



IPO NOTE

NIVA BUPA HEALTH INSURANCE COMPANY LIMITED



Rating:

May Subscribe

(Only For High Risk Investors)



ISSUE OFFER

Issue Opens on	NOV 07, 2024
Issue Close on	NOV 11, 2024
Total IPO size (cr)	₹2,200.00
Fresh issue (cr)	₹800.00
Offer For Sale (cr)	₹1,400.00
Price Band (INR)	70-74
Market Lot	200
Face Value (INR)	₹10
Listing At	NSE, BSE
Market Capitalization (cr)	13380.91

ISSUE BREAK-UP (%)

QIB Portion	<div style="width: 75%;"></div>	75%
NII Portion	<div style="width: 15%;"></div>	15%
Retail Portion	<div style="width: 10%;"></div>	10%

PROMOTER HOLDING %

Pre Issue Post Issue

62.27%

INDICATIVE TIMETABLE

Basis of Allotment	12-11-2024
Refunds/Unblocking ASBA Fund	13-11-2024
Credit of Share to Demat A/c	13-11-2024
Listing Date	14-11-2024

Niva Bupa Health Insurance Company Limited is a joint venture between the Bupa Group and Fettle Tone LLP that provides insurance in the health sector.

OBJECTS OF THE ISSUE

- Augmentation of its capital base to strengthen solvency levels.
- General corporate purposes

FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2024	FY 2023	FY 2022
Assets	6,191.87	3,876.57	2,738.44
Net Worth	2,049.59	831.12	507.65
AUM	5,458.23	3,366.0	2,401.3
Revenue	4,118.63	2,859.24	1,884.54
Net Profit/Loss of the year	81.85	12.54	-196.53

FINANCIAL RATIOS OF FY24



D/E



P/BV



Solvency Ratio

OUTLOOK & VALUATION

- A leading player in India's health insurance market.
- Among the fastest-growing companies in the sector.
- Posted a positive turnaround in FY23, though recent earnings in the first quarter of the current fiscal are in the negative.
- IPO pricing appears somewhat aggressive.
- Recommended only for high-risk investors considering an application.



COMPANY PROFILE

- It had 14.99 million active lives insured as of June 30, 2024.
- The Company sell its products directly to customers through its direct sales channel.
- According to the Redseer Report, it has delivered strong customer service metrics on claims with a 91.93% claims settlement ratio for Fiscal 2024.
- It offer its customers the ability to access a comprehensive health ecosystem and service capabilities via its 'Niva Bupa Health' mobile application and website.
- According to the Redseer Report, it is one of India's largest and fastest growing SAHI based on overall health GDPI of ₹54,944.28 million in Fiscal 2024.



COMPETITIVE STRATEGIES

- Continuing to grow its product portfolio.
- Continue to invest in technology and analytics.
- Further expand its presence in existing geographies within India.
- Continue to invest in talent recruitment, development and retention to drive execution.
- Deepen culture of sustainability and "doing the right thing" to create a sustainable health franchise for future generations.



KEY CONCERNS

- Any failure to accurately estimate medical expenses or the frequency of claims could have a material adverse effect on its business.
- Significant portion of its business is generated from the health insurance line of business.
- Subject to extensive supervision and regulatory inspections.
- It has incurred losses in Fiscal 2022 and the three months ended June 30, 2024 and June 30, 2023.
- Operates in a highly competitive, evolving and rapidly changing industry.



KEY STRENGTHS

- Granular retail health insurer with a focus on delivering robust GWP growth, capital efficiency and profitability.
- Customer centric proposition driving customer experience and retention.
- Technology-led automated approach to customer servicing.
- Bupa parentage and brand associated with health insurance and healthcare.
- Domain Knowledge and Experience in Claims and Provider Management.
- Multi-Channel Diversified Pan-India Distribution.

COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (Basic)	NAV	P/E	Net Profit (In CR.)	RoNW (%)
Niva Bupa Health Insurance Company Limited	0.51	12.06	153.7	81.8	5.68%
Peer Group					
Star Health and Allied Insurance Company Ltd	14.48	108.35	38.27	845	14.35%
ICICI Lombard General Insurance Company Ltd	39.03	242.75	48.91	1,918.59	17.17%
The New India Assurance Company Ltd	6.77	132.55	28.62	1,091.12	5.13%


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