



IPO DETAILS

#IPOlogy

SAGILITY INDIA LIMITED



 **ISSUE OPEN**

5th November, 2024

 **ISSUE CLOSE**

7th November, 2024

Min. Lot Size

500 shares

Issue Price Band

₹28 - ₹30

Issue Size

Fresh Issue: NIL Eq shares (NIL)

OFS:
70.22 cr. Eq shares
(₹2,106.60 cr.)

Face Value

₹10

Industry

Healthcare Services

Listing at

NSE, BSE

RATING

Subscribe

OPEN ACCOUNT

APPLY NOW

Marwadi Shares and Finance Limited

Corporate Office: Marwadi Financial Plaza, Nana Mava Main Road, Off 150ft Ring Road, Rajkot - 360001, Gujarat.

Registered Office: X-Change Plaza, Office No. 1201 to 1205, 12th Floor, Building No. - 53E, Zone - 5, Road 5E, Gift City, Gandhinagar - 382355, Gujarat.
0281 7174 100/0281 6192 100 **CIN of MSFL:** U65910GJ1992PLC017544

SEBI Reg. No. of MSFL for NSE, BSE, MCX, NCDEX: INZ000174730 | Membership No.: NSE:08760, BSE:0910, MCX:56410, NCDEX:1280 | SEBI Regn.No. of DP: IN-DP-476-2020 (NSDL DPID:IN300974) (CDSL DPID:12035100) | Research Analyst: INH 000002186 AMFI: ARN-42506 | PFRDA: POP07082018

Disclaimer: 'Investment in securities market are subject to market risks, read all the related documents carefully before investing'.

[For Facts & Figures](#)



SAGILITY INDIA LIMITED

Rationale

Considering the TTM-June 24 EPS of Rs 0.44 on a post-issue basis, company is set to list at a P/E of approximately ~68x with a market cap of Rs 14043.99 cr.

We assign "Subscribe" rating to this IPO as the company is leader in the large and resilient U.S. Payer and Provider solutions market. Also, it is available at reasonable valuation on absolute basis.

Objectives of the issue

Achieve the benefits of listing the Equity Shares on the Stock Exchanges

Carry out the Offer for Sale of up to 702,199,262 Equity Shares of face value of ₹ 10 each by the Promoter Selling Shareholder.

Company Overview

Sagility India Ltd provides technology-enabled business solutions and services to clients in the U.S. healthcare industry.

Company's services to Payers (primarily hospitals, physicians, and diagnostic and medical devices companies) cater to various aspects of their operations including (i) core benefits administration functions such as claims management, enrolment, benefits plan building, and premium billing, and (ii) clinical functions such as utilization management, care management, and population health management.

Company's services to Providers (primarily hospitals, physicians, and diagnostic and medical devices companies) include revenue cycle management functions such as financial clearance, medical coding, billing, and accounts receivable follow-up services.

In FY 24, revenue from payers contributed 90.26% and revenue from providers contributed 9.74% to the revenue from operations.

During the FY 24 and 23 and the quarter ended June 30, 2024, company has added 13, 7 and 2 new clients, respectively, while continuing to expand the portfolio of services that they provided to five largest client groups by revenue.

The company has a multi-shore service delivery model, whereby they provide services from 31 locations in five countries (U.S., Colombia, Jamaica, India and the Philippines).



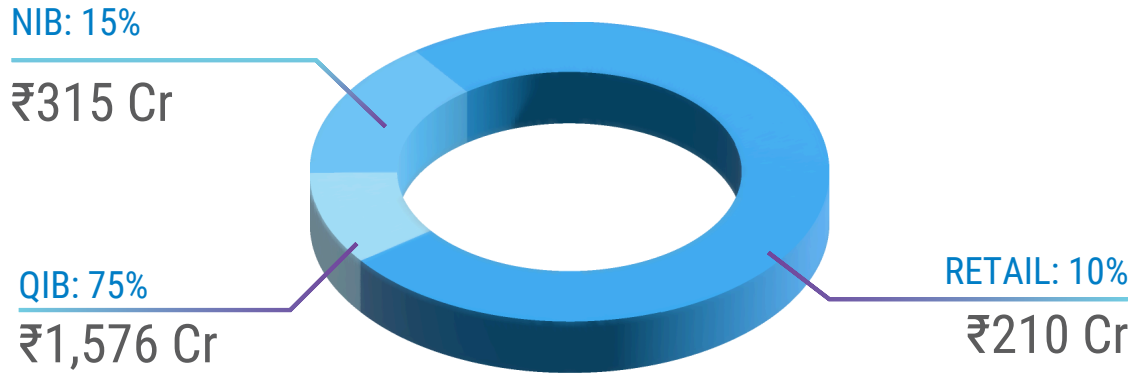
Serving Major U.S. Hospitals and Top PBMs

Company's clients also include one of the largest U.S.-based hospital networks in terms of revenue as of January 2024, three of the top 6 PBMs by claims volume and other large diagnostic laboratories, hospitals, DMEs and radiology companies.

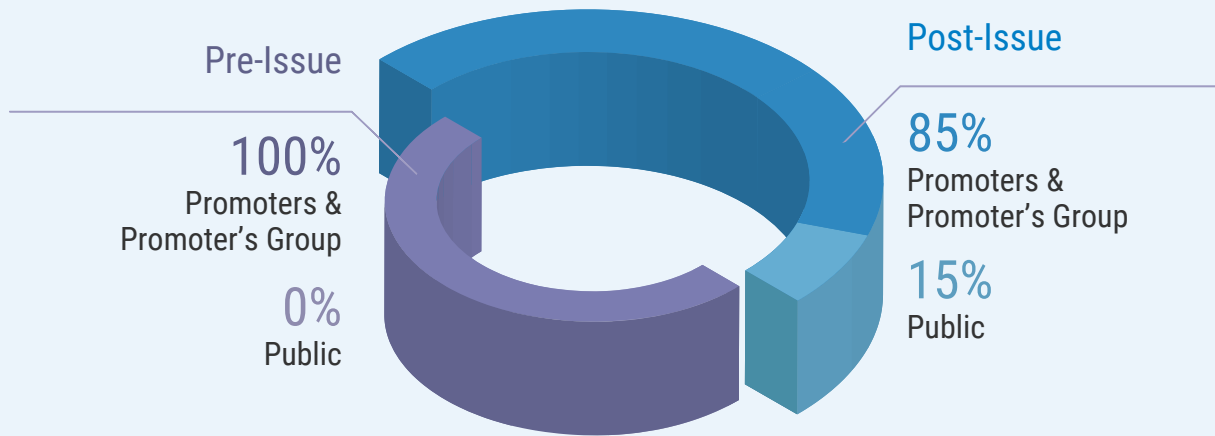


SAGILITY INDIA LIMITED
Issue Details

Issue Break-Up



Shareholding Pattern



Capital Structure (in ₹ Cr.)



10,000 Cr

Authorised Equity
Share Capital



4681 Cr

Paid-Up Capital
(Pre-Offer)



4681 Cr

Paid-Up Capital
(Post-Offer)



SAGILITY INDIA LIMITED

Valuations and Peer Comparison

MARWADI
FINANCIAL SERVICES



Market
Capitalisation

₹ 14,043.99 cr.

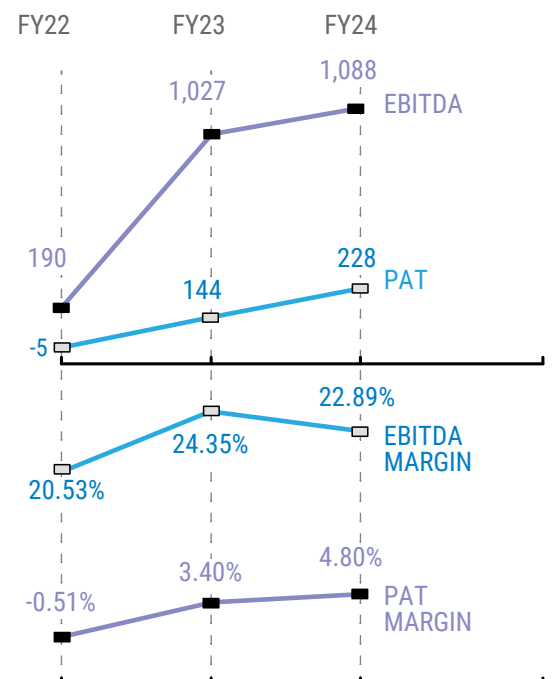
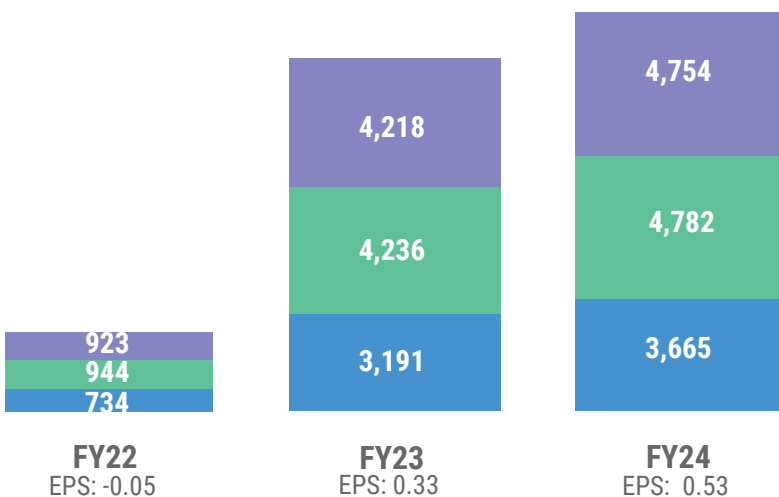
MCap/
Sales

68x

Given the emerging nature of the industry, adequate data for comparison is currently unavailable.

Financial Snapshot (in ₹ Cr.)

- Revenue
- Total Income
- Total Expenses





SAGILITY INDIA LIMITED

Business Insights



Competitive Strengths

- Leader in the large and resilient U.S. Payer and Provider solutions market
- Domain expertise in healthcare operations, with end-to-end service offerings to Payers and Providers
- Suite of scalable, technology-enabled services and solutions, supported by proprietary tools and platforms
- Deep, long-term, expanding client relationships across healthcare Payers and Providers
- Multi-shore, scalable and flexible delivery model with certified data protection and service standards
- Strong financial performance and high margins
- Experienced management and board, motivated employee base, marquee sponsor support and a sustainability focused culture.



Business Strategy

- Strengthen relationships with existing clients, expand offerings and to increase the share of their wallets.
- Establish new client relationships across categories.
- Enhance portfolio of technology tools and platforms.
- Pursue strategic acquisitions and collaborations.



Risks

- The healthcare services industry is highly competitive and if company is unable to compete effectively, it may adversely affect business, financial condition and results of operations.
- Company's business is solely focused on the U.S. healthcare industry and may be adversely affected by factors affecting the U.S. healthcare industry, including a decline in the growth of the U.S. healthcare industry, reduction in outsourcing and other trends.

Promoters and Management Details

Ramesh Gopalan - Managing Director and Group CEO

Hari Gopalakrishnan - Non-Executive Non Independent Director

Martin I. Cole - Chairman, Non-Executive Non-Independent Director

Research Disclaimer <https://bit.ly/2RK2tzc>