

Reliance takes steps to expand its pharma biz



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Mukesh Ambani-led Reliance Industries Ltd (RIL) is expanding its presence in the pharma sector and has operationalized 114 pharmacies. It is engaging customers through outreach initiatives, an RIL official said, adding that the company has started a pilot for hyperlocal delivery in Bengaluru.

“Pharma is a business which we are in the process of establishing. We’re activating Netmeds, which we acquired in September last year, and a whole round of impactful activation and campaigns which have gone behind it,” said Dinesh Thapar, group chief financial officer, Reliance Retail, after the company’s fourth-quarter earnings announcement on 30 April.

RIL had acquired a 60% stake in online pharmacy Netmeds for ₹620 crore not only to strengthen its e-commerce play but also to beef up its healthcare portfolio using the Jio platform. Netmeds has been integrated with Reliance Retail’s online grocery platform, JioMart.

RIL is holding camps, society interactions and door-to-door marketing to further its reach. The pan-India brand campaign for Netmeds has also helped the traffic on its website rise by over 25% quarter-on-quarter, the company said. “We continue to grow the catalogue. We are testing hyperlocal delivery. So, we are looking at a route to being able to service Netmeds orders via stores. It’s a pilot which is underway and is poised to scale up, as the rest of the store network comes online,” added Thapar.

RIL made a series of acquisitions, such as Karexper and C-Square, to build its healthcare portfolio. It plans to integrate its brick-and-mortar network through its digital arm Jio Platforms Ltd to offer a bouquet of services that can be monetized through transaction-based services, delivery and subscriptions. “RIL has been building a healthcare portfolio for a few years now and through a web of health services ranging from lab testing to medicines to hospitalization, it plans to be a formidable player in the segment. Its digital business Jio Platforms and 426 million Jio subscribers will aid the pharma segment’s growth,” said an analyst from a domestic brokerage, seeking anonymity.

RIL’s pharmacy business is embedded with its Smart Points stores—the last-mile hub for delivering all digital orders.

Reliance Life Sciences or RLS, the biotechnology company from the promoter group of RIL, which started the largest testing facility for covid-19 last May, is performing over 3,500 tests per day. RLS is also in the process of starting pathology labs across India through partnerships with local entrepreneurs.

The Jio Health Hub app, which was launched in January 2017, will integrate the offline initiatives. The app offers lab tests and health checkups, including home collection of samples, and delivers reports on the phone. It also offers doctor consultations online.

Services offered by Karexper, which connects healthcare providers with patients using cloud-based technologies, have already been integrated with Jio Health Hub. C-Square, which sold an 82% stake to RIL and provides software solutions for distribution, retail, e-commerce and automation with a focus on the pharma sector, will allow the company to expand into the pharma e-tailing business.