

Care Health Insurance (INE119J01011)

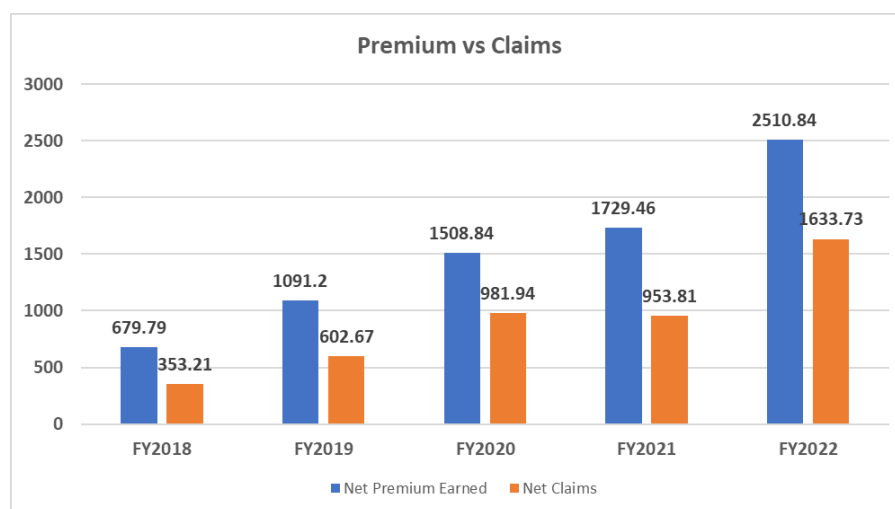
About Care Health Insurance

Care Health Insurance, commenced business in July 2012, is a specialized Health Insurer offering health insurance services to employees of corporates, individual customers and for financial inclusion as well.

In FY21, **Care Health is India's 2nd largest in Standalone Health Insurance Companies (SHAI)** in terms of Gross Domestic Premium Income after Star Health Care. Care has also the 2nd best claim settlement ratio in the industry

As on 31st March 2021, promoter shareholding is more than 94%. Promoter group includes Religare Enterprises Limited (REL) and Kedaara Capital.

Care Health Insurance-Financials



**From Care Annual Reports*

1. In the last 4 years' company's revenue grew 4x which is 42% annualized growth over the last 4 years.
2. In FY2021, despite having a higher claim settlement ratio, Net Premium to Net Claims ratio is 1.81 which is marginally better than 1.79 of Star Health Insurance. This indicates better quality underwriting compared to its competitors
3. Price to Book value of Care is 11.07 compared to Star Health's 16.37

Strengths

1. In FY21, total health insurance premium stands at INR 58,238 crore 14.7% up from INR 50,758 crore in previous financial year. In FY22, it has seen further growth of 25.6% and now stands at INR 73,582.13 crore.
2. The industry is expected to grow as Indians pay nearly 63% medical expenses out of pocket. Approximately 35% Indians are covered under health insurance schemes
3. India has also seen 14% medical inflation in 2021 which is highest among Asian countries. As medical expenses grow, people will be forced to opt for health insurance policies
4. Care is already an established name with a network of more than 16,000 healthcare providers.
5. Indian private equity firm, Kedaara Capital Fund, completed the investment of INR 567.31 crore, including primary capital infusion and purchase of 6.39% stake in 2020

Weakness

1. The Industry faces tough competition from established players like HDFC Ergo, ICICI Lombard, TATA AIG, Bajaj Allianz etc. Some of these competitors have better distribution channel and brand recognition because of their parent company