7th ARAB PHARMA Manufacturers' EXPO
CPHI South East Asia

INDIAN PHARMA COMPENDIUM

India - Middle East - South East Asia 2025

Published by: PHARMA CLICK

Vol. 1, Issue. 1 International Edition

News AT A GLANCE

Arab Pharma Manufacturers' Expo 2025...

Page No. 4

India Eyes Southeast Asia, MENA Region to Boost...

Page No. 11

Akums well-positioned to meet rising demand...

Page No. 16

Balancing compliance, cost efficiency crucia...

Page No. 28

Unlocking pharma growth in emerging markets – MENA, Southeast Asia

LAXMI YADAV, MUMBAI

The pharmaceutical markets in the Middle East and North Africa (MENA) and Southeast Asia (SEA) are highly dependent on imports. This presents lucrative opportunities for the Indian drug industry to diversify export markets amid challenges in its traditional export destinations like the US and Europe.

In the MENA region, despite governmental efforts to increase local production, the pharmaceutical manufacturing sector has not been able to keep up with the escalating demand for medicines. This has resulted in a continued reliance on imported drugs, creating a substantial opening for the Indian drug industry which is encountering difficulties in the US and European markets due to heightened competition, more rigorous regulatory hurdles, and a growing emphasis on innovative and specialized drugs. Focusing on the MENA and SEA regions

CONTINUED ON p2

India Eyes Southeast Asia, MENA Region to Boost Pharma Export

DR SANJAY AGRAWAL

As geopolitical tensions stir the West, India sharpens its focus on emerging pharma corridors.

India's pharmaceutical sector- valued at over $50 billion and often dubbed "the pharmacy of the world"- has consistently expanded its global footprint. With rising demand for affordable generics, complex APIs, and vaccines, Indian pharma firms are doubling down on new markets. In recent years, Southeast Asia and the MENA (Middle East and North Africa) region have emerged as the new epicentres of India's export ambitions.

But this strategic pivot isn't just about opportunity. It's also about managing risk, particularly in the wake of ongoing geopolitical instability in West Asia (Middle East), which threatens established trade corridors and supply chain routes. With a storm brewing in traditional strongholds, Indian pharmaceutical exporters are increasingly turning to the emerging economies of ASEAN and North Africa as stable alternatives to fuel growth and hedge uncertainties.

India's Expanding Pharma Export Playbook

India currently exports pharmaceuticals to more than 200 countries, with the U.S. and Europe accounting for nearly 55% of its total export value. However, this concentration has made the industry vulnerable to pricing pressures, regulatory crackdowns, and now, geopolitical shocks.

In FY2023–24, Indian pharma exports stood at approximately $27.9 billion, marking a steady increase over the previous year. While the U.S. and EU remain crucial, export growth is increasingly coming from non-traditional markets. Southeast Asia and the MENA region have seen double-digit growth rates, especially in countries like Vietnam, Indonesia, Egypt, Algeria, and Saudi Arabia.

Several factors are driving this shift:

- Rapid Population Growth: Countries in ASEAN and MENA regions have rising populations with increasing healthcare needs.

CONTINUED ON p12▶

India Eyes Southeast Asia, MENA...

CONTINUED FROM p11▶

- Government Healthcare Spend: Many nations are ramping up public health infrastructure and insurance coverage, especially post-COVID-19.
- FTA & Bilateral Agreements: India's active engagement with countries like the UAE (via CEPA), Egypt, and Indonesia is creating new trade pathways.
- Demand for Generics: Indian generics offer affordability without compromising on quality, making them ideal for cost-sensitive healthcare systems.

The Southeast Asia Opportunity

Southeast Asia presents a unique blend of market readiness, policy support, and healthcare demand. Nations such as Vietnam, the Philippines, Malaysia, and Thailand are seeing robust economic growth, expanding middle classes, and government efforts to make medicines more accessible.

- Vietnam has become one of India's fastest-growing pharma export destinations. The country is modernising its healthcare regulations and encouraging foreign pharmaceutical investment to reduce dependence on China.
- Indonesia, with a population of over 270 million, is a goldmine for generic drugs. India already holds a strong presence here, and recent trade dialogues aim to deepen the partnership.
- Thailand and Malaysia offer sophisticated health infrastructure and a high demand for specialised treatments, including cancer drugs and cardiovascular therapies- areas where Indian pharma companies are scaling up innovation.

Indian firms are also setting up joint ventures and local manufacturing bases to ensure faster approvals and better market penetration.

The MENA Region: From Promise to Pillar

The MENA region, while geographically and politically diverse, is becoming indispensable to India's pharma future.

- UAE is India's biggest trade partner in the region. With the Comprehensive Economic Partnership Agreement (CEPA) in effect since 2022, Indian pharmaceutical exports to the UAE have seen a significant increase, particularly in formulations, vaccines, and medical devices.
- Egypt is pushing to localise pharma production but remains reliant on imports for APIs and critical drugs. India's cost-effective pharma supply has made it an attractive partner.
- Saudi Arabia and Algeria are investing heavily in pharma logistics and healthcare digitisation, opening doors for Indian firms to export not just drugs, but expertise in health tech and supply chain solutions.

The MENA market is projected to grow at a CAGR of 8–10% through 2028, and India, with its manufacturing scale and regulatory alignment, is well-positioned to be a key player.

But Here Comes the Storm: West Asia Crisis & Its Impact

While the promise of MENA is undeniable, the West Asia crisis, exacerbated by ongoing Israel-Gaza tensions, Iran-U.S. hostilities, and regional instability, poses a real and present threat to Indian pharma exports.

1. Disrupted Supply Chains and Logistics

One of the biggest fallouts of the crisis has been the disruption in key shipping lanes, especially the Red Sea and Suez Canal, through which a substantial volume of Indian exports travel. Delays, rerouting, and increased insurance premiums are adding to freight costs and delivery timelines. For a sector as time-sensitive as pharmaceuticals, these disruptions are costly, both financially and reputationally.

2. Payment and Trade Uncertainty

In nations with volatile regimes or sanctioned economies (e.g., Syria, Lebanon, Iran), Indian exporters face currency instability, delayed payments, and compliance risks. Even in relatively stable economies like Jordan or Iraq, sudden border closures and banking restrictions have led to a cautious approach by Indian exporters.

3. Shift in Market Priorities

Several West Asian countries are diverting budgetary resources toward defence and security, impacting public healthcare spending. Tenders are being delayed or cancelled, and private players are slowing imports in anticipation of economic tightening.

India's Counter Strategy: Diversify, Localize, Digitize

Recognising the risks, Indian pharma stakeholders- from the government to private players- are acting swiftly to diversify their exposure.

- ***Diversification of Export Basket:*** India is now focusing on untapped markets in Africa (Nigeria, Kenya, Ghana) and Latin America, where the demand for affordable generics is exploding.
- ***Local Partnerships:*** Firms like Sun Pharma, Dr. Reddy's, and Zydus are entering joint ventures with local companies in Southeast Asia and MENA to bypass regulatory delays and geopolitical shocks.
- ***Digital Export Ecosystems:*** With the government's push for digital trade corridors and B2B platforms like IndiaXports, exporters are leveraging tech to find buyers, manage logistics, and ensure end-to-end compliance even in turbulent regions.

Policy Push: The Government Steps In

The Indian government has been proactive in supporting pharma exports. Key initiatives include:

- ***PLI Scheme for Pharmaceuticals:*** Encouraging innovation and high-value product exports.
- ***Export Promotion Council (Pharmexcil):*** Hosting roadshows and trade expos in ASEAN and MENA nations to strengthen ties.
- ***MEA and MoCI Diplomacy:*** High-level engagements with counterparts in UAE, Egypt, Saudi Arabia, and Indonesia to remove trade barriers and enable smoother regulatory pathways.

The India-UAE CEPA is a textbook example of policy's role in unlocking

CONTINUED ON p19▶

FPME urges govt to consider inclusion of non-status holders in 'Source from India' portal to boost pharma export

LAXMI YADAV, MUMBAI

THE recent nationwide rollout of the 'Source from India' feature on the Trade Connect ePlatform by the Ministry of Commerce and Industry, through the Directorate General of Foreign Trade (DGFT), for all status holder exporters has been positively received within the pharmaceutical exporting community. However, alongside this welcome development, some concerns have also been raised regarding the potential implications of this initiative.

While welcoming the initiative, the Federation of Pharmaceutical and Allied Products Merchant Exporters (FPME) has urged the commerce ministry to include non-status holder exporters in 'Source from India' portal to further enhance the country's export potential.

"This is undoubtedly an excellent initiative that holds the potential to significantly enhance India's pharmaceutical export capabilities. Restricting access solely to status holder exporters may inadvertently limit the platform's true potential in representing the breadth of Indian exporters. Export data suggests that while status holder exporters contribute significantly to the overall value, non-status holder exporters and merchant exporters account for substantial volumes. Opening the 'Source from India' feature to this wider group of exporters could unlock even greater opportunities and more accurately reflect the breadth of India's export capacity," said Dharmesh Kharwar, joint secretary of FPME and director of NGB Laboratories Pvt Ltd.

Currently, the portal lists only three registered pharma exporters, comprising a pharmaceutical firm, an industrial chemical company, and a pharma apparel company.

To broaden the platform's reach and encourage a more significant number of pharma exporters to register, Kharwar called for the implementation of registration incentives.

Numerous exporters are registered with the Federation of Indian Export Organisations (FIEO) or various Export Promotion Councils (EPCs) and their associated organizations. Therefore, extending registration eligibility to all EPC registered entities would be advantageous.

While status holders represent a limited number, it is noteworthy that even they do not appear to have registered on the portal yet, he pointed out.

Encouraging EPCs to promote the portal could further facilitate automatic registration and population of basic exporter information, drawing from the annual registration data already provided by exporters to their respective EPCs. Given that this data is readily available with government-affiliated EPCs, this process would lend considerable credibility to the platform across various sectors, including pharmaceuticals, by showcasing a substantial number of listed exporters, which is crucial from a foreign buyer's perspective, he added.

"The current scenario, with only a handful of registered exporters, might discourage buyers from using the portal. Instead, they may revert to more traditional and potentially slower methods of sourcing, such as directly contacting buyer-seller forums or the EPCs themselves. By proactively incentivizing registration and potentially streamlining the process for EPC-registered members, the government can create a more robust and attractive platform for both Indian exporters and international buyers," stated FPME joint secretary.

FPME also expressed the need to improve website's search functionality to ensure a more intuitive and user-friendly experience for visitors.

"The portal's search functionality needs some improvements to enhance user experience based on the feedback of users. The search feature needs to be made more intuitive and user-friendly overall. Specifically, while the option to search using the HSN code is currently available, the validation criteria for these codes within the software needs to be reviewed and strengthened. This will ensure more accurate search results when users utilize this feature," Kharwar added.

'Source from India', a flagship feature on the Trade Connect ePlatform was introduced to be a one stop reference point for international buyers to discover accomplished Indian exporters to source from.

The feature allows exporters to create their own micropages where they can provide their product details as well as the credentials of their entity.

Micropages of the exporters are publicly made visible on 'Source from India' page of Trade Connect ePlatform (https://www.trade.gov.in/pages/source-from-india) once approved. To start with, Three-, Four- and Five-star Manufacturer exporters had been previously invited to create their 'Source from India' micropages on a pilot basis.

It is now informed that the Source from India micropage hosting service on Trade Connect ePlatform will be available to all Status Holder exporters (with valid Import Export Codes (IECs) not in DEL (Denied Entity List).

Further broad basing of availability of the service to other IEC holders will be done going forward and changes will be notified once implemented.

This will serve as a comprehensive hub of information and services on international trade with all related stakeholders including Indian Missions Abroad, Pharmaceuticals Export Promotion Council of India (Pharmexcil), EXIM Bank (The Export Import Bank of India), Department of Commerce and DGFT among other stakeholders.

Indian Missions Abroad have also been duly sensitised to use Source from India as a reference point for addressing sourcing needs of foreign buyers approaching the missions for requests to help find Indian suppliers for various products.

Export promotion councils and industry associations have been requested to inform their members about the same and encourage participation of all eligible members.

India Eyes Southeast Asia, MENA...

CONTINUED FROM p12▶

trade growth- pharma exports to the UAE grew over 30% in the year following the agreement.

Strengthening Regulatory Synergy and Fast-Track Approvals

One of the critical enablers for sustained export growth in Southeast Asia and MENA is regulatory harmonisation. Indian pharma firms have long grappled with fragmented drug approval systems and unpredictable timelines in emerging markets. However, a shift is underway.

Several countries in ASEAN and MENA are working to streamline approval mechanisms and align with global standards like WHO-GMP and ICH guidelines. India, in response, is ramping up engagement through regulatory diplomacy, offering technical cooperation, training, and even regulatory alignment support.

Pharmexcil and CDSCO are collaborating with counterparts in Indonesia, Vietnam, Saudi Arabia, and Egypt to enable mutual recognition of certifications and fast-track registration for Indian drugs. This not only reduces the cost and time to market but also strengthens India's positioning as a trusted and compliant pharma partner.

This push for regulatory synergy- driven by both policy and industry- is quietly becoming a game-changer, especially in competitive, regulation-sensitive markets.

The Road Ahead: Risk-Managed Growth

India's pharma sector is entering a new phase of expansion- one that's not just about volume, but about value, strategy, and sustainability. The West Asia crisis is a reality check, underlining the need for agile trade strategies and diversified markets.

Southeast Asia and the MENA region, despite their complexities, represent the next frontier. With calculated risks, diplomatic backing, and continued innovation, India is not just reacting to a crisis- it is reshaping the very map of its pharma exports.

India's pharma industry is shifting gears towards Southeast Asia and MENA to diversify markets and offset the impact of geopolitical disruptions in West Asia. Amid growing demand and diplomatic trade agreements, Indian pharma is embracing local partnerships, digital tools, and policy incentives to navigate the changing global landscape.

(The author is Scientific Advisor at ALKOMEX GBN PHARMA GROUP U.S.A. Email id - drsanjay@drsanjayagrawal.in)