



MANGAL ANALYTICS AND[®]
RESEARCH CONSULTING
Delivering Excellence, Partnering Success.

MARC Insights

Indian Nutraceuticals and OTC Pharmaceutical Market Entry

October 2025

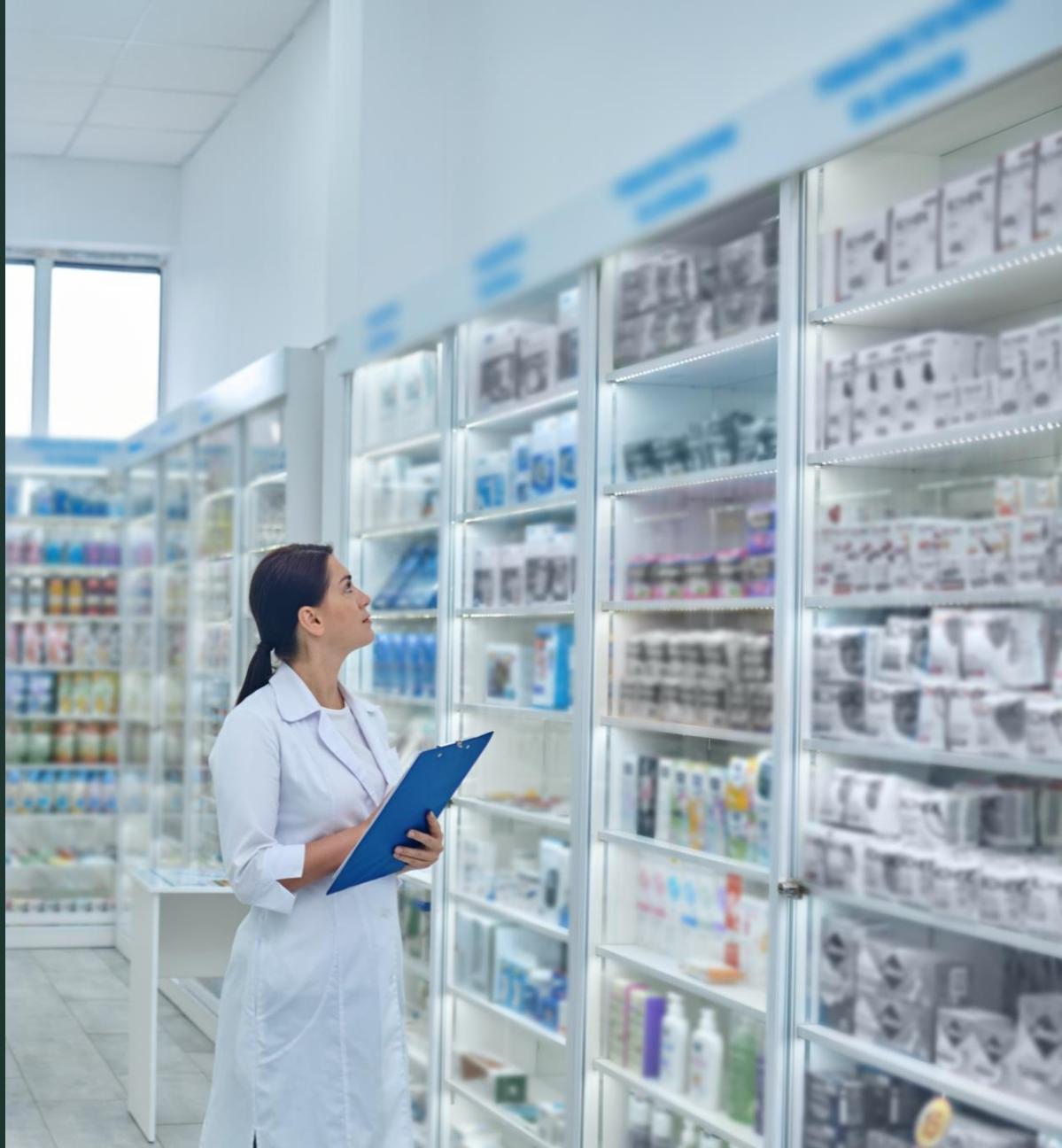


Table of contents

1	Snapshot of India	<i>Page: 02</i>	5	Regulatory Overview & Key Considerations for Companies	<i>Page: 09-10</i>
2	Nutraceuticals & OTC Pharmaceutical Market Overview	<i>Page: 03-05</i>	6	Recommendations & Roadmap for Market Entry	<i>Page: 11-12</i>
3	India as FDI destination	<i>Page: 06-07</i>	7	Case Studies	<i>Page: 13-16</i>
4	Opportunity Landscape	<i>Page: 08</i>	8	Prominent Partners	<i>Page: 17-18</i>

Snapshot of India

"India's Growth Momentum Strengthens — Among the World's Top Four Economies with Expanding Middle Class and Rising Incomes"



6.5%
GDP growth for 2024-25
Q1 FY26 tracking near
7.8%



4.16
Trillion USD
GDP 2025(P) Among top four
global economies



7.5%
Per Capita income Growth
rate compared to 2023-24



1.46
Billion
Population (2025) - 68% working-class population share



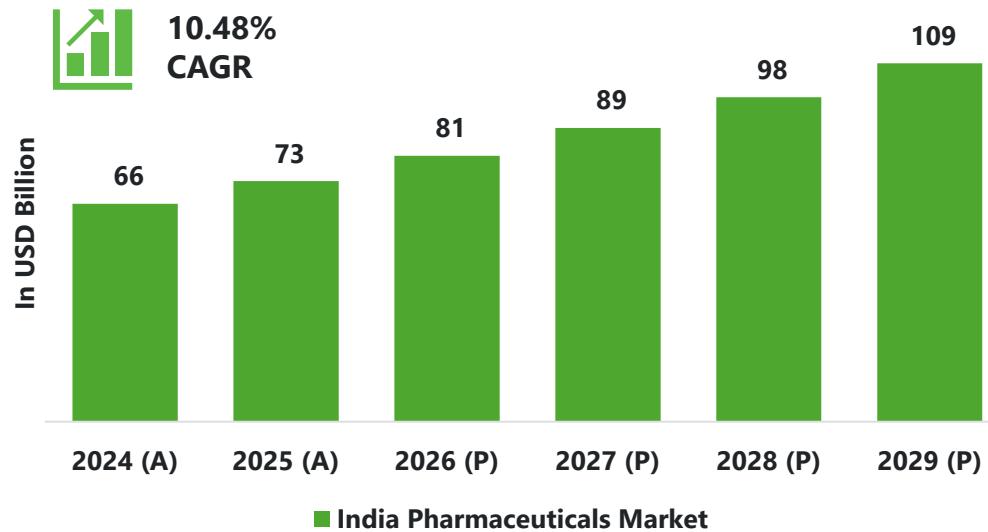
~53%
Indian consumers are more health-conscious now than five years ago as per NielsenIQ

Source: [pib](#), [pib](#), [www.spglobal.com](#), [ndtv](#), [efiletax](#), [nielseniq](#).

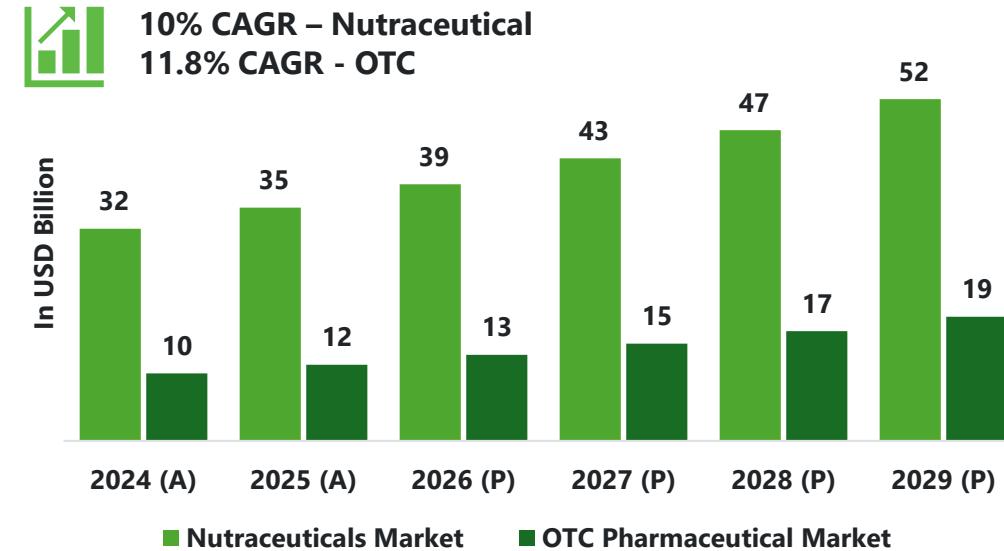
Nutraceuticals & OTC Pharmaceutical Market Overview

"The Indian Nutraceuticals and OTC Pharmaceuticals market encompasses dietary supplements, functional foods and beverages, herbal products, and over-the-counter medicines, driven by rising health awareness and preventive healthcare trends."

Indian Pharmaceutical Market Size



Projected Market Growth in India



Trends Driving India's Pharmaceutical Market

- Digital distribution and online pharmacy channels
- Innovation in delivery formats (gummies, chewable)
- Focus on preventative health and wellness

Source- grandviewresearch.com, marcgroup.com, www.fortunebusinessinsights.com

The India Nutraceuticals Market size is estimated at **USD 32.14 billion** in 2024, and is expected to reach USD 75.81 billion by 2033, growing at a **CAGR of 10%**.

The India OTC Pharmaceutical Market size is estimated at ~**USD 10.3 billion** in 2024, and is expected to reach ~**USD 33.9 billion** by 2033, growing at a **CAGR of 11.8%**.

India as a Pharma Hub

Leading Pharma Producer

India ranks **3rd worldwide** for pharmaceutical production by volume and **14th by value**. The country has an established domestic pharmaceutical industry, with a strong network of 3,000 drug companies and ~10,500 manufacturing units.

Export Hub

India's drugs and pharmaceuticals exports stood at USD 30.38 billion in FY25. About **20% of the global exports in generic drugs** are met by India.



Fastest Growing Industry

The Indian pharmaceutical industry has seen a massive expansion over the last few years and is expected to reach about **13% of the size of the global pharma market** while enhancing its quality, affordability, and innovation.

Pharma's Manufacturing Impact

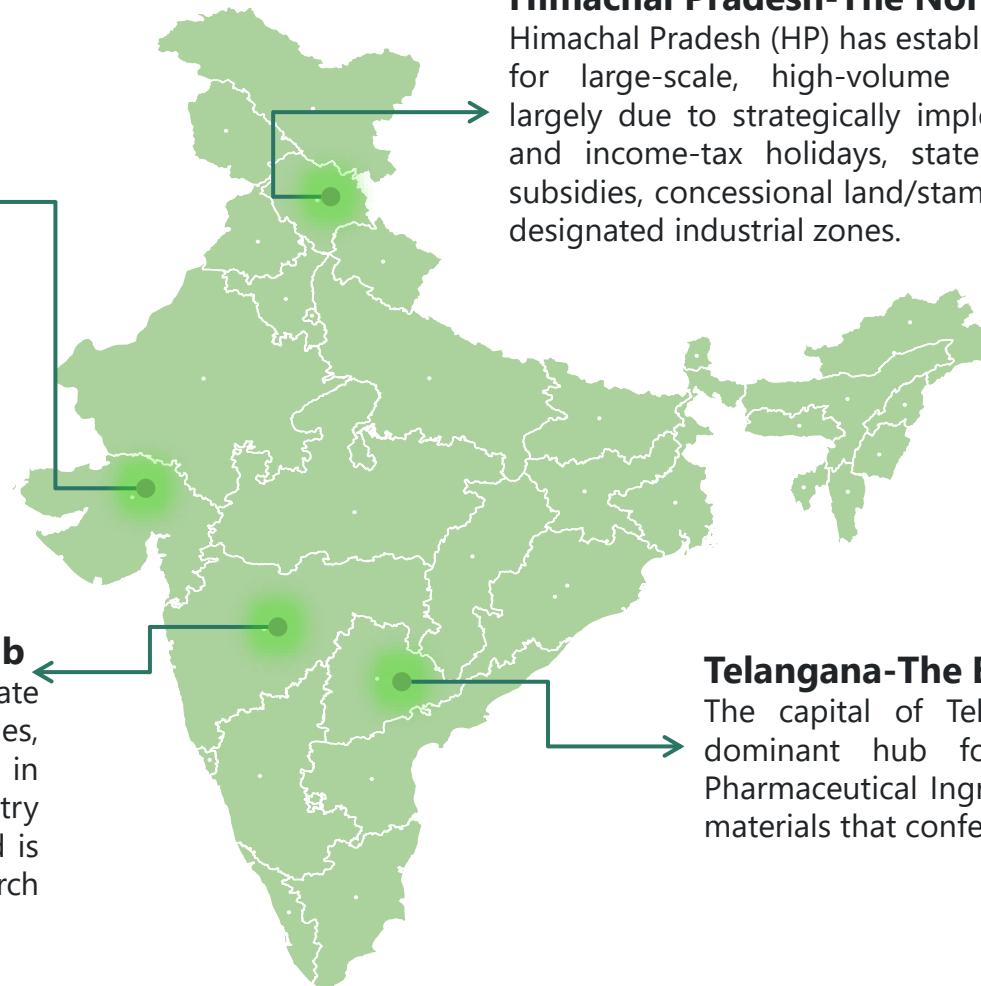
As the fifth-largest contributor to Manufacturing GVA in 2025, it drives approximately **4% of India's FDI inflows**, sustains a **USD 19 billion trade surplus**, and **supports 2.7 million livelihoods**, either directly or indirectly.

Source : ibef.org www.bain.com

Top Manufacturing Hubs

Gujarat- The Western Gateway

Gujarat, a robust industrial state on the western coast, is a vital pharmaceutical hub, leveraging its strong manufacturing capabilities and superior port access for exports. The industrial corridor spanning Ahmedabad, Vadodara, and Ankleshwar is a key contributor to India's pharmaceutical exports.



Himachal Pradesh-The Northern Powerhouse

Himachal Pradesh (HP) has established itself as a pre-eminent hub for large-scale, high-volume pharmaceutical manufacturing, largely due to strategically implemented tax incentives (excise and income-tax holidays, state GST/VAT relief, capex/interest subsidies, concessional land/stamp duty) and the development of designated industrial zones.

Maharashtra-The Southern Clinical Hub

Mumbai is the primary center for the corporate headquarters of major pharmaceutical companies, including Sun Pharma and Cipla. It excels in corporate management, securing industry financing, making key corporate decisions, and is a hub for clinical trials and cutting-edge research facilities.

Telangana-The Bulk Drug and R&D Giant

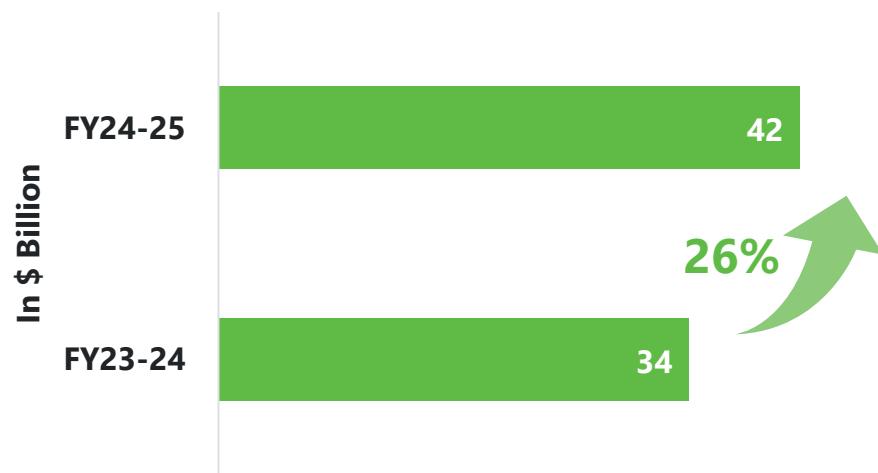
The capital of Telangana, is recognized as the dominant hub for the production of Active Pharmaceutical Ingredients (APIs), the essential raw materials that confer medicinal efficacy.

Source: [medellasoftgel](#)

India as an FDI Destination

FDI Inflow in India

India has attracted over **\$1 trillion** in Foreign Direct Investment (FDI) inflows between **Apr-2000 and Sep-2024**



Over the last decade (**April 2014 to September 2024**), total FDI inflows amounted to **\$709.84 billion**, accounting for **68.69%** of the overall FDI inflow in the past **24 years**.

Growth Drivers Behind India's Rising FDI



- **Robust Economic Growth:** India is currently the fastest-growing major economy in the world. According to the IMF (April 2025), India's GDP is projected to grow at 6.5–6.6% in 2025–26, outperforming peers like China, the US, and the EU.



- **A Future-Ready Workforce for Innovation and Growth:** With over 65% of its 1.4 billion population under the age of 35 and producing 2.55 million *STEM graduates annually—the second highest globally. India offers a dynamic talent pool that powers innovation and attracts high-value investments.



- **Strong Domestic Market and Demographics:** India's vast consumer base, a median age of 28, and an expanding middle class make it one of the most attractive consumption-led markets for global investors seeking long-term growth.

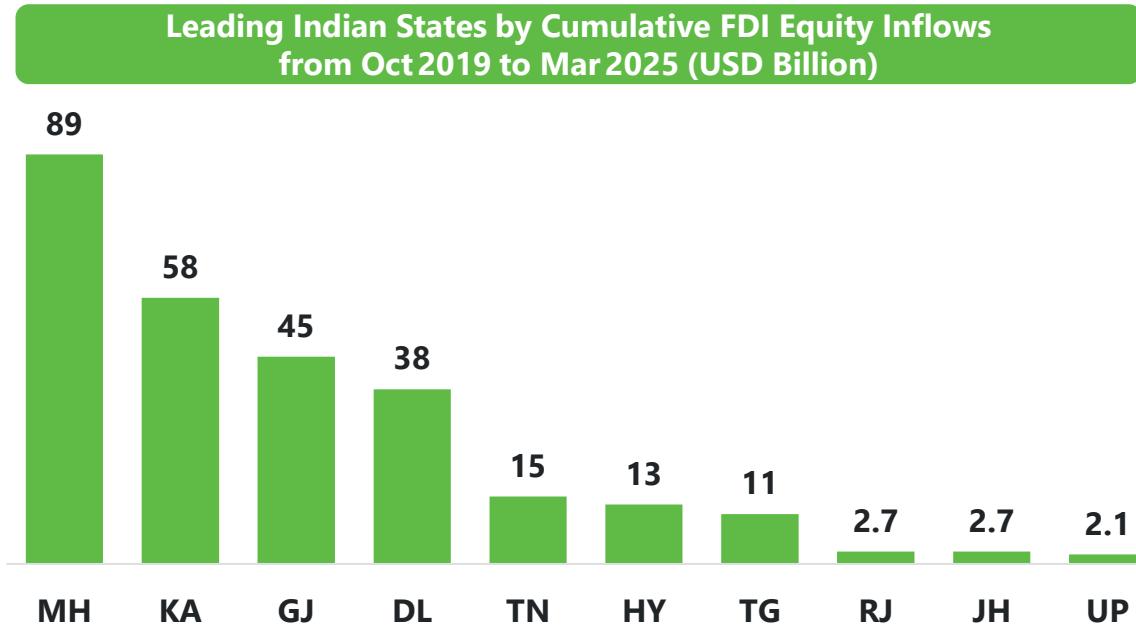


- **India - Rising Supply Chain Hub:** Global companies are diversifying supply chains beyond China. India, with its large workforce, competitive costs, and stable democracy, is well-positioned to benefit from this reallocation of capital and manufacturing.

Source- [India FDI Tracker 2025](#), [dpiit](#), [worldometer](#), [deccanherald](#), [businessday](#), [manufacturingtoday](#)

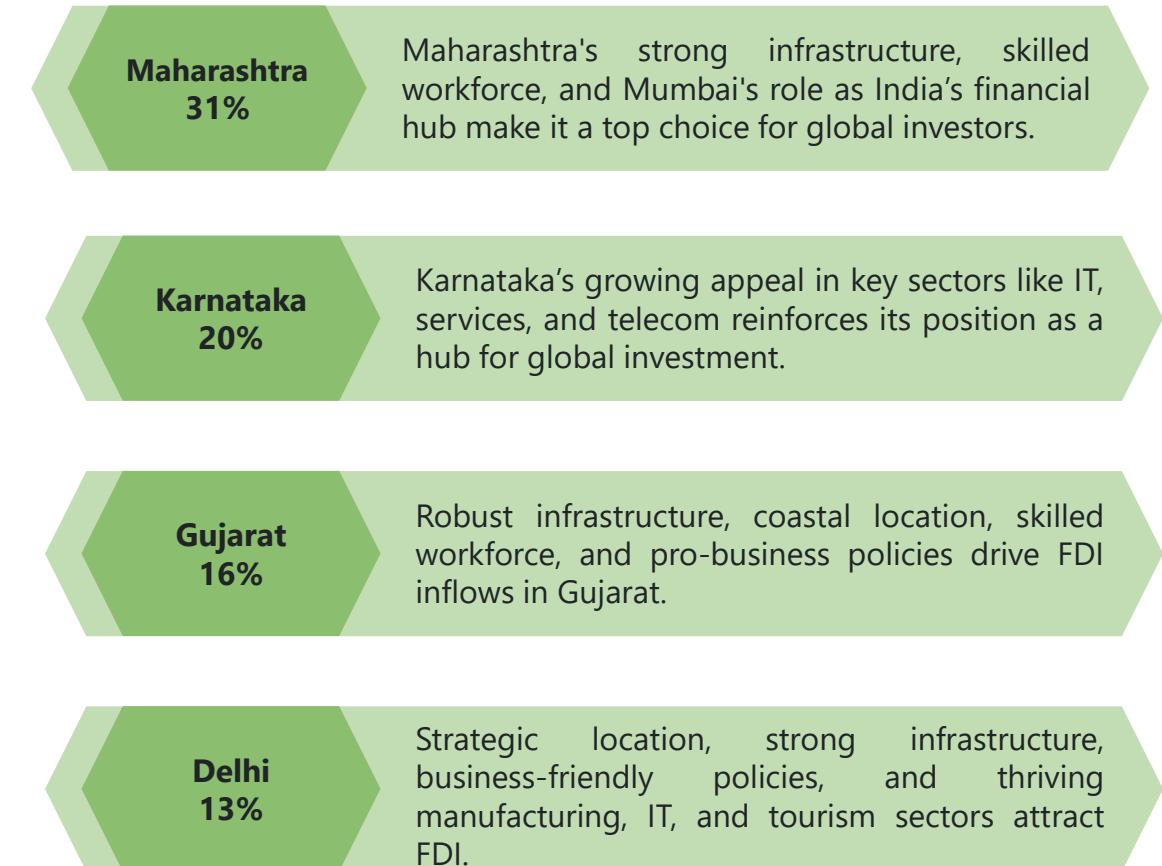
*STEM graduates are those with degrees in Science, Technology, Engineering, and Mathematics, key fields driving innovation and growth.

Leading Indian States for FDI Inflows



- Maharashtra leads with 31% of India's total FDI, receiving nearly **US \$88.7 billion**.
- Southern states dominate FDI inflow, with Karnataka, Tamil Nadu, and Telangana collectively attracting over **US \$83 billion**.
- Top 5 states account for over 85% of total FDI, showing high concentration in a few economic hubs.

Top 4 FDI-Attracting States and Their Competitive Advantages



Source- [Dipti_ Investindia](#)

Opportunity Landscape

"India: The Fastest-Scaling Consumer Health Hub, Build at Global Scale, Leveraging Policy Tailwinds, Clear FSSAI Frameworks, and Digital Access for Accelerated Brand Adoption"

Industry Specific Growth Drivers



India's nutraceuticals market is already big and growing fast: about USD 32 billion as of 2024 and set to grow roughly 10% a year till 2033, so there's room to scale for many years.



OTC consumer health is also rising quickly as people treat minor issues themselves, and pharmacies plus online channels make access easy, expect double-digit growth this decade.



FSSAI labeling and claims rules provide a "compliance edge" for businesses on crowded online shelves by building consumer trust, increasing visibility, and reducing business risk.

India's Consumer Uplift



Incomes are rising fast: by around 2030, per-capita income is widely projected to approach the USD 4,000 range, pushing millions more households into middle and affluent tiers and lifting everyday spending on health and wellness.



By the early 2030s, over 40% of households are expected to be from middle class, which pushes demand for higher-quality health products and premium formats.



Overall consumption is rising fast enough to put India among the world's top consumer markets, supporting long-term demand for nutraceuticals and OTC.

Manufacturing and R&D Advantages



Production-Linked Incentive (PLI) schemes catalyse investments across pharma/APIs by improving project economics, expanding capacity, and nudging firms toward exports and technology upgrades.



Running clinical studies can cost far less, typical per-patient and overall trial costs are around 40–60% lower than in Western markets, so evidence programs can move faster



India has a ready ecosystem for production and scaling. Contract manufacturers, testing labs, and compliance partners help shift from import-led pilots to efficient local production.

Source- grandviewresearch.com, marcgroup.com, deloitte.com, kantar.com, equityedgeresearch.substack.com, business.yougov.com, dhruvaadvisors.com, credevo.com, indbiz.gov.in/fssai

Regulatory Overview: Entering India's Nutraceutical & OTC Market

"India operates a dual regulatory system with different frameworks for nutraceuticals and pharmaceutical products, requiring clear understanding of categories, claims, and compliance requirements"

CDSCO

Central Drugs Standard Control Organization



Scope & Jurisdiction: Regulates Medicines, OTC Drugs, and products under the Drugs & Cosmetics framework.



Classification Trigger: Products with therapeutic indications or claims fall under CDSCO.



Regulation of Clinical Trials: Reviews and approves clinical trial protocols to protect participant safety.



OTC Status: No unified statutory OTC list exists; drugs are considered OTC if not prescription-only.



High Potency/Dose: Products exceeding FSSAI limits or with high potency ingredients shift to CDSCO.

FSSAI

Food Safety & Standards Authority of India



Scope & Categories: Regulates Health Supplements, Nutraceuticals, and Probiotic/Prebiotic Foods.



RDA Compliance: Vitamin/mineral content cannot exceed ICMR RDA without specific approval.



Labeling Mandates: Must include Ingredient List, Nutrition Info, Cautions, and Country of Origin.



Claims Permitted: Only pre-approved nutrition and health claims are allowed (2022 Amendments enforced)



Import Requirement: Mandatory FSSAI Central License via FoSCoS and DGFT authentication needed.

Source- fssai.gov.in, foodsafetystandard.in, cdsco.gov.in, scconline.com, pharmacypro.io, pharmanow.live, agriexchange.apeda.gov.in

ICMR-Indian Council of Medical Research, RDA-Recommended Dietary Allowance.
FoSCoS-Food Safety Compliance System, DGFT-Directorate General of Foreign Trade

Key Considerations for Companies: Succeeding in India

Strategic approach to market entry, regulatory compliance, and operational excellence in India's nutraceutical and OTC landscape



Route-to-Market

Start with an import-led pilot. Validate product-market fit before scaling to retail.



Compliance

Separate food supplement and drug claims. Monitor FSSAI/CDSCO policies.



Localization

Adapt to permitted ingredients and one-RDA limits. Use Hindi/English labeling.



Documentation

Maintain audit-ready substantiation, CoAs, and scientific dossiers.



Pricing & Partners

Build price-pack ladders. Select distributors with strong compliance track records.



Advertising

Use only approved claims. Avoid disease/therapeutic messaging. Include disclaimers.



Operations

Implement appropriate GMPs. Plan for inspections and document retention.



Digital Readiness

Prepare for evolving e-pharmacy rules and ensure compliant online listings.

Recommended Entry Roadmap

- 1 Import-led Pilot (with FSSAI license & compliant labeling)
- 2 E-pharmacy & Marketplace Validation
- 3 Modern retail & pharmacy expansion
- 4 Regional Distributor Partnerships

Source- fssai.gov.in, foodsafetystandard.in, cdsco.gov.in, scconline.com, pharmacypro.io, pharmanow.live, agriexchange.apeda.gov.in, foscos.fssai.gov.in, imarcgroup.com, economictimes.indiatimes.com

Recommendations & Roadmap for Market Entry (1/2)

"The most asset-light route to enter the Indian market is by partnering with an Indian firm through strategic alliances, licensing, or distribution agreements. This approach enables foreign companies to establish a presence without owning physical assets or making significant capital investments."

Partnership Models with Minimal Capital Investment



Licensing- Indian company gets rights to produce or sell foreign firm's products under their brand



Distribution Agreement- Indian partner sells/imports products from foreign company



Strategic Alliances- Allows Independent Indian & foreign entities collaborate on product, market, technology.



Revenue / Profit Sharing- Partner operates the business and shares profits with the foreign brand

Why Partnering with Indian Firms Makes Strategic Sense



Test the market — Foreign firms can assess product-market fit before making major investments.



Limited regulatory exposure — Since there is no ownership involved, the foreign firm requires fewer approvals to operate under these structures.



Leverage Indian Partner Strengths— Foreign firms can tap into the Indian partner's know-how, distribution, and manufacturing capabilities.

Source- [India Market Entry, Partnership, Apple, Starbucks](#)

Recommendations & Roadmap for Market Entry (2/2)

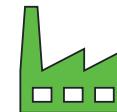
"Greenfield investment offers complete control and government incentives but requires higher cost and longer timelines. Conversely, Brownfield investment allows faster market entry and lower initial cost with existing assets but may present integration challenges."

Greenfield

Involves setting up a new facility, hiring new employees, and building a supply chain

Greenfield projects take 24–36 months as they involve building from scratch, including land acquisition and full infrastructure setup.

Greenfield projects demand very high capex due to full land acquisition and infrastructure development from scratch.



Setup



Time to Market



Initial CapEX

Brownfield

Involves acquiring or investing in existing facilities, includes Mergers & Acquisitions, Joint Ventures, Strategic Minority Stakes.

Brownfield projects take 6–12 months as they use existing facilities, requiring minimal construction and faster regulatory approvals.

Brownfield projects require lower capex by acquiring or partnering with existing businesses, utilizing pre-existing infrastructure, regulatory approvals, and market access.

Source- [Investopedia](#).

Case Study on NutriLeads



NutriLeads has extended the market reach of its carrot pomace-derived precision prebiotic, BeniCaros, to India in 2024-25.

Market Entry Model: Distribution Partnership



Partner: Yasham Specialty Ingredients Pvt. Ltd



Action: Yasham acts as the exclusive representative for NutriLeads' flagship ingredient, BeniCaros®, to Indian food, beverage, and dietary supplement manufacturers.



Significance of the Model:

Leveraging Local Expertise: Yasham brings deep knowledge of the Indian nutraceutical industry, regulatory landscape, and an established distribution network.



Source of product: Derived from upcycled carrot pomace, which adds a sustainability/upcycling angle to the product's story.

Target Customers: Food, beverage, and supplement manufacturers (who will then use it in their consumer-facing products).

Unique Selling Proposition

Precision Prebiotic	BeniCaros is clinically proven to have a dual mode of action that works consistently across diverse gut ecosystems.
Immune-Training	It is positioned as an ingredient that "trains the innate immune system" to respond smarter, faster, and stronger—a major appeal in a health-conscious market.
Gut Health	It selectively nourishes beneficial gut microorganisms and promotes the production of health-promoting metabolites.
Formulation Friendly	It has a very low daily serving size, is highly soluble, heat/pH stable, and has little-to-no impact on taste, odor, or texture.
Clean Label	It is vegan, Kosher, Halal, and free from GMOs, gluten, additives, or artificial ingredients, appealing to the growing clean-label consumer segment in India.

Source- nutraceuticalbusinessreview

Case Study on Myprotein



UK “premium sports supplement” brand that officially launched in India offering Protein powders, vitamins, amino acids, snacks, and nutraceutical formulations etc.

Market Entry Model: Indirect Export & E-commerce



Partner: Myprotein entered India via a strategic partnership with MSM Retail Pvt. Ltd. They also have an offline distributor partner — Uniglobal Distributors Pvt Ltd — for retail distribution.



Significance of the Model:

Leveraging Local Market with less investment: To reduce delivery times, they established a warehouse in Gurugram (NCR region). Earlier delivery from overseas took ~25-30 days. While their strength is online sales, they also have offline distribution via Uniglobal.



Target Customers:

- Fitness enthusiasts, gym-goers, and athletes seeking high-quality sports nutrition and performance supplements.
- Age group: 18 - 25 years, predominantly urban and digitally active consumers.

Unique Selling Proposition

Digital-first / E-commerce Presence	Myprotein uses its own online platform (myprotein.co.in) to sell products directly to consumers, with local payment methods
Pricing Strategy	Given India's price sensitivity, they balance premium positioning (for serious fitness) and for "everyday athletes"
Product Localization	They adapt products to local tastes flavours like kulfi, thandai, mango etc. to attract Indian customers.

Source: www.afaqs.com, www.brandequity.economictimes.indiatimes.com, www.myprotein.co

Case Study on Natures Aid



Natures Aid Ltd has made its products available to Indian consumers through cross-border e-commerce channels.

Market Entry Model: Indirect Export & E-commerce



Partner: Natures Aid's effective route to Indian customers is indirect market access rather than direct investment, through e-commerce platforms. (e.g., Tata 1mg, Flipkart, Ubuy).



Significance of the Model:

Leveraging Local Market with less investment: Allows Natures Aid to access the Indian market without a massive investment in local manufacturing, logistics, or a dedicated sales force.



Source of product: Natures Aid products are widely available on India's major health and e-commerce platforms.

Target Customers:

Children's Health: Their Mini Drops range targets parents willing to pay a premium for specialized child nutrition.

Unique Selling Proposition

Heavy E-commerce reliance Distribution	Bypasses costly traditional retail, targets urban, health-conscious buyers.
High-Quality, Premium Positioning	Leverages "Made in the UK" and GMP standards to differentiate from local/unregulated competition.
Vitamins, Kids' Health, Specialty Supplements Product Focus	Addresses India's growing focus on wellness and parental concern for child nutrition.

Source- naturesaid.ca, naturesaid.com

Case Study on Vitabiotics



Vitabiotics, a UK-based company specializing in vitamins and nutritional supplements, has established a significant presence in India through a multi-phased and comprehensive strategy.

Vitabiotics Entry Strategy



Establishment of a Local Entity

The company established in 2002 and operates in India through, Meyer Vitabiotics.

Meyer Vitabiotics, Indian sister concern of Vitabiotics, has supported the brand's presence and growth in India.



Over-the-Counter Market (2008 Onwards)

After establishing a base in the ethical segment, Vitabiotics launched a significant push into the higher-volume OTC market to target the growing number of health-conscious, younger consumers.



Digital and E-commerce Strategy (2020 Onwards)

Recognizing the shift in consumer buying behavior, particularly post-2020, Vitabiotics partnered with digital agencies.

Unique Selling Proposition

Targeted, Gender-Based Nutrition

Vitabiotics offers highly specific, life-stage, and gender-based supplements

"Science-Backed" & UK Heritage

The company promotes its long history (founded in 1971), its commitment to human health and research, and its status as UK's No. 1 vitamin company.

Pharmaceutical-Grade Quality

Indian-made products follow the rigorous MHRA (UK) and GMP (Good Manufacturing Practice) standards.

Innovation and Unique Formulations

The company emphasizes product innovation, having won the prestigious Queen's Award for Innovation multiple times.

High-Profile Brand Endorsement

The association with a global fitness icon like Virat Kohli for their men's brand (Wellman) acts as a powerful USP.

Source-[gofolic](#), [meyer](#)

Prominent Partners (1/2)

"Capturing India's healthcare market through data-led e-pharmacy, trusted national retail, and exponential marketplace reach"

E-Pharmacies



One of India's leading digital health platforms offering e-pharmacy, diagnostics (lab tests), tele consults, and health content; strong nationwide brand recall and category search depth.



Large e-pharmacy with medicine delivery, diagnostics, and healthcare services; broad customer base and extensive logistics coverage across metros and Tier-2/3 cities.



Digital arm of Apollo Hospitals and Apollo Pharmacy, integrating online pharmacy with telemedicine and lab services, backed by a large offline retail and hospital ecosystem.

Brick & Mortar Retail



India's largest organized pharmacy chain with thousands of outlets nationwide; strong in-store execution, pharmacist engagement, and front-of-store space for OTC and nutraceuticals.



Major national pharmacy retailer known for modern store formats and competitive pricing; substantial presence in Tier-2/3 markets with centralized procurement and private-label expansion.



Premium pharmacy and wellness retail chain concentrated in metros and large cities; curated wellness assortment and late-night store operations in many locations.

Source: linkedin.com, imarcgroup.com, entrepreneurguild.in, startupnewswire.in

Prominent Partners (2/2)

E-commerce



One of India's leading e-commerce player, Amazon is expanding into digital health through Amazon Pharmacy by offering prescription and OTC medicines, with same-day delivery, and free consultations across nationwide and remote locations.



Flipkart, already offering OTC medicines, plans 10-minute delivery for prescription and OTC drugs via local chemists, expanding its quick-commerce platform.



HealthKart, based in Gurugram, is India's largest online health and nutrition platform, offering proteins, vitamins, and supplements from exclusive brands like MuscleBlaze, HK Vitals, and top national and international brands.

Multipliers & Trade Bodies



HADSA is a platform which connects stakeholders from startups and research institutions to manufacturers and policymakers to promote accessible, affordable, and technology-driven healthcare solutions nationwide.



The Confederation of Indian Industry works to create & sustain an environment conducive to the development of India, partnering Industry, Government society through advisory & consultative processes.



Government and bilateral facilitation platforms that assist with market entry, introductions to state agencies, and navigation of incentives and local partners.

Other prominent state and city-level trade and industry bodies in India

Federation of Indian Export Organizations (FIEO), Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council (CHEMEXCIL), Indian Chamber of Commerce (ICC), Southern India Chamber of Commerce & Industry (SICCI), Kanara Chamber of Commerce and Industry (KCCI),

Source: [indianexpress](#), [timesofindia](#), [bloomagency.in](#), [expresspharma.in](#), [aipma.net](#), [timesofindia](#), [cii.in](#)



MANGAL ANALYTICS AND[®]
RESEARCH CONSULTING

Delivering Excellence, Partnering Success.

Contact



+91-9359628675



contact@marcglocal.com



www.marcglocal.com



2nd floor, CMM bldg. Rua de Ourem,
Panaji Goa 403001