

Medikabazaar raises Rs 112 Cr in Series B funding

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Funds to be utilized for boosting expansion in Tier 2 & 3 cities



Medikabazaar, India's largest online B2B platform for medical supplies, recently secured Rs 112 crores during a Series B funding round, led by healthcare-centric VC firm, Health Quad , Ackermans & van Haaren, a diversified group from Belgium, Rebright Partners & Toppan Printing Co limited from Japan in its maiden start up investment in India. Existing investors CBC co., Ltd., Elan Corporation, Mitsui Sumitomo Insurance Venture Capital, Kois Invest from Belgium, angel investors Sunil Kalra and Arun Venkatachalam also participated in the round. with few other prominent angel investors.

The funding is in-line with Medikabazaar's plans for rapid expansion and product diversification, with a target of \$100 million in revenue and 5X growth by the end of the current financial year. The funds from the current round will be used to augment its technology capabilities and supply chain infrastructure as well as building its team strength. The company's current focus is on optimizing its fulfilment capabilities for better delivery management, especially across Tier 2, Tier 3 cities and rural areas.

Since its inception in 2015, Medikabazaar has successfully established itself as a leader in the online B2B healthcare space. The company's strategy is based on sustained research and analysis of the requirement in the Indian healthcare market for the immediate and near future. It has actively worked towards product and category expansion as well as various partnerships to introduce state-of-the-art medical devices, tools, materials and services to healthcare providers in the market. These include innovative products in oncology, neurology, dentistry, minimally invasive diagnostics and other therapeutic areas.

The company further plans to diversify into other categories such as devices for vascular surgery, ENT, laser devices for varicose veins, gynaecology, interventional radiology and OT environment safety. Additionally, Medikabazaar has successfully deployed its proprietary AI and ML-based smart inventory tool 'VIZI', to streamline inventory management for numerous healthcare providers across the country. The company also has plans to foray into pharma supplies in a large manner.

Speaking on the funding, **Vivek Tiwari, Founder and CEO, Medikabazaar**, said, "At Medikabazaar, it is our constant endeavour to not only give a larger number of people access to quality healthcare, but also to play a role in its organised delivery across all parts of the country. We are aiming to secure 10% of the organized market share by 2025, and will continue to channel our efforts towards this goal, with a key focus on smaller cities and remote areas."

He further added, "At present, Medikabazaar has 17 fulfillment centres pan-India, and the current investment will help us grow this number over the next few years by establishing a larger number of distribution hubs. So far, we have seen an extremely positive response to our efforts, and our growth over the past year is a testament to this. We are happy that HealthQuad, Ackermans & van Haaren, Rebright & Toppan, along with our existing investors trusted our vision and joined us on our journey towards building a robust infrastructure for last-mile delivery of quality healthcare across the country."

Commenting on the investment, **Charles-Antoine Janssen, Chief Investment Officer, HealthQuad** said "Inefficiency in the supply chain continues to ail the ability of healthcare providers to deliver quality care at an affordable price. Medikabazaar has created India's largest tech-enabled B2B medical supplies platform providing transparent and efficient supply chain management solution for healthcare providers in India. The company has validated our strong use case hypothesis, which has translated into rapid business ramp-up and high repeatability. We remain committed to support the company's robust future strategy of leveraging economies of scale, deriving data insights to automate inventory management and deepening market penetration."

John-Eric Bertrand, member of the executive committee of AvH: "As a long-term investor, we, at Ackermans & van Haaren, look forward to supporting Medikabazaar's outstanding management team in building out its market leadership position and in fulfilling its vision of making quality healthcare products more affordable and accessible in India. Medikabazaar's offering addresses the challenges currently faced by many Indian healthcare providers related to procurement and inventory management, such as ordering from multiple vendors, lack of adequate information on products and pricing, inventory shortages and inefficient logistics."

Medikabazaar has previously raised funds from HealthQuad, Kois, Rebright, MSIVC, CBC Co., Ltd, Elan Corporation, Sasaki Foods, Sunil Kalra & Arun Venkatachalam in its Series A round in October 2018, amounting to USD 5 million, followed by an undisclosed amount of funding earlier this year from prominent industry leaders Karan Singh, MD, Bain & Co & Arpan Sheth, Partner Bain & other Angel Investors.