

Eyeing Amazon, Reliance buys Indian online pharmacy stake

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Indian conglomerate Reliance has bought a majority stake in online pharmacy Netmeds for \$83 million, opening a new front in its battle with Amazon which launched a similar healthcare service last week.

Reliance, which is owned by Asia's richest man Mukesh Ambani, has been fighting the US tech giant and Walmart-backed Flipkart for a share of the country's lucrative e-commerce market.

The Indian firm announced the investment late Tuesday, with Ambani's daughter Isha, director of Reliance's retail subsidiary RRVL, saying the move would expand its "digital commerce proposition to include most daily essential needs of consumers".

As coronavirus cases in India climb beyond 2.7 million—the third highest behind the United States and Brazil—healthcare startups are seeing huge demand for services as a result of the pandemic.

Reliance said the investment represented about a 60 percent share in Vitalic Health Pvt. Ltd. and 100 percent direct ownership of its subsidiaries, collectively known as Netmeds.

Netmeds has served 5.7 million customers across India, allowing them to order prescription and over-the-counter medicines as well as health supplements via its website and app.

"We are impressed by Netmeds' journey to build a nationwide digital

franchise in such a short time and are confident of accelerating it with our investment and partnership," Isha Ambani added.

Last week Amazon, owned by Jeff Bezos, the world's richest man, launched its own online pharmacy in India, initially only in Bangalore, expanding services it already offers in the US and several European countries.

India's digital health market is forecast to explode from around \$4.5 billion in the current financial year to \$25 billion by 2025, according to consulting agency RedSeer.

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