

IPO ANALYSIS

Sector: Insurance Administrator

Issue Price: INR 397 to INR 418

Issue Size: INR 1,113 - 1,172 Crores

Issue Opens/Closes: Jan 15 / Jan 17

IPO Basics

Promoters: Dr. Vikram Jit Singh Chhatwal, Medimatter Health and Bessemer India Capital Holdings II Ltd

Selling Shareholders: Dr. Vikram Jit Singh Chhatwal, Medimatter Health Management Private Limited, Bessemer Health Capital LLC, Investcorp Private Equity Fund I, and other selling shareholders

Lead Managers: Axis Capital, IIFL Securities, Nuvama Wealth, SBI Capital Market

Registered Office: Bengaluru

Registrar: Link Intime India Pvt Ltd

Listing: BSE and NSE

IPO Capital Structure

Fresh Issue	Nil
Offer for Sale	28,028,168 equity shares upto INR 1,113 – 1,172 Cr
Total Issue as % of total capital (Post-Issue)	40.72%
Post Issue No. of Shares	68,859,212
Post Issue Market Cap	INR 2,734 – 2,878 Cr
Face Value	INR 5
Issue Route	Book Build Issue
<small>All values calculated at upper band</small>	

Financial Snapshot (INR in crs)

Y/E Mar	FY21	FY22	FY23
Equity Share Capital	0.04	34.43	34.43
Reserves	292.51	304.86	349.24
Net worth	292.55	339.29	383.67
Revenue from Ops	322.74	393.81	504.93
Growth (%)	-	22.02%	28.22%
EBITDA	98.43	112.05	133.37
EBITDA (%)	28.48%	27.19%	25.70%
Net Profit	26.27	64.22	74.04
Net Profit (%)	7.60%	15.59%	14.27%
Basic EPS	3.92	9.33	10.76
Diluted EPS	3.88	9.25	10.65
RONW (%)	8.98%	18.93%	19.30%
ROCE (%)	20.43%	22.02%	24.95%
NAV (INR)	42.48	49.27	55.72
P/E (Based on Upper Band)			39.25
Average Industry P/E			NA
P/B (Based on Upper Band)			7.50

Shareholding Pattern

Holders	Pre-issue	Post Issue
Promoters	77.15%	45.75%
Public	22.85%	54.25%
Total	100.00%	100.00%

Particulars	Retail Category	NII bid between Rs 2 lakhs- Rs 10 lakhs	NII bid above Rs 10 lakhs
Minimum Bid Lot (Shares)	35	490	2,415
Minimum Bid Lot Amount (₹)	₹14,630	₹ 2,04,820	₹ 10,09,470
No of Applications for 1x	2,80,282	2,860	5,720

Medi Assist Healthcare Services Limited

Jan 15, 2024

Issue Highlights:

- Medi Assist Healthcare Services Limited ("Medi Assist") was incorporated on June 7, 2000. Operating through the main entity and 9 subsidiaries, the company, focuses on third-party administration services (TPA) for insurance companies. The subsidiaries in India, engaged in TPA activities, adhere to regulations set by the Insurance Regulatory and Development Authority of India.
 - As a TPA, Medi Assist acts as a mediator between insurance companies and policyholders, insurance companies and healthcare providers, and the government and beneficiaries of public health schemes. Medi Assist TPA, with a market share of 14.83% in retail health insurance and 41.71% in group health insurance as of FY2022, managed ₹14,574.65 crore of health insurance premiums as of the end of FY2023.
 - Medi Assist, acting as a holding company, oversees its 9 subsidiaries, including Medvantage TPA and Raksha TPA. These subsidiaries contribute significantly to the company's revenue, with 96.32% in FY2023 and 92.98% in the 6 months ending September 30, 2023.
 - Apart from TPA services, the company facilitates healthcare and ancillary services, such as hospitalization, call center, customer relations, contract management, billing, and claims processing services. The company has a vast healthcare provider network comprising 18,754 hospitals across India and 141 countries globally.
 - Medi Assist has developed scalable, comprehensive, and secure solutions that involve insurance companies, hospitals, insurance brokers, and agents. This approach enables the company to offer a comprehensive healthcare solution, including an extensive in-patient and out-patient network, on-demand health services, and effective management of fraud, waste, and abuse.
 - Servicing over 9,500 group accounts, Medi Assist TPA and Medvantage TPA managed around ₹12,818 crore of group health insurance premiums as of March 31, 2023, representing 27.61% of India's overall group health insurance market. The company also serves individual insurance policyholders, managing ₹1,757 crore of premiums for the retail health insurance market in FY2023.
 - Medi Assist settled 0.53 crore claims during FY2023, comprising 0.24 crore in-patient claims and 0.28 crore domiciliary or out-patient claims. In the 6 months ending September 30, 2023, they settled 0.31 crore claims, comprising 0.14 crore in-patient claims and 0.17 crore domiciliary or out-patient claims. The company's size and scale allow them to negotiate discounted rates with hospitals, contributing to better management of medical inflation.
- ### Key Risks:
- Top five clients contribute 71.03% to 78.95% of total revenue between FY2021-2023 and six months to September 2023.
 - Subsidiaries Medi Assist TPA and Medvantage TPA contributed 92.98% to revenue for six months ended September 2023.
 - Subsidiaries faced IRDAI show cause notices, posing regulatory risk.
 - Business heavily relies on key group accounts, notably from IT/ITES and BFSI sectors and contributions from these sectors represent 50.02% to 46.11% and 21.37% to 22.53% for FY2021-2023 and six months to September 2023, respectively.

Particulars	No. of shares (Cr.)	Issue Size Amount at Lower band (Rs. Cr.)	Issue Size Amount at Upper band (Rs. Cr.)	% Of Issue
QIB	1.40	556.36	585.79	50.00%
NIB	0.42	166.91	175.74	15.00%
-NIB2 (Bid above ₹ 10 Lakhs)	0.28	111.27	117.16	-
-NIB1 (Bid between ₹ 2 to 10 Lakhs)	0.14	55.64	58.58	-
Retail	0.98	389.45	410.05	35.00%
Total	2.80	1,112.72	1,171.58	100.00%

An Indicative Timetable Post Issue Closing

Particulars	Tentative Date
Finalization of Basis of Allotment	January 18, 2023
Refunds/un-blocking of ASBA Accounts	January 19, 2023
Credit of Equity Shares to DP Ac	January 19, 2023
Trading Commences	January 22, 2023

Investors are advised to refer disclosures made at the end of the research report.

BACKGROUND**Brief Biographies of Directors**

Dr. Vikram Jit Singh Chhatwal is the Chairman and Whole-time Director of the company. He was previously associated with Apollo Health Street, Indraprastha Apollo Hospitals, Reliance Capital Ltd, Advent India PE Advisors Pvt Ltd and was a member of the NUS President's Advancement Advisory Council. He joined the company in 2007.

Satish V N Gidugu is the Whole-time Director and Chief Executive Officer of the company. He joined the company on October 7, 2013, as Chief Technology Officer and was re-designated as Chief Operating Officer of the company on January 12, 2015. He was previously associated with redBus (a part of MakeMyTrip Ltd), SAP Labs India Pvt Ltd and Intergraph Consulting Pvt Ltd.

Vishal Vijay Gupta is a Non-Executive Nominee Director on the Board. He is currently the Managing Director of BVP India Investors Pvt Ltd, an affiliate of Bessemer Venture Partners and was previously associated with DSL Software Ltd.

Gaurav Sharma is a Non-Executive Nominee Director on the Board. He is currently head of India Investment Business at Investcorp India Asset Managers Pvt Ltd. He was previously associated with Providence Equity Advisors India Pvt Ltd and Deutsche Bank Securities Inc.

Himani Kapadia is an Independent Director of the company. She is currently the managing director of OLIVER+ (Part of Oliver India and Inside Ideas Group) and was previously associated with Publicis Groupe's digital operations in India as CEO for its agencies, Publicis Sapient and Digitas.

Gopalan Srinivasan is an Independent Director of the company. He was previously associated with United India Insurance Co Ltd and The New India Assurance Company Ltd.

Anil Chanana is an Independent Director of the company. He was previously associated with Ansaldo Impianti SpA, CMC Ltd and HCL Technologies Ltd.

Dr. Ritu Niraj Anand is an Independent Director of the company. She was involved with Tata Consultancy Services for over 3 decades.

Ananda Mukerji is an Independent Director of the Company. He was previously associated with ICICI Bank Ltd, Firstsource Solutions Ltd, and is currently the executive chairman of Anunta Technology Management Services Ltd.

Mathew George was appointed as the Chief Financial Officer of the company on March 3, 2021. He was previously associated with HCL Technologies Ltd, Jumbo Electronics Co Ltd (LLC), Cognizant Technology Solutions, Genpact India Pvt Ltd, Sea Trucks Nigeria Ltd, GE Capital International Services and Accenture.

Simmi Singh Bisht was appointed as the Chief Compliance Officer and Company Secretary of the company. She had joined the company on January 9, 2023. She was previously associated with Metropolis Healthcare Ltd, Balaji Telefilms Ltd, Ventura Textiles Ltd, Pearls Dhanshree Infrastructure Pvt Ltd, Elpro International Ltd and IITL Projects Ltd.

OFFER DETAILS

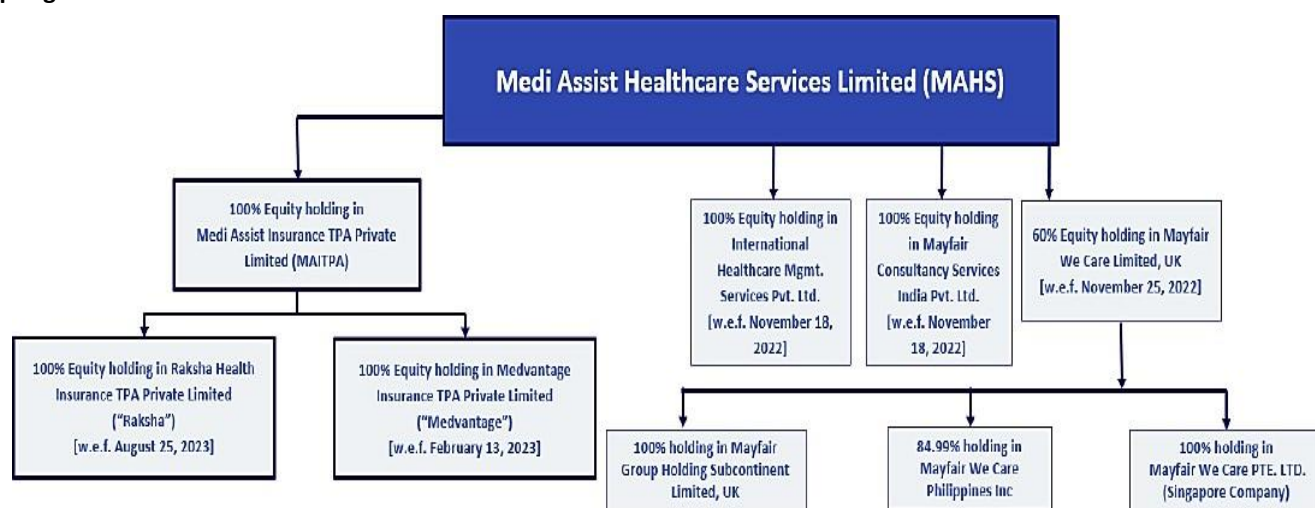
Offer for Sale by:	Upto 28,028,168 Equity Shares	WACA per equity share(₹)
The Promoter Selling Shareholders		
- Dr. Vikram Jit Singh Chhatwal	Upto 2,539,092 Equity Shares	0.20
- Medimatter Health Management Pvt Ltd	Upto 12,468,592 Equity Shares	27.23
The Promoter Selling Shareholders		
- Bessemer Health Capital LLC	Upto 6,606,084 Equity Shares	31.07
The Investor Selling Shareholders		
- Investcorp Private Equity Fund I	Upto 6,275,706 Equity Shares	58.12
- The Investor Selling Shareholders		
- Vivek Pandit	Upto 26,382 Equity Shares	15.42
- Rahul M Khanna	Upto 22,613 Equity Shares	15.59
- Shankar Rao Palepu (jointly with Palepu Neena Rao)	Upto 17,337 Equity Shares	15.64
- Pramod Manohar Ahuja (jointly with Jyoti Ahuja)	Upto 17,337 Equity Shares	15.64
- Keshav Sanghi (jointly with Vinita Keshav Sanghi)	Upto 17,337 Equity Shares	15.64
- Amitkumar G Patni (jointly with Ruchi Amitkumar Patni)	Upto 13,568 Equity Shares	15.99
- Arihant Patni	Upto 13,568 Equity Shares	15.99
- Jyoti Ahuja (jointly with Pramod Manohar Ahuja)	Upto 5,276 Equity Shares	15.42
- Ranjan Surajprakash Sanghi (jointly with Jayashree Sanghi)	Upto 5,276 Equity Shares	15.42

WACA = Weighted Average Cost of Acquisition

SHAREHOLDING PATTERN

Shareholders	Pre-offer		No. of Shares offered	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoter	46,511,128	67.55%	15,007,684	31,503,444	45.75%
Promoters Group	6,606,084	9.59%	6,606,084	0	0.00%
Total for Promoter and Promoter Group	53,117,212	77.14%	21,613,768	31,503,444	45.75%
Public - Investor Selling Shareholders	14,910,452	21.65%	6,275,706	8,634,746	12.54%
Public - Other Selling Shareholders	340,768	0.49%	138,694	202,074	0.29%
Public - Others	490,780	0.71%	0	28,518,948	41.42%
Total for Public Shareholder	15,742,000	22.86%	6,414,400	37,355,768	54.25%
Total Equity Share Capital	68,859,212	100.00%	28,028,168	68,859,212	100.00%

The group organizational structure:



The market share of Medi Assist TPA, Raksha TPA and Medvantage TPA in gross premium serviced across retail policies, group policies, and group and retail policies during Financial Years 2021, 2022 and 2023.

	FY2023	FY2022	FY2021	FY2020
Premium Serviced by Select Third-Party Administrators (TPAs) under Retail in INR Crore				
Medi Assist	1,800	1,500	1,100	1,000
Raksha	700	700	800	900
Premium Serviced by Select TPAs under Group in INR Crore				
Medi Assist	12,200	9,600	6,800	6,000
Raksha	1,100	1,100	600	800
Medvantage	600	1,000	800	700
Premium Serviced by Select TPAs under Retail and Group in INR Crore				
Medi Assist	14,000	11,000	7,900	7,000
Raksha	1,800	1,800	1,400	1,700
Medvantage	600	1,000	800	700
Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced across Retail Policies				
Medi Assist	5.06%	4.83%	4.25%	4.90%
Raksha	1.92%	2.48%	2.691%	4.28%
Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced across Group Policies				
Medi Assist	26.39%	26.01%	24.27%	23.30%
Raksha	2.42%	2.99%	2.25%	3.10%
Medvantage	1.22%	2.82%	2.82%	2.77%

Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced across Group and Retail Policies

Medi Assist	17.26%	16.50%	14.68%	15.29%
Raksha	2.21%	2.76%	2.56%	3.62%
Medvantage	0.70%	1.55%	1.47%	1.57%

The details of the technology costs (operating costs and capital expenditure), the revenues attributable to their group accounts portfolio and their revenues attributable to their retail portfolio:

Particulars	6 months ended September 30, 2023	Financial Year		
		2023	2022	2021
Technology costs (Operating costs and capital expenditure) (in ₹ Cr)	2.84	20.22	1.83	4.96
Revenues attributable to the group accounts portfolio (in ₹ Cr)	217.98	375.73	280.28	212.69
Revenues attributable to the group accounts portfolio as a percentage of revenue from contracts with customers (%)	72.19%	74.41%	7.12%	65.90%
Revenues attributable to the retail portfolio (in ₹ Cr)	33.16	57.03	57.98	49.47
Revenues attributable to the retail portfolio as a percentage of revenue from contracts with customers (%)	10.98%	11.29%	14.72%	15.33%

Key Acquisitions

The company actively pursues growth through strategic mergers and acquisitions (M&A) to solidify its leadership and expand market share. Notable acquisitions in the last 8 years include Dedicated Healthcare Services TPA (India) Pvt Ltd, merging with Medi Assist TPA in 2016, and acquiring the third-party administration business of Medicare Insurance TPA Services (India) Pvt Ltd in 2018.

In 2022, the company expanded its global footprint with the acquisition of IHMS, Mayfair India, and Mayfair UK. Mayfair UK, a benefits administrator, managed members across 140 countries. Medvantage TPA, focused on group accounts, and Raksha Health Insurance TPA Pvt Ltd, with a presence in group and retail benefits administration, were also strategically acquired.

These acquisitions reinforce the company's position in group and retail schemes and contribute to global expansion. The trend of consolidation in the Third-Party Administrator (TPA) industry aligns with their growth strategy. In FY2023, the company held a premium servicing market share of 17.26%, with Raksha TPA and Medvantage TPA at 2.21% and 0.70%, respectively.

Business Description

While the company interacts with a large number of participants in the health insurance ecosystem, they generate revenues from health and other general insurance companies.

The details of the 10 largest insurers based on premium under management (excluding government schemes):

(in ₹ Cr)

Insurer	Length of relationship (in years)	Premium under management for the			
		For the 6 months ended September 30, 2023	For the Financial Year 2023	For the Financial Year 2022	For the Financial Year 2021
Insurer 1	21 years	4,174.60	7,488.42	5,859.87	4,246.28
Insurer 2	20 years	650.50	1,456.00	1,340.12	852.71
Insurer 3	19 years	889.26	1,413.41	1,166.78	853.70
Insurer 4	20 years	873.04	793.18	797.38	718.84
Insurer 5	7 years	456.84	733.36	551.46	414.04
Insurer 6	7 years	374.76	470.70	183.42	97.79
Insurer 7	16 years	183.53	307.27	295.68	173.53
Insurer 8	10 years	130.75	287.06	184.39	165.51
Insurer 9	16 years	60.03	267.15	190.31	119.69
Insurer 10	10 years	99.39	258.21	339.68	295.55

Group Accounts Portfolio

Medi Assist works with corporates in a diverse range of industries and sectors to help administer the insurance requirements of their employees. While they have been providing services in India, through Mayfair UK, they have been able to extend their services to corporates overseas and provide services to their customers on a global platform.

Details of the 10 largest group accounts based on premium under management:

(in ₹ Cr)

Group Account	Length of relationship (in years)	Premium under management		
		For the 6 months ended September 30, 2023	For the Financial Year 2023	For the Financial Year 2021
Group 1	15+ years	1,734.78	1,663.72	1,029.39
Group 2	14 years	576.26	572.37	352.92
Group 3	6 years	415.65	425.50	325.57
Group 4	15+ years	309.83	295.80	203.97
Group 5	8 years	294.30	207.42	90.42
Group 6	7 years	225.39	205.87	86.11
Group 7	10+ years	197.97	204.41	130.92
Group 8	6 years	202.90	203.56	82.85
Group 9	2 years	255.32	199.30	-
Group 10	3 years	233.93	188.82	-

Retail Portfolio: The company serves individual insurance policyholders, acting as an intermediary between insurance companies, hospitals, and insured members. The retail premium managed increased from ₹1,097.57 crore in FY2021 to ₹1,756.78 crore in FY2023, with a CAGR of 26.52%. Revenues from the retail portfolio constituted 15.33%, 14.72%, 11.29%, and 10.98% of total revenues for FY2021, FY2022, FY2023, and the 6 months ending September 30, 2023, respectively.

Government Schemes: Engaging with Central and State Governments, the company administers 17 government-sponsored insurance schemes, covering over 17.75 crore lives as of March 31, 2023, and 17 schemes as of September 30, 2023.

Contractual Arrangements: The company enters 1 to 3-year contractual arrangements with insurance companies and corporates, subject to renewal. Corporate contracts typically last for one year.

Revenue Generation: The company generates income from benefits administration services by a percentage of premium under management. For non-government contracts, revenue per average headcount was ₹0.88 million, ₹1.06 million, ₹1.20 million, and ₹0.67 million during FY2021, FY2022, FY2023, and the 6 months ending September 30, 2023, respectively. Government-sponsored insurance schemes generate fixed fees either per family annually or per claim.

Technology Infrastructure: Critical to their success, the company boasts a scalable, comprehensive, and secure technology infrastructure. Utilizing platforms like the Medi Assist portal, mobile applications, and third-party connectivity, they facilitate operations for insurance stakeholders, hospitals, agents, and corporates.

Top of Form

Financial and Operational KPIs

The list of some key financial indicators is set out below:

Particulars	6 months ended September 30, 2023	6 months ended September 30, 2022	Financial Year		
			2023	2022	2021
Total Income (in ₹ Cr)	312.03	248.14	518.96	412.02	345.57
Adjusted EBITDA (in ₹ Cr)	62.39	57.98	119.35	91.22	75.60
Adjusted EBITDA Margin (%)	20.66%	23.81%	23.64%	23.16%	23.42%
Restated Profit for the year/period from continuing operations	24.26^	36.77	75.31	63.47	38.01
Return on Net Worth (%)	5.82%	9.91%	19.63%	18.71%	12.99%
Return on Capital Employed (%)	11.23%	12.57%	24.95%	22.02%	20.43%
Premium Under Management (in ₹ Cr)	9,542.57	7,009.60	14,574.65	11,048.88	7,918.49
Revenue per average head count on non-government contracts (in ₹ Millions)	0.67	0.61	1.20	1.06	0.88

^ Reconciliation of Adjusted PAT to restated profit for the year from continuing operations

Revenue from Operations

(₹ in Cr)

Particulars	For the 6 Months ended Sep 30		For the Year Ended March 31,		
	2023	2022	2023	2022	2021
Types of services					
- Income from TPA services	280.62	238.63	486.38	385.38	312.09
- Income from health management services	19.47	0.84	12.66	4.40	4.59
- Income from license fee	1.18	2.26	3.34	0.04	0.20
Other operating revenues					
- Business support services	0.70	1.72	2.56	3.99	5.86
	301.96	243.45	504.93	393.81	322.74

Contract counterparties:

(₹ in Cr)

Particulars	For the 6 Months ended Sep 30		For the Year Ended March 31,		
	2023	2022	2023	2022	2021
- Government customers	29.48	27.33	53.62	47.12	49.92
- Others	272.48	216.13	451.32	346.70	272.82
Total	301.96	243.45	504.93	393.81	322.74

COMPETITIVE STRENGTHS

1) Well-Established Third-Party Administrator in India: Company's Subsidiaries Medi Assist TPA, Medvantage TPA and Raksha TPA are well-established third-party administrators in India. The premium under management, market share and number of clients as of and for the periods indicated:

(₹ in Cr)

Category	6 months ended September 30, 2023	Financial Year		
		2023*	2022	2021
Company's Group Portfolio	8,415.99	12,817.87	9,595.18	6,820.92
Company's Retail Portfolio	1,126.58	1,756.78	1,453.69	1,097.57
Total Premiums	9,542.57	14,574.65	11,048.88	7,918.49

*Includes data for Medvantage TPA and Raksha TPA for the period following the acquisition by Medi Assist TPA.

Category	Number of Clients			
	6 months ended September 30, 2023	Financial Year		
		2023	2022	2021
Company's Group Portfolio	25	24	24	23
Company's Retail Portfolio	12	13	12	11

Category	Overall Market Share in Gross Premium Serviced (%) Financial Year 2023	Share of Market Serviced by TPAs Financial Year 2022
Company's Group Portfolio	26.39%	41.71%
Group Portfolio for Raksha TPA	2.42%	4.79%
Group Portfolio for Medvantage TPA	1.22%	4.52%
Company's Retail Portfolio	5.06%	14.83%
Retail Portfolio for Raksha TPA	1.92%	7.62%

During Financial Year 2023, their retail and group premium increased by 31.91% compared to the previous Financial Year, due in part to the heightened awareness of the need for adequate health insurance brought on by the pandemic. This trend is also expected to continue to support growth in the overall sector.

2) Scalable Technology-Enabled Infrastructure Addressing the Needs of All Constituents of the Health Insurance Ecosystem

Company's technology ecosystem is based on the 4 prongs described below:

Cost Leadership: The technology platforms have allowed the company to increase transaction volume and claims processed without a corresponding rise in staffing. Claim intimation grew from 3,134,056 to 6,090,526 at a CAGR of 39.40% between FY2021 and FY2023.

Insurer Benefits: Insurance companies gain real-time access to processed claims, document submissions, and queries on company portals. 30 insurance companies integrated with the platform as of September 30, 2023. 73.19% and 82.14% of in-patient claims settled in FY2023 and the 6 months ending September 30, 2023, were processed through company portal integrations.

Insured Member Experience: Technology platforms offer corporate employees and individual policyholders various services, including enrollment, modification of beneficiaries, and pre-authorization for policy benefits. Cashless claim settlement, exclusive to insured members, simplifies financial transactions for medical treatment.

Offerings for Healthcare Providers: Deep integration with hospital portals saw 8,426 and 7,971 hospitals submit claims online during FY2023 and the 6 months ending September 30, 2023. Healthcare providers utilize online portals for pre-authorization, claims submission, and tracking. For the 6 months ending September 30, 2023, 86.91% of cashless claims submitted online, showcasing the efficiency of digital processes.

3) Trusted Relationships with Insurance Companies: Leveraging domain expertise, Medi Assist has built enduring relationships with insurance companies. The average relationship term with PSU companies is 20 years and 9 years with non-PSU companies, as of September 30, 2023. Share of premiums from non-PSU companies increased from 14.65% in FY2021 to 24.33% by the 6 months ending September 30, 2023.

4) Diversified Group Accounts with Longevity: Maintaining a market-leading position in the group health insurance segment, Medi Assist increased its market share from 23.30% (FY2020) to 26.01% (FY2022). It managed premiums for over 9,500 group accounts, with a CAGR of 37.08% between FY2021 and FY2023. Retention rates for group accounts were 95.09%, 93.94%, 94.17%, and 94.01% for FY2021, FY2022, FY2023, and 6 months ending September 30, 2023.

5) Strategic Contracts with Pan-India Healthcare Providers: The company's pan-India provider network encompasses 18,754 hospitals in 1,069 cities across 31 states and union territories. Medi Assist is a prominent third-party administrator for major hospital chains and private sector insurers, securing discounted rates due to their market position.

6) Efficient Integration of Acquisitions: Medi Assist adeptly integrates acquired businesses, realizing cost synergies and expanding their market presence. Their technology capabilities enable seamless integration, enhancing customer experience, optimizing efficiency, and ensuring cost-effectiveness.

7) Experienced Management and Strong Shareholders: The management team, with an average work experience of over 22 years, demonstrates expertise in business growth and diversification. Marquee shareholders, including affiliates of Bessemer and Investcorp, contribute not only capital but also strategic advice and uphold robust corporate governance standards.

Key Business Strategies

Leadership in Group Accounts: Medi Assist has consistently maintained a significant share in the total health insurance market for group accounts, driven by factors such as increased employee strength, rising insurance premiums, a steadfast commitment to superior service, and robust customer retention capabilities. Servicing over 9,500 group accounts with a premium under management of ₹12,817.87 crore in FY2023, the company achieved a notable CAGR of 37.08% between FY2021 and FY2023.

Inorganic Growth Pursuit: The company is actively pursuing acquisition opportunities to expand service offerings, increase market share in existing and new markets, and explore carve-outs and alliances with insurance companies. Additionally, Medi Assist aims to focus on partnerships with employers and distributors, evaluating opportunities to acquire smaller benefits administrators that complement their group account relationships. An active pursuit includes acquiring captive in-house claims processing teams of insurance companies.

Technology Platform Enhancement: Medi Assist's significant investments in technology infrastructure have elevated operational efficiencies and achieved economies of scale. The ongoing initiatives are expected to drive cost efficiencies for all stakeholders and further solidify the company's leadership position. Recognizing the importance of self-help tools, the company leverages technology platforms to empower policyholders with independent access to relevant information, claims tracking, and policy management.

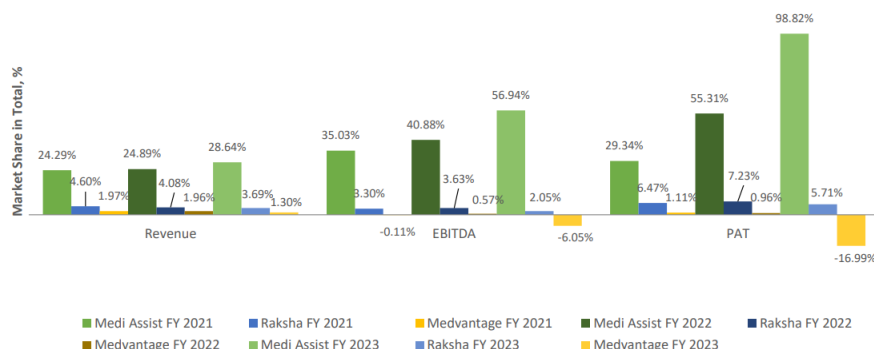
Increasing Share in the Retail Segment: Committed to expanding its portfolio of insurance clients, Medi Assist aims to boost its share in both the retail and group segments. Tailoring services for insurance companies with in-house claims processing, the company provides modular solutions, including access to a comprehensive network, advanced claims processing capabilities, and cutting-edge technology. Actively seeking additional partnerships, Medi Assist is determined to further enhance its market presence and increase its share in the dynamic retail and group segments.

Industry Overview

Financial and Operational Profile of Select Third-Party Administrators (TPAs), FY 2023

TPA	Revenue (₹ Cr)	EBITDA Margin	PAT Margin	ROE	ROCE	Total premium served (₹ Cr)	Market share in premium served by TPAs	Total number of claims processed (‘000)	The total value of claims processed, (₹ Cr)
Medi Assist	519	23.00%	14.51%	19.63%	21.67%	15,360	Na	5,960	14,900
Raksha	66.8	6.435	6.51%	7.02%	5.18%	1,790	Na	447	1,900
Medvantage	23.6	(54.278)%	(54.73)%	(409.57)%	(399.51)%	570	Na	282	700
MDIndia	282.2	8.13%	4.41%	8.59%	8.87%	6,070	Na	3,259	6,300
Vidal Health	213.5	11.92%	3.28%	7.73%	11.32%	5,470	Na	2,943	5,800
Paramount	143.4	6.68%	8.72%	11.19%	6.99%	4,110	Na	971	3,600
FHPL	134.0	(14.97)%	(19.35)%	(16.48)%	(15.64)%	3,330	Na	1,081	4,500
Total Industry	1,811.7	11.57%	4.20%	6.55%	8.87%	Na	Na	Na	Na

Medi Assist's, Raksha's & Medvantage's Market Share Across Select Financial Metrics, FY 2021-2023



Medi Assist's, Raksha's & Medvantage's Market Share Across Select Financial Metrics

EBITDA M	Including all TPAs			Including TPAs with profits only		
	FY2023	FY2022	FY2021	FY2023	FY2022	FY2021
EBITDA Market Share						
Medi Assist	56.94%	40.88%	35.03%	48.77%	40.72%	34.98%
Raksha	2.05%	3.63%	3.30%	1.75%	3.61%	3.30%
Medvantage	(6.05)%	0.57%	(0.11)%	(5.19)%	0.57%	(0.11)%
PAT Market Share						
Medi Assist	98.82%	55.31%	29.34%	56.42%	49.85%	28.58%
Raksha	5.71%	7.23%	6.47%	3.26%	6.52%	6.30%
Medvantage	(16.98)%	0.96%	1.11%	(9.69)%	0.86%	1.08%

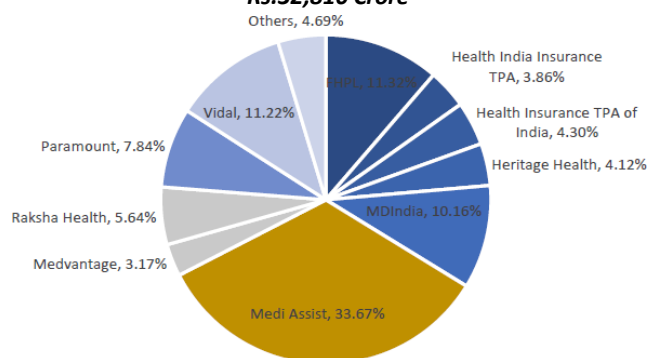
Premium Serviced by Select Third-Party Administrators (TPAs):

(₹ in Cr)

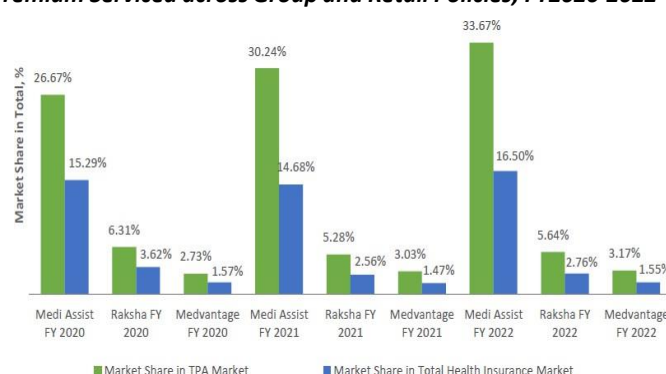
TPA	FY2023			FY2022			FY2021		
	Retail	Group	Govt.	Retail	Group	Govt.	Retail	Group	Govt.
Medi Assist	1,760	12,250	1,350	1,450	9,600	1,320	1,100	6,820	100
Raksha	670	1,120	-	750	1,100	-	750	630	-
Medvantage	-	570	-	-	1,040	-	-	790	-
MDIndia	1,460	2,140	2,480	1,350	1,990	2,590	1,340	1,650	2,210
Vidal Health	980	2,790	1,710	1,070	2,610	1,560	310	1,230	820
Paramount	470	2,800	840	740	1,830	610	630	1,470	580
FHPL	610	2,730	-	1,250	2,470	-	780	2,840	-

Market Share of Premium Serviced by TPAs under Retail and Group Policies, FY 2022 Total =

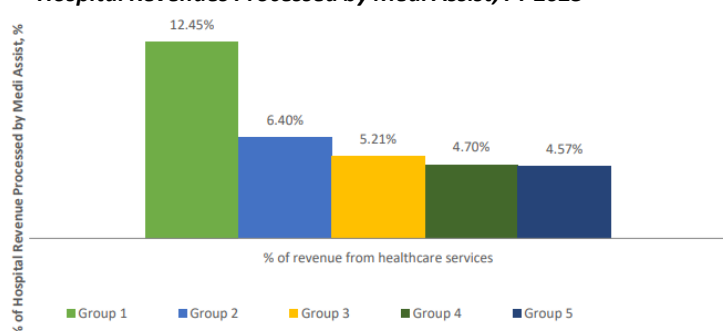
Rs.32,810 Crore



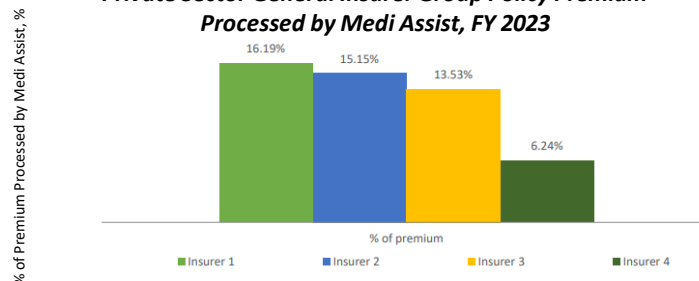
Medi Assist's, Raksha's, & Medvantage's Market Share in Gross Premium Serviced across Group and Retail Policies, FY2020-2022



Hospital Revenues Processed by Medi Assist, FY 2023



Private Sector General Insurer Group Policy Premium Processed by Medi Assist, FY 2023



List of Key Mergers and Acquisitions in the Third-Party Administrator (TPA) Industry, India

Select M&A Transactions in the Indian Third-Party Administrator (TPA) Industry in the Recent Past

Company	Target Company	Year of Transaction	Strategic Purpose
Medi Assist	Raksha	2023	Increase regional reach across Tier 2 and 3 cities in northern, central, and western India.
Medi Assist	Medvantage/ UnitedHealth Parekh	2023	Strengthen the presence in corporate/ group schemes
Medi Assist	Mayfair We Care, UK	2022	Expand offerings beyond India and provide global access to medical benefits and health plan administration.
Health Care Services Corporation	Trustmark Health Benefits	2022	Adds diversity to the portfolio to offer services to self-funded employers while giving existing health benefits to customers and members access to the service and scale of HCSC
Vidal Health	Vipul Corp	2021	Grow pan-India strength and presence across all 3 policy types- retail, group, and govt.
Fairfax	Paramount Health Services	2019-20	Fairfax Asia purchased 49% of Paramount Health Services for USD 11 million

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