

"A man is  
great by  
deeds, not by  
birth"  
-Chanakya

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INDIAN INSTITUTE OF MANAGEMENT KOZHIKODE



Case Study

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**SastaSundar Ventures Limited – Healthbuddy or  
Own Pharmacy Stores?**

Atanu Adhikari <sup>1</sup>  
Seema Lall <sup>2</sup>

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**Please contact the corresponding authors, if you would like to access the full case study.**

<sup>1</sup>Professor, Marketing Management Area, Indian Institute of Management Kozhikode, IIMK Campus PO, Kunnamangalam, Kozhikode, Kerala 673 570, India; Email - [atanu.adhikari@iimk.ac.in](mailto:atanu.adhikari@iimk.ac.in), Phone Number - 0484-2415241

<sup>2</sup>Associate Professor, Nopani Institute of Management Studies, Kolkata

## **SastaSundar Ventures Limited – Healthbuddy or Own Pharmacy Stores?**

### **Abstract:**

Banwari Lal Mittal, the founder and Managing Director of SastaSundar Ventures Limited (SVL), an online medicine retail company, contemplated a significant strategic decision - whether to enter the physical medicine store chain market or to continue in the online medicine retail business assisted by Healthbuddy, an offline delivery-franchisee of SVL. SastaSundar Ventures Limited (SVL) was founded in 2014 by Banwari Lal Mittal and had its registered office in Kolkata, West Bengal (India). SastaSundar.com was an online pharmacy and digital platform of healthcare supported by a network of physical counselling and service centres called 'Healthbuddies', which were independent local pharmacy shops. The service verticals of SastaSundar (SS) were Pharmacy, Diagnostics, and Wellness. The advantage of the Healthbuddy model was that it was agile and required lower initial investment, which enabled a faster entry into the market. However, this model presented certain challenges in terms of standardization. One of the main concerns was that the quality of service provided could differ among various health buddies. On the other hand, there was the advantage of establishing a physical pharmacy chain that was directly controlled by SastaSundar. This approach ensured consistent service quality, enhanced brand image, and provided a more controlled customer experience. But there were significant upfront costs associated with it. Additionally, there were operational complexities that needed to be taken into account. Mittal evaluated the pros and cons of going with physical retailing. The decision was crucial, and Mittal needed to carefully analyze several aspects and their potential outcomes. Mittal was also uncertain about the returns on investment, especially considering the intensely competitive physical pharmacy retail market in India.



भारतीय प्रबंध संस्थान कोषिककोड  
Indian Institute Management Kozhikode  
*Globalizing Indian Thought*

Research Office  
Indian Institute of Management Kozhikode  
IIMK Campus P. O.,  
Kozhikode, Kerala, India,  
PIN - 673 570  
Phone: +91-495-2809237/ 238  
Email: [research@iimk.ac.in](mailto:research@iimk.ac.in)  
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