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Money minting season for Healthcare IT companies, mint $5.5 bn from Jan to Sept 2017

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Money minting season for Healthcare IT companies, mint $5.5 bn from Jan to Sept 2017 There were 16 Indian healthcare IT companies that received VC funding in the July-September quarter.



Global healthare IT/digital health companies have raised USD 5.5 billion in VC funding in January-September this year, more than in all of 2016, says a report.

According to Mercom Capital Group, healthcare IT/digital health companies raised USD 5.5 billion in 586 deals from global VCs in the January-September period of 2017 against USD 4.2 billion from 463 deals in the same period of last year.

In the July-September quarter however, VC funding worth USD 1.5 billion was reported globally in 227 deals, a 38 per cent decrease compared to the record USD 2.4 billion raised in 194 deals in April-June 2017.

There were 16 Indian healthcare IT companies that received VC funding in the July-September quarter.

The notable Indian transactions include CureFit - a healthcare and fitness app maker - raising USD 25 million from Accel Partners, Kalaari Capital, IDG Ventures, and the UC-RNT Fund. The company also secured around USD 341,531 in funding from Trifecta Capital and Pratithi Investment Trust.

Some of the other Indian transactions include 1mg (previously HealthKartPlus) raising USD 15 million from HBM Healthcare Investments, Maverick Capital Ventures, Sequoia India, Omidyar Network and Kae Capital and online doctor consultation platform Mfine raising USD 1.5 million from Stellaris Venture Partners and healthcare entrepreneurs Mayur Abhaya and Rohit M A.

"The record breaking funding year continues for digital health companies. The 227 funding deals in July-September globally was the most ever for a single quarter," Mercom Capital Group CEO and Co-Founder Raj Prabhu said.

Prabhu further added that the third quarter was all about data analytics with companies garnering almost a third of the funding in July-September and artificial intelligence companies receiving more than USD 200 million.

Healthcare practice-centric companies received USD 731 million in 78 deals, accounting for 49 per cent of the funding in July-September 2017. Consumer-centric companies accounted for 51 per cent of the funding in the third quarter of this year, raising USD 751 million in 149 deals, the report said.

The top funded categories in the July-September quarter were: Data Analytics companies with USD 554 million, Telemedicine companies with USD 232 million, mHealth Apps companies with USD 150 million, and Mobile Wireless companies with USD 132 million, it added.