

One Stop Investment Avenue



**GEPL**  
CAPITAL

IPO Note

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**INVENTURUS  
KNOWLEDGE  
SOLUTION LIMITED**

DEC 12, 2024





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**Details of the Issue**

Price Band	₹ 1,265 - ₹ 1,329
Issue Size	₹ 2,497.92 Cr
Face Value	₹ 1
Bid Lot	11
Listing on	BSE, NSE
Post Issue Mcap	₹ 22,802.07 Cr
Investment Range	₹ 13,915 - ₹ 14,619

**Important Indicative Dates (2024)**

Opening	12 - Dec
Closing	16 - Dec
Basis of Allotment	17 - Dec
Refund Initiation	18 - Dec
Credit to Demat	18 - Dec
Listing Date	19 - Dec

**Lead Manager**

ICICI Securities Limited
JM Financials Limited
Jefferies India Pvt Limited
J.P. Morgan India Pvt Limited
Noaura

**Offer Details**

Offer Size	₹ 2,497.92 Cr
Fresh Issue	-
OFS	₹ 2,497.92 Cr

Type	In Rs Cr	No of Shares (Mn)		% of Issue
		Upper	Lower	
QIB	1,873	14.09	14.80	75
NIB	377	2.81	2.96	15
Retail	250	1.89	1.97	10
Em- ploy.	-	-	-	-
Total	2,498	18.79	19.75	100

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**Company Profile**

Inventurus Knowledge Solutions Limited (IKS Health), established in 2006, is a healthcare technology company that supports healthcare enterprises by handling administrative tasks and reducing the burden on providers. IKS Health offers a range of services, including clinical support, medical documentation management, virtual medical scribing, and more. The company provides a platform designed to assist both outpatient and inpatient care facilities. Outpatient care involves services like consultation, diagnosis, rehabilitation, and treatment without requiring hospitalization, while inpatient care caters to patients requiring overnight or extended stays at medical facilities.

As of September 30, 2024, IKS Health serves over 778 healthcare organizations, including health systems, multi-specialty medical groups, and outpatient/inpatient providers. Prominent clients include Mass General Brigham Inc., Texas Health Care PLLC, and The GI Alliance Management. The company employs over 13,528 individuals, including 2,612 clinically-trained professionals, with a consultative sales team across the US, Canada, and Australia.

**Business Highlights & Services**

IKS Health partners with physician enterprises in the US, Canada, and Australia, focusing primarily on the US market. It support outpatient and inpatient care organizations by enhancing clinical care, improving population health outcomes, and transitioning to the "fee for value" model, all while optimizing revenue and reducing operating costs. As the healthcare industry evolves, it help address the growing administrative burden by managing necessary tasks through a combination of practical technology and global human capital. The platform serves both outpatient and inpatient care facilities, covering services from consultation and rehabilitation to extended medical treatment. As of September 30, 2024, it support 778 healthcare organizations, including health systems, academic medical centers, and medical groups. Key clients include Mass General Brigham, Texas Health Care PLLC, and The GI Alliance Management. With over 13,528 employees, including 2,612 clinically trained professionals, operate across the US, Canada, and Australia.

IKS Health's healthcare provider enablement platform empowers healthcare organizations to enhance clinical care while reducing administrative burdens. By leveraging proprietary technology and a team of clinically-trained professionals, IKS Health helps physicians focus on patient care and improves operational efficiency. The platform provides solutions for clinical documentation, patient scheduling, prescription management, and revenue cycle optimization, which enhance productivity, reduce costs, and improve physician wellness. IKS Health also supports risk-bearing healthcare organizations in transitioning to value-based care models, improving population health outcomes, and optimizing revenue. With its digital health platform and Unifying Data Platform (UDP), IKS Health enables healthcare organizations to streamline operations, reduce inefficiencies, and make informed decisions without the need for costly system migrations. These solutions position IKS Health as a critical partner in driving operational sustainability and clinical excellence.

IKS Health, through its subsidiary IKS Inc., has historically focused on enabling outpatient care for healthcare enterprises, particularly health systems. Following the acquisition of Aquity Holdings on October 27, 2023, IKS Health is expanding its offerings to include inpatient care. Aquity's expertise in clinical documentation, coding, and revenue integrity solutions allows IKS to cross-sell to over 804 existing customers, enhancing market opportunities. By leveraging Aquity's capabilities, IKS can now provide comprehensive inpatient solutions, including revenue cycle management, clinical staffing, and patient intake/discharge support. Additionally, IKS plans to enhance Aquity's platform to be more technology-driven and human-enabled, with a strategic mix of US and India-based personnel to improve cost-efficiency and competitiveness. This expansion positions IKS to offer a holistic value proposition to health systems, driving revenue growth and operational efficiency across the care spectrum.



## Revenue Mix- Client

Particulars	As of / Year ended March 31			CAGR from Fiscal 2022 to Fiscal 2024 (%)	As of / Six Months ended September 30	
	2022	2023	2024		2023	2024
	(₹ million, unless stated otherwise)					
Clients <sup>(1)</sup>	45	49	49	4.35%	42	52
Revenue from clients who avail single solution	1,248.15	1,794.87	2,011.06	26.93%	1,064.22	894.02
Percentage of revenue from clients who avail single solution <sup>(2)</sup> (%)	16.34%	17.40%	15.90%	-	16.87%	13.72%
Revenue from clients who avail between 2 and 4 solutions	2,473.28	3,913.71	4,561.92	35.81%	2,377.27	2,429.29
Percentage of revenue from clients who avail 2-4 solutions <sup>(3)</sup> (%)	32.39%	37.95%	36.07%	-	37.68%	37.29%
Revenue from clients who avail more than 4 solutions	3,914.91	4,604.42	6,073.67	24.56%	2,867.22	3,191.24
Percentage of revenue from clients who avail more than 4 solutions <sup>(4)</sup> (%)	51.27%	44.65%	48.03%	-	45.45%	48.99%

## Services provide by the company



## Geographical Mix

Geography	As of September 30, 2024	As of September 30, 2023	As of March 31, 2024	As of March 31, 2023	As of March 31, 2022
	Number of Clients <sup>(1)</sup>				
US <sup>(2)(3)</sup>	765	42	836	49	45
India	-	-	-	-	-
Australia	1	-	1	-	-
Canada	12	-	16	-	-
<b>Total</b>	<b>778</b>	<b>42</b>	<b>853</b>	<b>49</b>	<b>45</b>

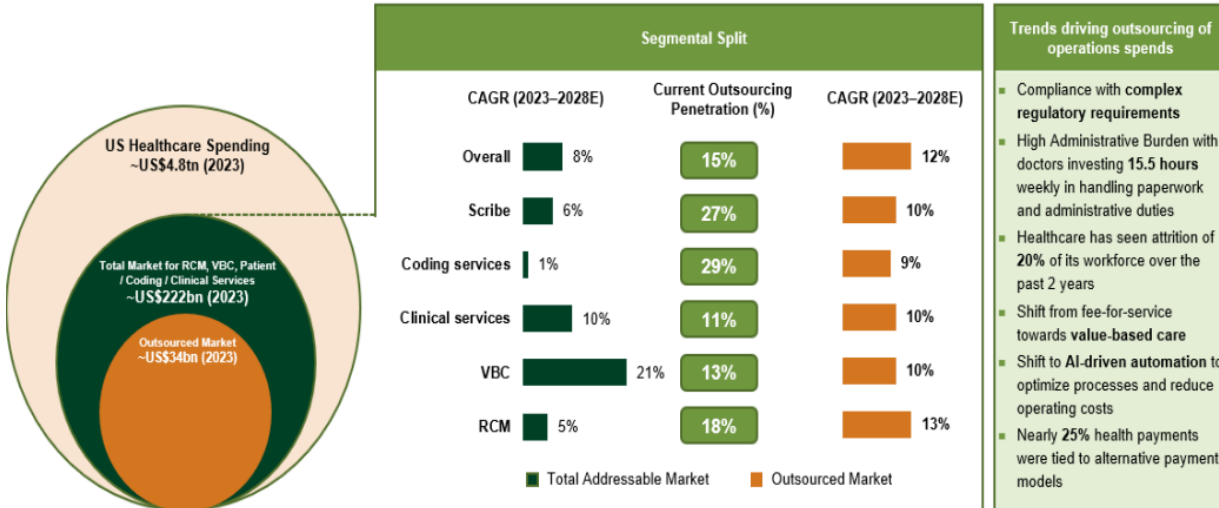
## Customer Details

Particulars	Six months ended September 30,				Fiscal					
	2024		2023		2024		2023		2022	
	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)	Amount (₹ million)	Percentage of Revenue from Operations (%)
Top 1	675.58	5.27%	733.41	11.63%	1,210.70	6.66%	1,231.86	11.94%	946.83	12.40%
Top 5	2,767.44	21.57%	2,726.26	43.21%	5,015.57	27.59%	4,522.38	43.85%	3,451.99	45.20%
Top 10	4,412.01	34.39%	4,121.85	65.34%	7,936.51	43.66%	6,918.67	67.09%	5,204.99	68.16%

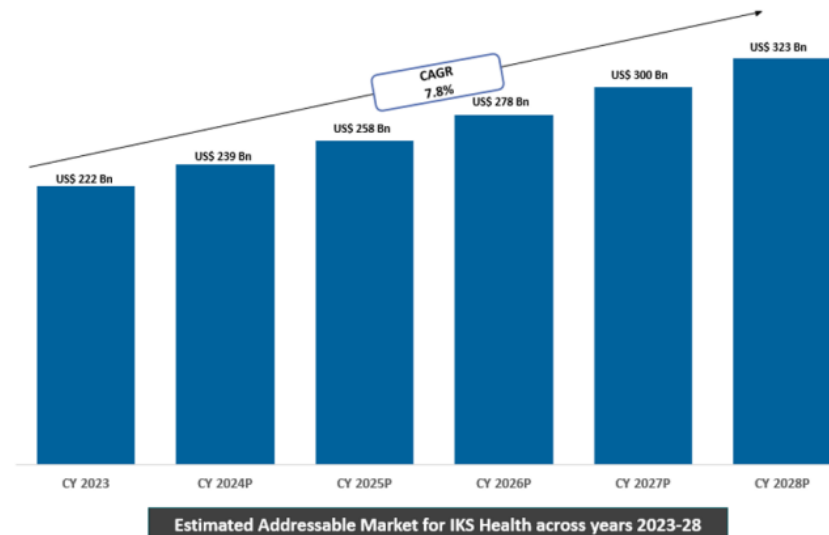
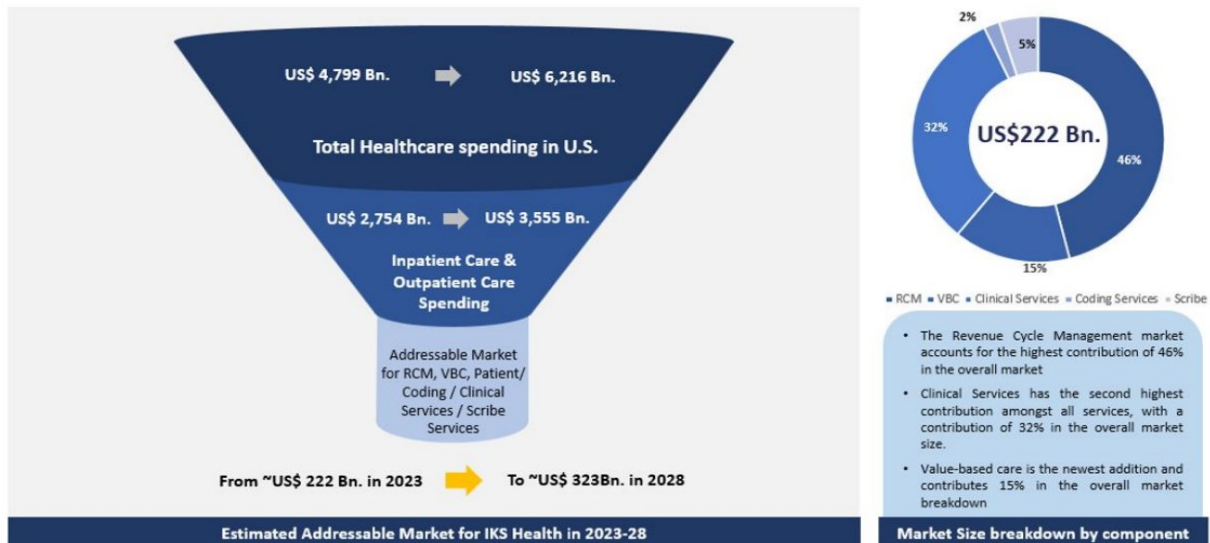


**Market Opportunity**

Healthcare expenditure in the US is projected to increase from \$4,799 billion in 2023 to \$6,216 billion by 2028, growing at a CAGR of 5.3%, driven by an aging population and rising chronic diseases. The provider enablement technology solutions market in the US is expected to reach \$323 billion by 2028.



IKS's Addressable Market to grow at **7.8% CAGR (2023-28E)** vs the outsourced market to grow at **12% CAGR(2023-28E)**







**Companies Competitive Strength :**

- Comprehensive one-stop platform with diversified offerings across the outpatient and inpatient care value chain serving key stakeholders such as patients, physicians, nurses and healthcare organizations.
- Leveraging digital evolution, transformation and automation technologies to create sustained value based on outcomes delivered.
- Strong brand driven by clinical thought leadership through IKS Advisory Board, a healthcare industry leadership forum, and partnerships with industry players and evident through multiple awards and recognitions.
- Marquee large enterprise clientele that include academic medical centers and healthcare systems, multispecialty and single-specialty medical groups, ancillary healthcare organizations, value enablers, and other outpatient healthcare delivery organizations and client stickiness reflected in revenues from repeat clients of over 90.00% in the last three Fiscals.
- Sustainable and scalable business model offering clients flexibility and cost-savings and high-touch engagement through access to project executive sponsors and leadership teams creating cross-selling opportunities.
- Healthy financial performance with growth and improving margins.

**Key Strategies Implemented by Company**

- Maximize revenue from existing clients through a land and expand approach
- Focus on large healthcare organizations
- Move from a human-led tech-enabled model to a tech-led human-enabled model
- Bundling solutions for greater value-add
- Leverage automation and Generative Artificial Intelligence (AI) to aid the operations
- Partner with innovative clients for product development and innovation
- Develop solutions to address the needs of entities moving to Value-Based Care

Particular (INR in Cr)	Q2FY25	FY24	FY23	FY22
Equity Capital	2,070	1,928	1,754	1,737
Reserves and Surplus	1,025	954	867	859
Net Worth	1,045	974	887	878
Revenue	1,282	1,818	1,031	764
Growth (%)		76%	35%	
EBITDA	359	560	391	297
EBITDAM (%)	28.0%	30.8%	37.9%	38.9%
PAT	209	370	305	233
PATM (%)	16.3%	1.6%	29.6%	30.5%
ROE (%)	15.2%	32.0%	36.8%	36.0%

**Valuations and Recommendation:**

- Based on annualized FY24 earnings to pre-IPO paid-up equity capital of the company, The issue is priced at a PE of 56X. Thus the issue appears to slightly overvalued compared to its peers and PAT growth of the business.
- IKS Health offers a comprehensive platform catering to outpatient and inpatient care, serving marquee clients such as academic medical centers, healthcare systems, and specialty medical groups, with over 90% of revenue from repeat clients. The strategic acquisition of Aquity Holdings adds 804 customers, enabling cross-selling and market expansion. Positioned to benefit from rising US healthcare expenditure (CAGR 5.3% to \$6,216 billion by 2028) and a growing \$323 billion provider enablement market, IKS leverages 15+ years of expertise and experienced leadership to address industry challenges like workforce gaps and healthcare consumerism. With strong financial growth (FY22-FY24 revenue/EBITDA/PAT CAGR of 54%/37%/26%) and a focus on acquiring large healthcare clients, IKS is poised for sustained scalability and profitability. Hence, we recommend an “Subscribe” rating for the issue.



## Notes

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