



Issue Opens - December 12, 2024 to December 16, 2024

Price Band
₹1265 to ₹1329

Face Value
₹1

Issue Size
₹2,497.92 Cr

Lot Size
11 Shares

Issue Type
Book Built

Issue Size

18,795,510 shares / ₹2,497.92 Cr

Fresh Issue

N/A

Offer for Sale

18,795,510 shares / ₹2,497.92 Cr

Basis of Allotment

Tuesday, December 17, 2024

Initiation of Refunds

Wednesday, December 18, 2024

Credit of Shares to Demat

Wednesday, December 18, 2024

Inventurus Knowledge Listing Day

Thursday, December 19, 2024

research@ganeshstock.com

Objects of The Offer



The company will not receive any proceeds from the Offer and all such proceeds (net of any Offer related expenses to be borne by the Selling Shareholders) will go to the Selling Shareholders.

Brief profile of the Directors

Berjis Minoo Desai is the Chairman and Non-Executive Director of Inventurus Knowledge Solutions Limited. He holds a law degree from Government Law College, University of Bombay, and a master's in law from the University of Cambridge. He is currently an advocate with the Bar Council of Maharashtra and Goa and has over 14 years of experience in mergers, acquisitions, corporate law, and arbitration. He previously served as a Director of the company from 2007 to 2009 and was a senior partner at J. Sagar Associates.

Sachin Gupta is a Whole-time Director and the CEO of IKS Inc., part of Inventurus Knowledge Solutions Limited. He holds a degree in computer engineering from the University of Pune and is a member of the Young Presidents' Organisation. With over 16 years of experience in business management, he has worked at Seletica Configurators India, Majoris Systems, and Lionbridge Technologies, specializing in software and business development.

Joseph Benardello is a Non-Executive Director at Inventurus Knowledge Solutions Limited. He has over 14 years of experience in leadership, strategy, sales, mergers and acquisitions, healthcare, IT, and revenue cycle management. He previously worked with Ziff Davis Publishing and Lionbridge Technologies.

Dr. Mary Earley Klotman is a Non-Executive Director at Inventurus Knowledge Solutions Limited. She holds a medical degree from Duke University, where she serves as Dean of the School of Medicine, Vice Chancellor for Health Affairs, and Chief Academic Officer. She is certified in internal medicine and infectious disease and has over 42 years of experience in medicine.



About The Company

They are a technology-driven healthcare solutions provider offering a care enablement platform to physician enterprises across the US, Canada, and Australia, with a primary focus on the US market. Partnering with outpatient and inpatient care organizations, they help healthcare providers deliver superior clinical care, improve population health outcomes, and transition to a "fee for value" model, all while optimizing revenue and reducing operating costs. As the healthcare industry evolves and consolidates, their solutions address the growing administrative tasks, allowing healthcare organizations to focus on their core mission of delivering care. They achieve this by combining practical technology with global human capital, enabling better, safer, and more cost-effective healthcare delivery.

Their comprehensive platform supports healthcare enterprises in both outpatient (ambulatory care) and inpatient settings. Outpatient services include observation, consultation, diagnosis, rehabilitation, and treatment without requiring hospital admission. Inpatient care involves treating patients admitted to hospitals or medical facilities for extended stays.

Key Business Operations

Core Services

- 1. Revenue Cycle Management (RCM):** IKS Health offers comprehensive RCM services including patient access solutions, denial management, contract management, and coding services. These services aim to improve financial performance for healthcare providers by streamlining administrative processes and reducing billing errors.
- 2. Clinical Support:** The company provides clinical support services such as medical documentation management, virtual medical scribing, and care team assistance. This allows healthcare professionals to focus more on patient care rather than administrative tasks.
- 3. Value-Based Care Solutions:** IKS Health assists clients in transitioning to value-based care models by providing risk and quality solutions, care coordination improvement, and support for care teams. This service is essential for healthcare organizations aiming to enhance patient outcomes while managing costs.



Client Base

- As of September 2024, IKS Health serves 778 healthcare organizations, including prominent clients like Mass General Brigham Inc. and Texas Health Care PLLC. This diverse client base spans various sectors within the healthcare industry, including academic medical centers and specialty medical groups.

| Particulars | As of / For the year ended March | | | As of / For the six months ended September | |
|---|----------------------------------|-------------|--------|--|--------|
| | 31, 2022 | 31, 2023 | 2024 | 30, 2023 | 2024 |
| Operational | | | | | |
| Clients ⁽¹⁾ | 45 | 49 | 49 | 42 | 52 |
| Average Revenue per Client | | | | | |
| - Top 10 clients ⁽²⁾ (£ million) | 570.50 | 691.87 | 780.11 | 412.19 | 381.66 |
| Average vintage of clients | | | | | |
| - Top 10 clients ⁽³⁾ (years) | 4.68 | 5.63 | 6.04 | 5.56 | 4.92 |
| - Top five clients ⁽⁴⁾ (years) | 6.30 | 6.52 | 8.00 | 6.38 | 4.91 |
| Employees | 5,413 | 6,802 | 6,892 | 6,741 | 7,823 |

Statement of Profit and Loss



(All amounts are in Indian Rupees millions, unless otherwise stated)

| Particulars | For the six months period ended September 30, 2024 | For the six months period ended September 30, 2023 | For the year ended March 31, 2024 | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|---|--|--|-----------------------------------|-----------------------------------|-----------------------------------|
| INCOME | | | | | |
| Revenue from operations | 12,828.76 | 6,308.71 | 18,179.28 | 10,313.00 | 7,636.34 |
| Other income | 117.34 | 194.3 | 400.1 | 288.64 | 208.31 |
| Total income | 12,946.10 | 6,503.01 | 18,579.38 | 10,601.64 | 7,844.65 |
| EXPENSES | | | | | |
| Changes in inventories of stock-in-trade | 7.47 | 7.14 | 7.14 | 4.91 | 3.72 |
| Employee benefit expenses | 7,246.82 | 2,945.72 | 9,618.86 | 4,915.52 | 3,734.72 |
| Finance cost | 482.06 | 23.41 | 600.94 | 53.63 | 64.46 |
| Depreciation and amortisation expenses | 565.75 | 121.85 | 585.45 | 245.51 | 233.1 |
| Other expenses | 1,983.61 | 1,040.82 | 3,350.31 | 1,484.43 | 929.79 |
| Total expenses | 10,285.71 | 4,131.80 | 14,162.70 | 6,699.09 | 4,962.07 |
| Restated Profit before exceptional items and tax | 2,660.39 | 2,371.21 | 4,416.68 | 3,902.55 | 2,882.58 |
| Exceptional items | | | | 309.12 | 197.38 |
| Restated Profit before tax | 2,660.39 | 2,371.21 | 4,416.68 | 3,593.43 | 2,685.20 |
| Tax Expenses | | | | | |
| Current tax | 718.1 | 495.98 | 905.74 | 697.54 | 507.13 |
| Deferred tax | -143.53 | -178.55 | -193.92 | -156.39 | -151.62 |
| Restated Profit for the period/year | 2,085.82 | 2,053.78 | 3,704.86 | 3,052.28 | 2,329.69 |
| Restated Other Comprehensive Income | | | | | |
| Items that may be reclassified to profit or loss | | | | | |
| Gains/(losses) on cash flow hedges (net) | -21.33 | 71.56 | 86.49 | -114.83 | -74.05 |
| Exchange differences on translation of financial statements of foreign operations | 36.31 | 40.93 | 66.9 | 91.62 | 30.59 |
| Income tax relating to above items | 3.06 | -10.7 | -12.96 | 15.43 | 8.31 |
| Restated Other Comprehensive Income | 18.04 | 101.79 | 140.43 | -7.78 | -35.15 |

Strengths



- **Comprehensive Service Platform - One-Stop Solution:** IKS Health offers a comprehensive platform that serves both outpatient and inpatient care needs, addressing a wide range of services from administrative support to clinical documentation. This holistic approach allows healthcare providers to streamline operations and focus on patient care.
- **Technological Innovation - Digital Transformation and Automation:** The company leverages advanced technologies, including automation and digital health solutions, to enhance operational efficiency and improve healthcare outcomes. This technological edge is critical in creating sustained value for clients.
- **Strong Brand Recognition - Established Reputation:** IKS Health has built a strong brand among healthcare organizations and professionals, which fosters trust and reliability. This recognition aids in client retention and attracts new business opportunities.
- **Diverse Revenue Streams - Varied Service Offerings:** The company's services span multiple areas, reducing reliance on any single revenue source. This diversification helps mitigate risks associated with market fluctuations in specific segments of the healthcare industry.
- **Experienced Workforce - Skilled Personnel:** With over 13,528 employees, including 2,612 clinically trained professionals, IKS Health has a well-equipped workforce capable of delivering high-quality services. This expertise enhances the company's ability to meet diverse client needs effectively.
- **Strategic Partnerships and Acquisitions - Collaborative Growth:** Long-standing relationships with major healthcare providers and strategic acquisitions, such as Aquity Solutions, have expanded IKS Health's service offerings and market reach. These partnerships create opportunities for cross-selling and enhance the company's competitive positioning.
- **Focus on Value-Based Care - Transition Support:** IKS Health assists clients in transitioning to value-based care models, optimizing revenue while improving population health outcomes. This focus aligns with current trends in the healthcare industry towards more accountable care systems.

Threats

- 1. Dependence on Regional Revenue** - A significant portion of Suraksha's revenue (approximately 95.48% in FY24) is derived from West Bengal. This heavy reliance on a single region makes the company vulnerable to any economic downturns, regulatory changes, or competitive pressures in that area, which could adversely affect overall performance.
- 2. Intense Competition** - The diagnostics market in India is highly competitive, with numerous organized players and local unorganized labs vying for market share. This competition can lead to price wars, which may compress margins and affect profitability. Suraksha must continuously innovate and enhance service quality to maintain its competitive edge.
- 3. Regulatory Compliance Challenges** - Operating in the healthcare sector requires strict adherence to evolving regulatory norms and standards. Non-compliance can result in legal liabilities, operational disruptions, and increased costs, potentially harming the company's reputation and financial stability.
- 4. Operational Risks** - The company is exposed to various operational liabilities, including potential malpractice claims, medical negligence lawsuits, and other legal issues arising from healthcare services. Such risks can lead to significant financial liabilities and reputational damage if not managed effectively.
- 5. Technological Dependence** - Suraksha relies heavily on information technology systems and third-party platforms for its operations. Any disruptions or failures in these systems could adversely impact service delivery, data management, and overall operational efficiency.
- 6. Financial Constraints** - Suraksha's financial health may be affected by its debt levels and financial agreements that limit flexibility. High debt can reduce the company's ability to invest in growth opportunities or respond to market changes effectively.

Valuation and Outlook



Inventus Knowledge Solutions IPO is expected to be priced between ₹1265 to ₹1329 per share. At this price, the company is valued at Price-to-Earnings (P/E) ratio of 59.40x.

There are no listed companies in India or abroad with a directly comparable business model or scale to this company. As a technology-enabled healthcare solutions provider, it focuses on the US, Canada, and Australia, steadily growing in both revenue and profits while carving out a niche in its segment. In H1 FY2025, net sales increased by 103% to ₹1,282.88 crore, though the operating profit margin dropped to 27.99%. Operating profit grew by 55% to ₹359.09 crore, with notable increases in interest and depreciation costs. Net profit rose slightly by 2% to ₹208.58 crore. For FY2024, net sales surged by 153% to ₹2,606.95 crore, though net profit saw a 16% decline to ₹254.95 crore.

We rate "**APPLY**" to for this IPO.

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