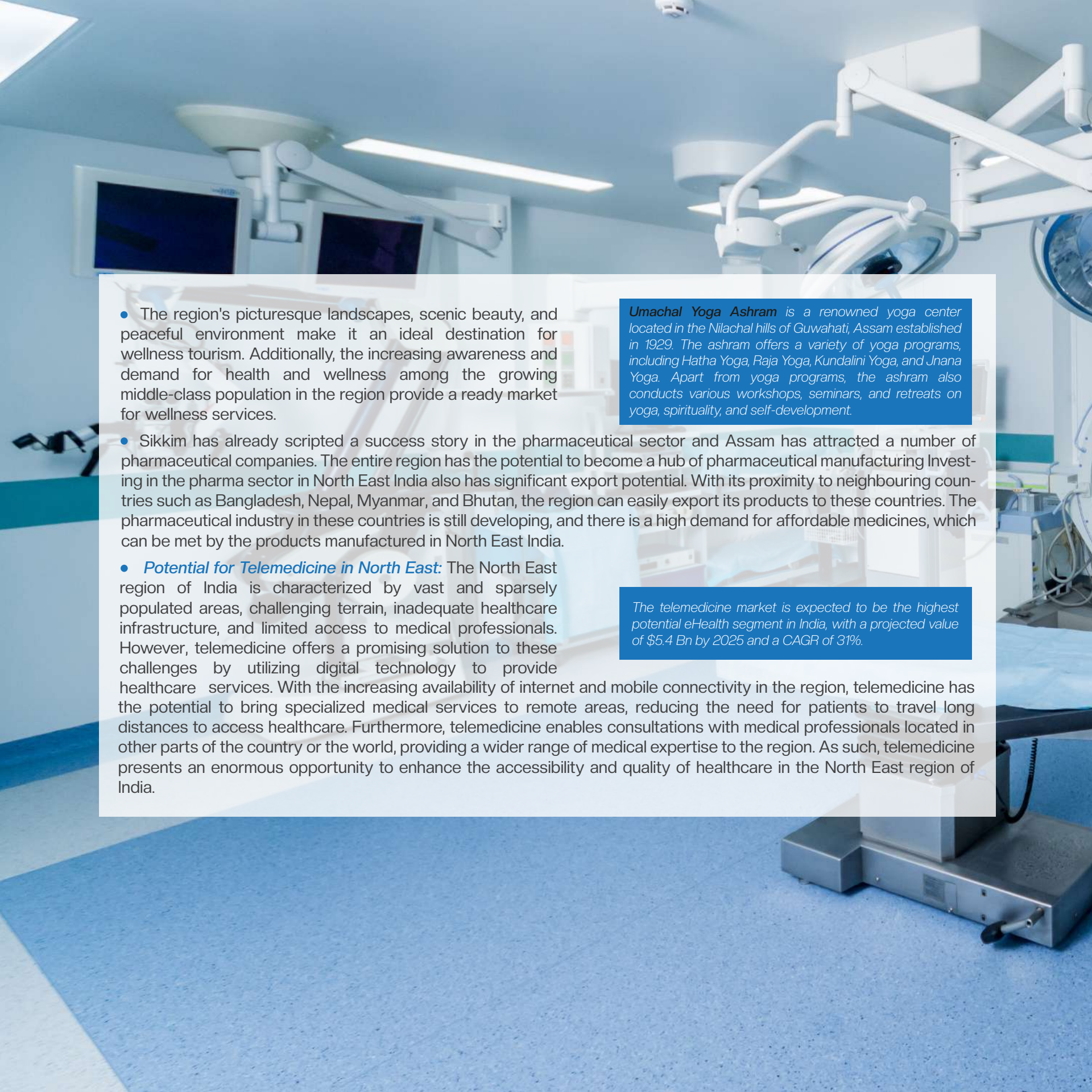
NABH accredited Hospitals in NER

#	State	Hospital count
1	Assam	08
2	Meghalaya	01
3	Tripura	01

In the medical devices and equipment segment, expansion of diagnostic and pathology centres as well as miniaturised diagnostics have high potential for growth in North Easter region. The region's strategic location, favourable policies, and abundant skilled labour force, make it an attractive destination for investors. Apart from this, with increasing awareness and demand for advanced medical devices and equipment, there is a huge untapped market waiting to be explored in the region as well as the neighbouring countries.

Key Segments under Medical Devices





- The region's picturesque landscapes, scenic beauty, and peaceful environment make it an ideal destination for wellness tourism. Additionally, the increasing awareness and demand for health and wellness among the growing middle-class population in the region provide a ready market for wellness services.

Umachal Yoga Ashram *is a renowned yoga center located in the Nilachal hills of Guwahati, Assam established in 1929. The ashram offers a variety of yoga programs, including Hatha Yoga, Raja Yoga, Kundalini Yoga, and Jnana Yoga. Apart from yoga programs, the ashram also conducts various workshops, seminars, and retreats on yoga, spirituality, and self-development.*

- Sikkim has already scripted a success story in the pharmaceutical sector and Assam has attracted a number of pharmaceutical companies. The entire region has the potential to become a hub of pharmaceutical manufacturing Investing in the pharma sector in North East India also has significant export potential. With its proximity to neighbouring countries such as Bangladesh, Nepal, Myanmar, and Bhutan, the region can easily export its products to these countries. The pharmaceutical industry in these countries is still developing, and there is a high demand for affordable medicines, which can be met by the products manufactured in North East India.

- *Potential for Telemedicine in North East:* The North East region of India is characterized by vast and sparsely populated areas, challenging terrain, inadequate healthcare infrastructure, and limited access to medical professionals. However, telemedicine offers a promising solution to these challenges by utilizing digital technology to provide healthcare services. With the increasing availability of internet and mobile connectivity in the region, telemedicine has the potential to bring specialized medical services to remote areas, reducing the need for patients to travel long distances to access healthcare. Furthermore, telemedicine enables consultations with medical professionals located in other parts of the country or the world, providing a wider range of medical expertise to the region. As such, telemedicine presents an enormous opportunity to enhance the accessibility and quality of healthcare in the North East region of India.

The telemedicine market is expected to be the highest potential eHealth segment in India, with a projected value of $5.4 Bn by 2025 and a CAGR of 31%.



Investment potential in Trauma and critical care: Trauma and critical care are vital aspects of healthcare that require specialized expertise, advanced technology, and well-equipped facilities. However, in many remote areas of the North East region, there is a dearth of specialized trauma and critical care facilities. Investing in trauma and critical care in this region presents a promising opportunity. In recent years, several private hospitals and healthcare providers have established advanced trauma and critical care facilities, enhancing the quality of healthcare services in the region. Investing in such facilities can address the increasing demand for specialized services, improve the quality of healthcare, and create job opportunities.

Medical value tourism potential of North East: Medical value tourism is a growing industry in India, and the North East region is no exception. The region is blessed with abundant natural beauty and cultural diversity, making it an ideal destination for medical tourists seeking to combine healthcare services with travel and leisure. The North East region's proximity to neighbouring countries such as Bangladesh, Nepal, Myanmar, and Bhutan can attract medical tourists from these countries seeking quality healthcare services at an affordable cost and hence it creates an investment opportunity in

(1) Medical & Para Medical Education
(2) Setting up of Multi-Speciality & Super Speciality Hospitals
(3) Healthcare Excellence Centres





Ease of Doing Business

Highlights of EODB in the States of NER

Implementation of single window clearance portal in all the states of northeast for providing G2B services in a seamless timebound manner.

- As a measure to create a conducive business eco system, the states of North East India have implemented one stop single window system for all G2B permits and permissions required for any business activity.
- Among many other features of the single window system, a notable functionality in the system is Centralised Inspection Module which helps in random allocation of inspection inspectors and joint site inspection thereby reducing the time, procedure, and cost of many G2B services.

Integration with NSWS

- The North Eastern states have onboarded or are in the process of onboarding their G2B services in the National Single Window Portal. This will enable investors to easily apply for business clearances for their invest region.

Industrial Policy for attracting investment in the region

- To attract investment in the NER, the states have proactively implemented Industrial Policies which offer state spe -cific incentives.

Preferential land allotment policy through creating of Industrial Land Banks

- Each state in the north ease has developed industrial land banks for ease of land allocation.
- Sector specific Industrial Zones like Plastic Park, Textile Parks and IT Parks have been developed in the region.

Reducing Compliance Burden

- NE States have undertaken an exercise to reduce compliance burden through a process of rationalisation and decriminalizing minor offences.

A robust feedback and grievance redressal mechanism

- The states have put in place robust feedback and grievance redressal mechanisms to further improve ease of doing business.



#	State	Investible Projects
1	Meghalaya	Setting up of Shillong Medical College & Hospital in 50 Acres land with an estimated budget of INR 500 Cr.
2	Meghalaya	Construction of Medical College & Hospital in Tura: Concept Preparation, Design, DPR Preparation & Project Management Service for Tura Medical College cum hospital at West Garo Hills, Tura, Meghalaya with an estimated budget of INR 295 Cr.
3	Meghalaya	Extension of Existing Tura Civil Hospital 230 Beds at Tura, Meghalaya: Concept Preparation, Design, DPR Preparation & Project Management Service with an estimated budget of INR 181 Cr.

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