

Nureca Ltd.
Sector Healthcare
Issue Highlights

Issue Open	February 15, 2021
Issue Close	February 17, 2021
Issue Price	Rs. 396 - Rs. 400 per share
Total Issue Size	Rs. 100 Cr
<i>Of which</i>	
Fresh Issue	Rs. 100 Cr
Face Value	Rs. 10/share
Market Lot	35 Equity Shares
Issue Type	Book Built Issue

Offer Structure

QIB Category	75%
Non-Institutional	15%
Retail category	10%

Lead Book Running Managers

- ITI Capital Limited

Registrar To The Offer

- Link Intime India Pvt. Ltd

About the Company

Nureca Ltd is a B2C company engaged in the business of home healthcare and wellness products, which offers quality, durability, functionality, usability and innovative designs. They enable their customers with tools to help them monitor chronic ailments and other diseases, to improve their lifestyle. Currently, the company operates under brand such as Dr. Trust, Dr. Physio and Trumom. Its product portfolio largely supports home health market in India, making it a one-stop solution provider. Further, their products are classified under 5 categories such as Chronic Device Products, Orthopedic Products, Mother and Child Products, Nutrition Supplements and Lifestyle Products. They are a digital first company wherein they sell products through online channel partners such as e-commerce players, distributors and retailer. Additionally they sell their products through its website 'drtrust.in'. During Covid-19 pandemic, company's products such as oximeter, gluco meter, nebulizer and BP monitor were categorized under the essential goods' and their operations were not shut down as these products helped the user from visiting the hospitals during the lockdown.

Objects of the Issue

- Funding incremental working capital requirements of the company
- General corporate purposes

Key Strengths & Strategies

Strong product portfolio with focus on quality and innovation: The company has strong product portfolio under home health segment and going forward it plans to innovate more such products which will be useful for consumers. Further, their products quality are well maintained as the company needs to adhere to guidelines given by FDA.

Asset light business model: Nureca operate on an asset light business model wherein it enters into agreements with vendors who manufactures their products as per the specifications given and thereby maintaining quality. This helps the company to be capital efficient, add new products at a low cost without disrupting its existing business and manage cash flow efficiently.

Diversifying and strengthening market presence: The company's motive is to expand in the unorganized home healthcare sector in India. Further, expanding the scale of operations as well as growing supply chain network in new geographies via online and offline channels will aid growth of customer base as well as revenues.

Key Risks:

- Highly dependent on third party manufacturing.
- Intense competition from other players in healthcare product device industry
- Failure to adhere to regulations by FDA and numerous other state and central governmental authorities.

Nirvi Ashar, MBA

nirvi.ashar@religare.com

Before you use this research report , please ensure to go through the disclosure inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014 and Research Disclaimer at the following link : <https://www.religareonline.com/disclaimer>

Specific analyst(s) specific disclosure(s) inter-alia as required under Securities and Exchange Board of India (Research Analysts) Regulations, 2014 is/are as under:

Statements on ownership and material conflicts of interest , compensation– Research Analyst (RA)

[Please note that only in case of multiple RAs, if in the event answers differ inter-se between the RAs, then RA specific answer with respect to questions under F (a) to F(j) below , are given separately]

S. No.	Statement	Answer	
		Yes	No
		Tick appropriate	
		Yes	No
	I/we or any of my/our relative has any financial interest in the subject company? [If answer is yes, nature of Interest is given below this table]		No
	I/we or any of my/our relatives, have actual/beneficial ownership of one per cent. or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance?		No
	I / we or any of my/our relative, has any other material conflict of interest at the time of publication of the research report or at the time of public appearance?		No
	I/we have received any compensation from the subject company in the past twelve months?		No
	I/we have managed or co-managed public offering of securities for the subject company in the past twelve months?		No
	I/we have received any compensation for brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation for products or services other than brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation or other benefits from the subject company or third party in connection with the research report?		No
	I/we have served as an officer, director or employee of the subject company?		No
	I/we have been engaged in market making activity for the subject company?		No

Nature of Interest (if answer to F (a) above is Yes :

.....

Name(s) with Signature(s) of RA(s).

[Please note that only in case of multiple RAs and if the answers differ inter-se between the RAs, then RA specific answer with respect to questions under F (a) to F(j) above , are given below]

SS.No.	Name(s) of RA.	Signatures of RA	Serial Question of question which the signing RA needs to make a separate declaration / answer	Yes	No.

Copyright in this document vests exclusively with RBL. This information should not be reproduced or redistributed or passed on directly or indirectly in any form to any other person or published, copied, in whole or in part, for any purpose, without prior written permission from RBL. We do not guarantee the integrity of any emails or attached files and are not responsible for any changes made to them by any other person.

Disclaimer: <https://www.religareonline.com/disclaimer>