

Minimum
Ticket Size:
₹10,00,000



Company Overview

Doctco is a first-of-its-kind healthtech startup setting up phygital centres in Tier II & III areas which are at 15-minute distance of low-bandwidth communities, providing patients access to the best secondary and tertiary care from OPD to surgical procedures through a panel of super specialists at affordable rates. The centre is equipped with a doctor and cutting edge technology such as AI & IoMT devices that simulates in-person discussions between medical specialists and patients. It is an asset light healthcare delivery platform which has made super specialty surgeries accessible and cost effective for underserved areas of smaller towns and rural India (Bharat) through an assisted telemedicine model coupled with a partner hospital network.

Problems:

- Super-specialty care is either non-existent or has limited availability in Bharat. Patients must travel to bigger cities for the same. DoctCo is providing the same at their doorstep by partnering with leading hospital chains, pharmacies, and diagnostic chains. This saves patients unnecessary commute, money and loss in critical time on effective diagnosis.
- Available healthcare infrastructure in small cities lacks standardization and quality leading to low occupancy and low asset turnover for hospital infrastructure owners due lack of marketing efforts. DoctCo increases the asset utilization for these hospitals by increasing the number of surgeries that these hospitals conduct per day through aggregation of demand.
- Health insurance claims face high rejection rate and patients need to finance expensive operations to meet short term cash constraints, DoctCo helps patients to bridge this gap.

Doctco Solutions:

- Doctco provides end-to-end care for patients from initial diagnosis to pre-operative care to surgery at a relevant hospital and post-operative care; coupled with insurance claims and finance assistance for the surgery. It provides OPD consultations through a junior doctor who is connected to a super specialist through telemedicine within the hometown of the patient. It helps patients to further decide on the right doctor for surgeries wherever necessary and helps them end-to-end in the procedure. It assigns a DoctCo Saathi for every patient to provide personalized on-ground support during the procedure such as appointment booking, admissions, claims and discharge.
- DoctCo saves as much as 50% of the total surgery cost of a patient in a T3 / T4 city who travels to T1 city for Tertiary / Quaternary care surgery with zero reduction in quality of care.
- Services provided: Organ transplants (kidney, liver), heart surgeries/stenting, joint replacements, stomach, Brain/Spine, Cancer, Smaller surgeries (locally) – Piles, Fissure, Kidney Stones, Appendicitis, Gallbladder stone, Varicose veins, Circumcision and Hydrocele.

Technology Roadmap:

- In-house CRM integrated with EMR platform & telemedicine plug & play solution with IoMT devices.
- In-built journey tracker for patients and partner of patients in-built in the CRM platform.
- Fin-tech enabled self-service claim registration, tracker and processing. This will reduce potential leakages and improve overall patient experience.

- EMR-driven platform enabled automated information sharing of disease and treatment via WhatsApp. The platform will ensure secure and speedy interoperability of patient data to ensure seamless treatment, thereby improving quality outcomes at scale. This will work in sync with National Digital Health Mission.
- Develop AI/ML algorithms that would help in symptom related diagnosis to doctors, automate finance approval based on patient's history and automate insurance case rejection and approval.

Features:

- **Technology led** healthcare intervention: IoMT devices ensure 40+ basic tests can be conducted at the centre itself allows diagnosis backed by quantified clinical data for added accuracy.
- **Reach:** A DoctCo centre is within 15 min reach of a patient and has access to 4,000+ doctors across the country.
- **Quality:** DoctCo's in-house team has set quality protocols for all partner hospitals which include quality and nursing KPIs to deliver best in class services in a T3 / T4 town, which was missing till date.
- **Second Opinion:** DoctCo has found itself to be a reliable second opinion for patients who have received advice from local physicians.

Growth & Revenue:

Doctco has so far tied up with 500+ hospitals and have extended their footprint to 72 cities across 16 states. Currently they have 3 phygital centres simulating real time data through its IOMT devices and consults with 4000+ super specialists. They have completed 1500+ OPD's. With Annualized revenue of INR 60 Cr, they have achieved 248% MOM growth in revenue, 3x growth in centers and they have plan to rollout 750 phygital centres, acquire 10 Million plus users and accumulated revenue of INR \$1 Billion by the end of FY25.

Key References – Founded in 2021 | Headquartered in Noida, Uttar Pradesh



500 Hospitals tie-ups



600 treatments in Jun 22



MRR – INR 5 CR



Current Presence – 72 Cities across 16 States



LTV of Surgeries= INR 247 CR (in 3 Years)



ACV –INR 70K per Surgery



ARR per Hospital = INR 33 Lakhs from Hospitalization



Contribution Margin ~ 18%



LTV of Onboarded Hospitals –INR 800 CR+



LTV of Existing Hospitals ~ INR 622 CR across 3 years

Partners:



...more

Market Opportunity

- The Indian healthcare industry reached USD 190 bn in 2020, and according to the India Brand Equity Foundation (IBEF), it is expected to reach USD 370 bn by 2024-2025, due to increased demand for specialized and higher quality healthcare facilities.
- The Indian 'eHealth' sector is at a tipping point, and is projected to grow by 13x, to become a USD 16 bn opportunity by FY 25
- The day-care surgery market in India is currently pegged at INR 18.2 bn of the overall surgery market of INR 46 bn

Business Model

DoctCo is creating a B2C healthcare delivery platform with an asset light model.

What is a DoctCo clinic?: These are phygital clinics in tier 2, tier 3 and tier 4 cities which are accessible by a patient within a 15-minute distance from home. These clinics mimic an in-person consultation with a super specialist doctor from a Tier 1 city without the need for the patient to travel to a Tier 1 city.

Patients get video/audio-based consultations in real-time assisted by (i) a trained paramedic and a registered medical practitioner (ii) aided by IoT based health monitoring devices. IoT medical devices help in-house doctor to transfer the patient's medical data in real time to super-specialist doctors, thereby reducing the number of patient visits. These devices can measure upto 40+ medical parameters and gives consulting super-specialist the required clinical information for determining the next line of treatment (major surgery/ medical procedure).

Revenue Model

Revenue will be received from Consultations (OPD), Diagnostics (MRI/CT etc) and Pharmacy (drugs).

Revenue share from local hospitals is taken between 30-35% and ~10-15% is being taken from the bigger/ tertiary care hospitals.

DoctCo's revenue breakup:

- 69% from Surgeries
- 19% from Consultations and diagnostics
- 12% from Pharmacies

Founding Team

Nimith Agrawal | Co Founder

- Previously found lifestyle business doing 50 Lacs+ MRR.
- Founded a not-for-profit organization and scaled it to 30k+ volunteers ,including 200 IAS, IPS & IRS officers helping approx 7 lacs people in just 3 months.
- Completed Executive program in emerging economics from Harvard University, Strategic Social media marketing from Boston University.

Col Hemraj Parmar | Co Founder

- Retd. Colonel, Director ECHS Healthcare at Indian Army.
- Handled 500 crore+ business as Group CEO of multi-hospital chains.
- Led due diligence of 3000+ crore acquisitions.
- IIM-A Alumnus.

Why to Invest

1 First of its kind health-tech startup providing end- to -end experience: Doctco provides end-to-end experience to patients from OPD to surgical procedures and follow-ups. The OPD and follow-ups take place within the patients' city limits. A patient is only required to travel to Tier 1 cities such as Delhi/NCR for complex surgeries. DoctCo Saathi delivers great support and a flawless surgical experience to patients travelling for these procedures. The brand has been able to build physical clinics that provide an organized and professional environment for patient screening, therapy, and surgical operations. DoctCo has completed 1500+ OPDs till date.

2 Revolutionizing super-specialty care: Revolutionizing super-specialty care for 350 million living in small towns of India. On the village level DoctCo has access to a large clientele and low patient acquisition cost. 99% of consultations are initiated within 15 minutes. It aims to connect patients from Tier 2 and 3 towns of India with topmost doctors in metro cities. With the use of IoMT scanning devices technology, doctors from around the country have the access of the patient's records. With its initiative ' Swasthya Ghar Tak' Doctco have tied up with 500+ hospitals and have extended their footprint to 72 cities across 16 states.

Large Market Size and scope for growth is huge: The Telemedicine market is the maximum potential eHealth segment in India, which is expected to touch \$5.4 Bn by 2025, growing at a compound annual growth rate (CAGR) of 31%. TAM for this health tech is USD 45 bn, out of which SAM is USD 8.1 bn and out of that SOM is USD 405 mn. DoctCo aims to bridge the healthcare gap in the rural areas and tier 2 and tier 3 cities which forms a huge untapped market opportunity. While there are indirect competitors like Pristyn Care and Glamyo Health they do not focus in the rural areas of India which leaves a huge market opportunity to be captured by DoctCo.

Strong Management and Advisory Team: The expertise of Col. Hemraj Parmar who was the director of ECHS Healthcare handling 500+ businesses as the CEO of multi-hospital chains will benefit DoctCo tremendously. Nimith Agarwal has been associated with a lot of Non profit organizations which would give the much required push to their social initiative. DoctCo has advisors like Pranay Gupta and Dr Neelam Mohan who is a leading pediatric gastroenterologist and hepatologist in India, with vast experience of 23 years and is an ISB Alumnus.

Bridging the healthcare gap in rural areas by harnessing cutting edge technology: The startup is the only phygital platform that bridges a real-world healthcare gap, namely a super-specialty facility equipped with modern IOMT devices like Auscultation w / ECG, 3-Lead ECG, Digital Stethoscope, Fundoscopy, Otoscope, and more. DoctCo aspires to harness cutting-edge technology such as artificial intelligence and Internet of Things (IoT) devices to continue bridging the healthcare gap in tier II and III cities and their surrounding areas.

Financials

MIS

<u>Income Statement</u>	FY 21-22	FY 21-22	FY 21-22	FY 21-22	FY 21-22	FY 21-22	FY 21-22
<i>All figures are actuals and in INR</i>	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22
Gross Sales							
Total	4,387,147	5,009,926	5,867,085	7,396,003	10,120,422	35,227,176	60,000,000
Gross Sales ARR (INR Cr)	5.26	6.01	7.04	8.88	12.14	42.27	72.00
m-o-m change	12%	14%	17%	26%	37%	248%	70%
Net Sales (Excludes service providers revenue share)							
Total	4,025,947	4,091,026	4,184,497	887,460	2,231,508	6,182,750	-
Net Sales ARR (INR Cr)	4.83	4.91	5.02	1.06	2.68	7.42	-
Gross Profit	1,097,796	2,195,458	1,769,006	777,361	1,839,185	5,435,815	-
Gross Profit Margin	25%	44%	30%	11%	18%	15%	0%
Total Expenses	1,749,012	1,580,538	2,054,891	2,002,177	2,849,869	4,830,587	-
EBITDA	(651,215)	614,920	(285,885)	(1,224,816)	(1,010,685)	605,228	-
EBITDA Margin	-15%	12%	-5%	-17%	-10%	2%	0%

Financial Projections

Particulars (INR Cr)	FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27
Gross Revenue	148.33	1248.40	4154.54	8753.4	14635.24
Net Revenue (Ex- Revenue Share)	26.89	205.16	685.13	1528.08	2660.61
Total Expenses	31.45	173.02	432.05	783.02	1187.83
EBITDA	(4.56)	32.14	253.29	745.06	1472.77
EBITDA Margin	-17%	16%	37%	49%	55%
PAT	(5.80)	21.15	173.95	520.80	1033.92
PAT Margin	-22%	10%	25%	34%	39%

Funding Requirement

Fund Requirement	Commitment received	Name of the investor who has committed for this round	Pre Money-Valuation	Balance Funds Sought from Hem Angels
INR 5 Cr	INR 3.5 Cr	WFC and 91 Ventures	<p>INR 250 CR Cap with the conversion terms -10%, 15%, 20%, 25% Discount on pre-money valuation for Series A (If happens within 6 months, 12 months, 18 months, 24 months)</p> <p>If the company fails to raise INR8Cr in next 24 months, the investment shall convert at previous round valuation of INR 100cr</p>	INR 2 Cr
<p>Fund Usage: Human Resources – 55.9%, Marketing – 20.6%, Other Expenses – 14.7% and Clinic Infrastructure – 8.8%</p>				




Previous Funding Round

Date	Amount	Investor(s)	Pre Money-Valuation
Feb 2021	INR 3 Cr	WFC, Hem Angels & Dr. Neelam Mohan	INR 60 CR Floor and INR 100 CR Cap

Cap Table

Cap Table	% Holdings
Founders	78.7
Dr. Neelam Mohan	10
Angel Investors	3
ESOPS	8.3

Competitive Landscape

COMPANY	 Pristyn Care	 DoctCo	 GLAMYO HEALTH
Hospital Buddy	✓	✓	✓
Own Doctor	✓	✓	✓
Access to super-specialist	✗	✓	✗
Complex Surgeries	✗	✓	✗
Offline referral network	✗	✓	✗
Funding	\$53 Million	\$150k	\$0.5 Million
Investor	Sequoia, Hummingbird Epiq Capital	Seed Investment	Seed Investment

Disclaimer: Investment in startup involve high degree of risk. Though we provide you with our own internal assessment & diligence, we cannot give you all the information necessary to make investment judgment. The views in the documents represent personal views of the respective Hem Angels lead, co leads and experts based on the past financial performance, future projections and estimate shared by startup. Each investing member should apply their own reasonable judgment based on their risk appetite and individual understanding of the concerned business before taking the investment decision.



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