

Healthtech firms rush for D-Street debut

Five of 12 healthcare public issues since Jan '24 have been floated by such cos; rush fuelled by digitisation

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Healthtech IPOs (initial public offerings) are on the rise in India's healthcare sector — in fact, five out of the 12 healthcare public issues in the last one-and-a-half years have been floated by healthtech companies.

According to data shared by Prime Database, the healthcare sector saw 12 IPOs since January 2024 with a total issue size of ₹20,576 crore. Of these, five public issues belonged to healthtech companies — Entero Healthcare Solutions, Indegene, Sagility India, Sai Life Sciences, and Inventurus Knowledge Solutions. These five issues raised over ₹11,000 crore. Other major healthcare IPOs included Emcure Pharmaceuticals, Akums Drugs, and Dr Agarwal's Healthcare.

Covid-19 pandemic had a deep impact on the sector and it accelerated digitisation, a sharper public and private focus on tech-enabled healthcare solutions, government ease, and adoption of artificial intelligence (AI) across the spectrum, from diagnostics to personalised treatment.

Amitabh Malhotra, vice chairman of investment banking at HSBC India, noted that the combination of rising income, greater insurance penetration, growing demand for medical infrastructure, and India's cost competitiveness positions

the healthcare industry for sustained, multi-decade growth, driven largely by the private sector.

"The Indian healthcare services market presents a compelling growth story, underpinned by its significant potential and current under-penetration. With healthcare expenditure around 3 per cent of gross domestic product (GDP)



Health boom

List of IPOs launched from January 1, 2024 by hospitals, diagnostic services, medical equipment, supplies, accessories & pharma & drugs sectors

Opening date	Company	Offer price (₹)	Issue amount (₹ cr)
Feb 9, '24	Entero Healthcare Solutions	1,258	1,600.00
Feb 22, '24	GPT Healthcare	186	525.14
May 06, '24	Indegene	452	1,841.76
Jul 3, '24	Emcure Pharmaceuticals	1,008	1,952.03
Jul 30, '24	Akums Drugs & Pharmaceuticals	679	1,856.74
Nov 5, '24	Sagility India	30	2,106.40
Nov 29, '24	Suraksha Diagnostic	441	846.25
Dec 11, '24	Sai Life Sciences	549	3,042.62
Dec 12, '24	Inventurus Knowledge Solutions	1,329	2,497.92
Dec 20, '24	Senores Pharmaceuticals	391	582.11
Jan 13, '25	Laxmi Dental	428	698.06
Jan 29, '25	Dr Agarwal's Health Care	402	3,027.26

Source: primedatabase.com

and per capita spend of \$57 — among the lowest globally — the sector is ripe for transformation," Malhotra noted.

Healthtech IPOs in India have witnessed significant growth in recent years, fuelled by increasing digitisation of healthcare and rising focus on technology-driven health solutions.

This focus was spurred by initiatives like e-Sanjeevani and private sector tech-focused health solution, noted Vivek Tandon, vice president at Primus Partners.

"The pandemic played a major role in highlighting the importance of digital health infrastructure, boosting investor interest in com-

panies offering telemedicine, diagnostics, and health data solutions. The growing use of AI in healthcare, from diagnostics to personalised treatment, has further enhanced the appeal of these companies. Additionally, government focus and ease of reforms have made it easier for healthtech firms to scale and access public markets,"

added Tandon.

More health-tech firms, like QubeHealth, Vitraya, Practo, and Medulance, are gearing up for IPOs over the coming years.

Mumbai-based B2B (business-to-business) healthtech & fintech firm QubeHealth announced plans to file for an IPO by 2030-31 (FY31), with a proposed issue size of ₹800 crore. "We expect to process ₹1,000 crore a year in healthcare payments by FY30, by the time we are ready for our IPO, growing at an average of 70 per cent year-on-year (Y-o-Y)," said Chris Gerorge, chief executive officer (CEO), QubeHealth.

Vitraya, a Delhi-based company, said it was planning to file its draft red herring prospectus (DRHP) within the next 24-36 months. The company is targeting an IPO issue size of ₹500 crore.

"The tech sector is heavily regulated, so going public through an IPO offers added credibility and reassurance to both our customers and regulators. For us, the IPO is more about embracing transparency and navigating regulatory frameworks than raising capital or seeking liquidity. Currently, around 80 per cent of our

revenue comes from India and 20 per cent from international markets. Post-IPO, we expect the domestic share to further outpace international contributions," said Mrinal Sinha, CEO & co-founder, Vitraya Technologies.

Most of the listed players in the healthcare sector are trading at substantial valuation premiums, making IPO an important factor, said Chokkalingam G, founder of Equinomics.

"The sector's outlook remains strong, supported by inelastic demand — healthcare is a necessity, and consumers are unlikely to cut back on related expenses even in challenging times," he said.

"Previously, IPO activity was largely concentrated in pharmaceutical companies and standalone hospitals. However, the landscape is now expanding to include a wide range of ancillary businesses that support healthcare providers. Many of these companies are seeking growth capital and providing liquidity for existing investors. As a result, we are likely to see a significant number of IPOs from this space over the next three years," Chokkalingam said.

