Indian GLP-1 Market to Expand 5x in Next 5 Years

March 10, 2026 | Ratings

Synopsis

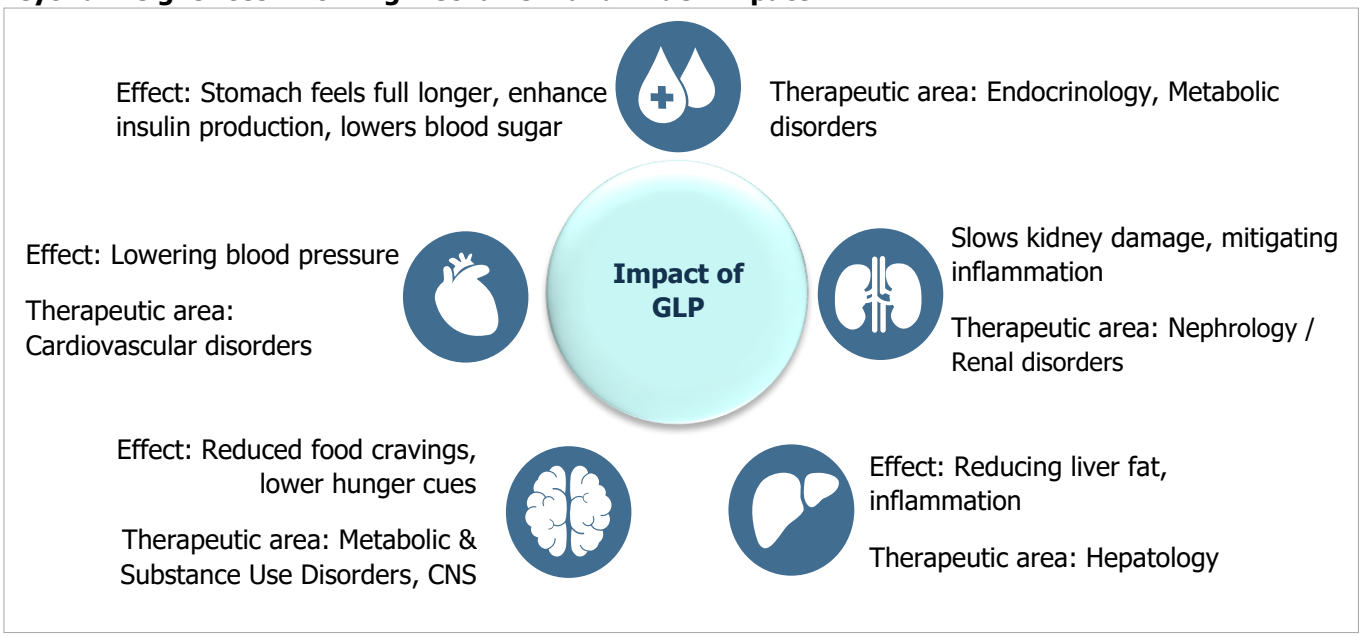
- Glucagon-Like Peptide-1 (GLP-1) therapies have reshaped obesity treatment by bringing scientific backing and clinical validation. Since 2021, the global market for the therapy has grown rapidly, with demand consistently exceeding supply; as shortages ease and patents near expiry, innovators are focusing on expansion into new regions, including India.
- India is often named the diabetes capital of the world, and this makes it a major consumer market for GLP-1 drugs. Apart from this, the Indian pharmaceutical sector's established track record of manufacturing quality generics cost-effectively positions it as a potential global supplier hub as well; the patent for Semaglutide expires in March 2026, and this is expected to accelerate market penetration and price erosion further.
- While the opportunity is substantial, challenges remain, including probable patent litigations, complex manufacturing processes and expansion, lack of long-term empirical data to assuage safety concerns and increasing competition.

GLP-1: Moving Beyond Diabetes

Obesity is no longer seen solely as a lifestyle outcome but is increasingly recognised as a medical condition. Advances in medical science—especially the emergence of GLP-1-based therapies—have greatly changed the treatment landscape, shifting obesity management from stigma-driven narratives to evidence-based intervention. Originally developed for diabetes management, these drugs have shown strong efficacy in weight loss and in improving multiple related health issues, sparking unprecedented global demand.

India now stands at a critical juncture in this evolving market. With a large and growing obese and diabetic population likely to boost demand, and deep capabilities in pharmaceutical manufacturing on the supply side, the country is uniquely positioned to play a dual role in the global GLP-1 ecosystem. As key patents approach expiry, generic players prepare for large-scale launches, the anti-obesity segment is poised for rapid expansion.

Beyond Weight Loss: Working Mechanism and Wider Impact



Source: Industry overview compiled by CareEdge ratings

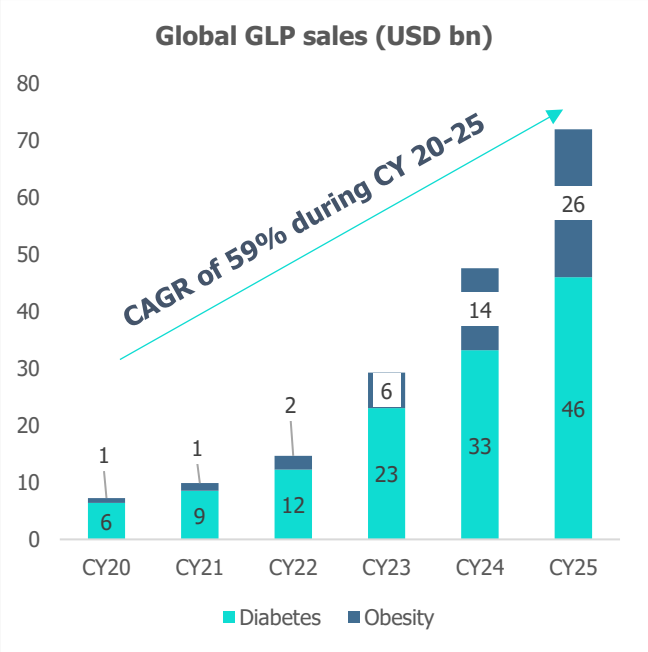
GLP-1 is a naturally occurring hormone that gets released after eating food. In simple terms, the hormone acts as a controlling mechanism for sugar and appetite. It makes sugar enter the blood more gently, directs insulin to start working, and keeps blood sugar from getting too high. Active ingredients such as semaglutide in these weight-loss drugs mimic the action of the GLP-1 hormone. In addition to weight loss and making the stomach feel full, they also have multiple other impacts, such as lowering blood pressure, reducing the workload on the kidneys, and regulating blood sugar.

Owing to its complementary properties, innovator companies are investing in R&D to explore the effectiveness of this drug in other therapeutic areas, including liver disease, fibrosis, kidney disease, sleep apnea, cardiovascular disease, and even alcoholism.

Current Scenario: Global

The current wave of weight-loss drugs originated from findings in diabetes treatment. In 2017, the US FDA approved Ozempic for type-2 diabetes, and physicians observed significant weight-loss effects when it was prescribed off-label. The FDA approved Novo Nordisk's Wegovy in 2021 specifically for chronic weight management. Both Ozempic and Wegovy contain the same active ingredient, semaglutide. In 2022, Eli Lilly further expanded the category with the introduction of Mounjaro, which is based on a different active ingredient, tirzepatide, marking another advancement in GLP-1–based therapies.

API	Patent expiry	Brand Name	Company
Semaglutide	US - 2032 (including extension) Europe & Japan - 2031 India, China, Canada - 2026	Wegovy (obesity), Ozempic (type 2 diabetes), Rybelsus (type 2 diabetes)	Novo Nordisk
Tirzepatide	US (2036); major European countries (2037); Japan (2040)	Mounjaro (type 2 diabetes), Zepbound (obesity)	Eli Lilly
Liraglutide	US (2024)	Victoza (type 2 diabetes), Saxenda (obesity)	Novo Nordisk



Source: Company filings compiled by CareEdge ratings, CareEdge ratings assumptions.
Note: Global GLP-1 sales are based on sales of the drugs mentioned in the table

Sales of these drugs have grown exponentially, increasing over 10x between CY20 and CY25, with demand consistently outstripping supply due to challenges in rapidly scaling production capacity. These supply pressures were significant enough that semaglutide injections were placed on the US FDA's shortage list before being removed in February 2025 as manufacturing stabilised. These supply constraints also partly explain the delayed entry of innovator companies into markets such as India, as efforts were largely focused on serving developed markets where these therapies command premium pricing.

While numerous global pharma companies are targeting to launch similar versions, the market is still dominated by the afore-mentioned two companies. Recently, in January 2026, Novo Nordisk introduced an oral formulation (Wegovy tablets) that alleviates cold-chain storage challenges, reduces production costs, and expands access for patients with injection aversion.

Current Scenario - India

Novo Nordisk and Eli Lilly entered the Indian market in 2025 with anti-obesity and diabetes drugs, with the current market size estimated at around Rs 1000-1200 crore. The innovator brands have also inked marketing and distribution licensing agreements with Indian companies [Eli Lilly with Cipla launched Yurpeak (Tirzepatide); Novo Nordisk with Emcure Poviztra (Semaglutide)] for increased market penetration, especially in tier 2 and 3 cities. The price of the drug ranges from Rs 8,500 to Rs 16,500 for a month. Few Indian companies have already secured regulatory approval to launch the generic version of semaglutide, while an additional 10–20 companies are actively developing their own formulations.

While the patent expires on March 20, 2026, the bulk of product launches are expected in H2FY27.

IN PIPELINE

Cipla Limited, Biocon Pharma Limited, Precise Biopharma Pvt. Ltd, Emcure Pharmaceuticals Limited, Hetero Labs Limited, Intas Pharmaceuticals ltd, , Macleods Pharmaceuticals Ltd., Virchow Biotech Private Limited, Lupin Ltd

APPROVED

Sun Pharmaceutical Industries Limited, Alkem Laboratories Limited., Zydus Lifesciences Limited, Dr. Reddys Laboratories Limited, Natco Pharma Limited, MSN Laboratories Private Limited, Torrent Pharmaceuticals Limited

LAUNCHED

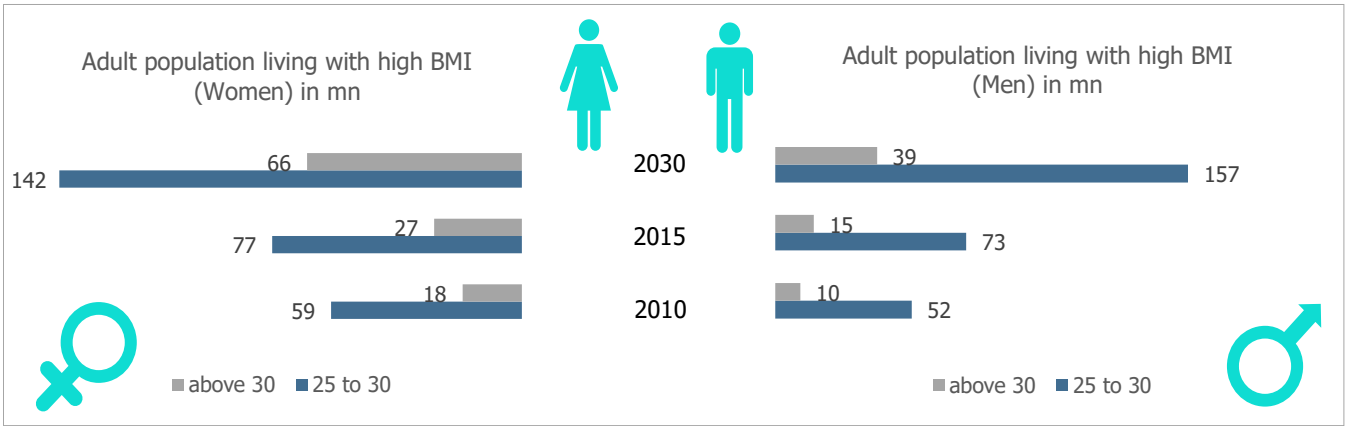
Novo Nordisk - Wegovy, Rybelsus, Ozempic
Eli Lilly - Mounjaro
Emcure – Poviztra & Novo Nordisk
Cipla & Eli Lilly - Yurpeak

Source: SEC recommendations & publicly available meeting minutes considered for the past one year for Semaglutide, Central Drugs Standard Control Organisation (CDSCO), compiled by CareEdge ratings

Twin wins: Global Supplier & Large Consumer Base

India plays a dual role in growing the GLP-1 drug market with its growing consumer base and its large-scale drug manufacturing capabilities. India accounts for ~20% of global generic medicines sold by volume and has a growing obese population.

As per the latest World Obesity Federation's estimate, as of 2025, 8% of adults are living with obesity.[1] In India, roughly 1 in 3 adults has a high BMI (over 25). By 2030, it is expected that 404 million adults in India will have high BMI. Obesity is also the leading cause for various other inter-connected non-communicable diseases like cancer, cardiovascular disease, mental health issues, and fertility problems, among others. According to the ICMR–INDIAB study published in 2023, over 101 million people in India are living with type 2 diabetes. This makes India an attractive market for GLP-1 drugs.

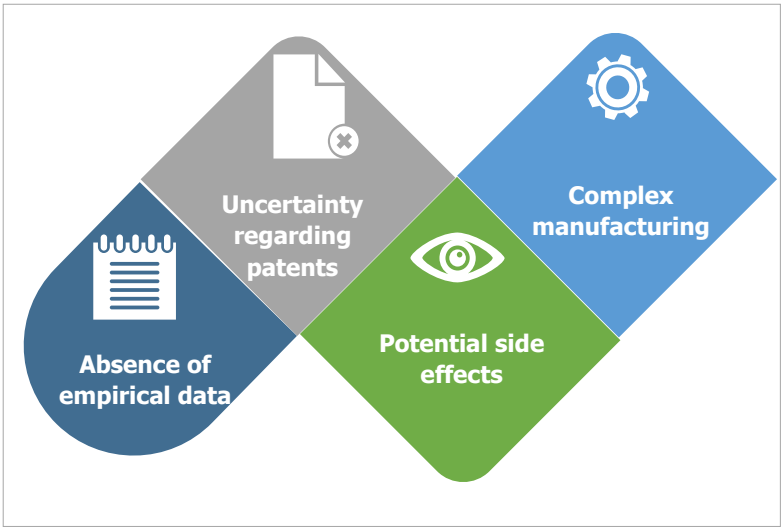


Source: World Obesity Atlas 2025, compiled by CareEdge ratings

[1] A person is considered obese if their Body Mass Index [calculated by dividing weight kilograms (kg) by height in meters squared (m)2] is equal to or more than 30

CareEdge Ratings estimates that India's potential GLP-1 market is set to expand nearly fivefold, from Rs 1,000–Rs 1,200 crore in 2025 to approximately Rs 4,500–5,000 crore by 2030. Post patent expiry, drug prices are expected to decline by around 40–50% in FY27, followed by a further reduction of 10–30% in FY28 due to heightened competition. Also, the recent FTA between India and Europe is expected to enable further price reductions by Novo Nordisk. From a therapeutic standpoint, nearly 60–70% of demand is estimated to be driven by type 2 diabetes treatment, with the balance attributable to weight-loss applications. Despite the significant addressable market, current penetration remains negligible. However, supported by increased marketing efforts, price rationalisation and a growing patient pool, drug penetration is expected to rise to around 1% by 2030.

Challenges: Patents, Safety, and Access



Patent paradox: The main patent for the compound Semaglutide is expiring in more than 100 countries (including India, Brazil, China, and Canada) in 2026, while Tirzepatide expires in 2036 in the US and later in other countries. Innovator companies are known for aggressively safeguarding their patents through layered strategies, even after the initial patent expires (through extensions). This often results in delayed product launches, even after the loss of exclusivity, although the Indian patent framework largely mitigates this risk. Also, market leaders such as Novo Nordisk and Eli Lilly have adopted accelerated product launches, social media campaigns, and aggressive price cuts to capture the Indian market before generic version's entry.

Absence of long-term empirical data and potential side effects: Since the drug received FDA approval in 2021 to aid weight loss, there is a lack of long-term empirical evidence on its safety profile. Emerging reports and real-world observations indicate that a subset of patients may experience weight regain following discontinuation of anti-obesity therapies. Documented adverse effects include gastrointestinal disturbances such as nausea and vomiting. In addition, regulatory advisories highlight rare but clinically significant risks, including thyroid C-cell tumours (observed in animal studies), pancreatitis, gallbladder disease, and hypoglycaemia.

Off-label usage: Although semaglutide is approved for the treatment of obesity and type 2 diabetes, it is being prescribed off-label for cosmetic weight management. This use falls outside the scope of approved indications and raises important concerns regarding both clinical appropriateness and long-term safety.

Entry barriers due to complex synthesis: The manufacturing process for semaglutide is considerably more complex than that of a small-molecule API, as it is a peptide-based compound. Production requires high precision, advanced purification techniques, and typically results in low overall yields. These factors make scaling up manufacturing facilities significantly more challenging, thereby creating substantial entry barriers for new producers.

CareEdge Ratings' View

The initial wave of generic GLP-1 launches in India is expected to be led by the top five to six companies entering the market in March 26 - Q1FY27, shortly after patent expiry, with most product launches anticipated in H2FY27. Intense competition and aggressive price cuts by innovator companies are likely to squeeze margins for generic players. Furthermore, innovator-led patent protection measures and entry barriers due to complex manufacturing processes remain key challenges that generic manufacturers need to navigate carefully. Despite the attractive market size and long-term growth potential, generic companies seem cautiously optimistic about their launch timelines, with several Indian players also focusing on opportunities in overseas markets alongside domestic expansion," says Samyuktha R, Assistant Director at CareEdge Ratings.

"India's GLP-1 market stands at a critical inflection point, underpinned by a rising disease burden, upcoming patent expiries and growing recognition of obesity as a treatable medical condition. While growth prospects remain promising, market outcomes will hinge on patent resolution, manufacturing readiness, pricing strategies and speed of execution. Given that most GLP-1 usage is expected to be for chronic diabetes treatment, early entrants are likely to benefit from a loyal patient base, thereby strengthening long-term market share and sustaining pricing power. This could also impact multiple industries beyond pharma, including food and beverages, fitness & wellness, insurance and healthcare by influencing consumer behaviour and demand patterns," stated Pritesh Rathi, Assistant Director at CareEdge Ratings.

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