Are good times back for foodtech startups? swiggy scores series d funding

Business

For a while now thefoodtech sector has been mourning under the impact of weak funding and frequent failures of business models. Earlier this year, Zomato's valuation was by the brokerage arm of HSBC. Companies like TinyOwl, FoodPanda and Faasos have seen several changes at their organization to keep afloat.

Good news from Swiggy

Monday's announcement comes as a ray of hope. As food-tech startup Swiggy raised $15 million in a Series D funding from Bessemer Venture Partners. Existing investors also participated in this round. This is close on the heels of the Series C funding of USD 35 million raised in January 2016, from existing and new investors, including New York-based investors Harmony Partners and Singapore-based RB. This investment takes the total funds raised by India's largest food ordering platform to $75. 5 million.

The new round of funds will be used to fund the new phase of growth at the company. has recently ramped up its seniorleadershipby hiring vice presidents across the following functions - marketing, product, HR, design andfinance. Co-founder Nandan Reddy told Entrepreneur India earlier this year that the company targets daily average of 1 lakh orders for Dec, 2016.

Are yummy days back?

Recent rounds of good news have surfaced this space with IdeaChakki raising funds from industry veteran Ratan Tata last week. IdeaChakki is a provider of digital video menu for restaurants and was started by former executives of NDTV. Innovative ideas like , Place of Origin and tech savvy,

Silicon Valley models like Zume, which uses robots to operate a pizza joint, are ideas that are getting attention from investors.

A string of Indian foodtech startups have stumbled to failures in the recent months. With marquee investors backing this sector recently, the domain stands a small chance to get its lost mojo back.