Inventurus Knowledge Solutions (INVKNO)

CMP: ₹ 1,650 | Target ₹ 2,050 (24%) | Target Period: 12 months

BUY

November 6, 2026

Healthy core business performance...

About the stock: Inventurus Knowledge Solutions (IKS), is a comprehensive healthcare enablement platform (PaaS) focused on delegating chore tasks so providers can focus on core care delivery, primarily in U.S. healthcare sector.

Q2FY27 performance: IKS revenue came at ₹1,592.5 crore, up 103.9% YoY/ 78.2% QoQ (US$169mn, up 74.2% QoQ/87.3% YoY). EBITDA margin was down 530bps QoQ/710bps YoY to 27.7%. PAT came at ₹213 crore, up 10% QoQ/ 18% YoY.

Investment Rationale:

- Healthy core growth, customer traction and cross-sell opportunities: The **legacy IKS business (IKS+Aquity) delivered 12%+ US$ YoY growth to US$101mn, with management expecting it to sustain above-industry growth.** While for TruBridge, FY27 will remain a year of integration & stabilisation, with no significant growth expected till FY28. It's US$200 mn System of Action (SOA) component is expected to edge toward 10-12% growth by end of FY28/early FY29 while ~US$100mn System of Record (EHR) business is intended to stay relatively flat through FY28 & FY29. Overall, IKS is expected to continue growing >12% industry rate, (likely ~13-14%), despite bandwidth stretched across a larger book. During Q2, IKS secured 4 wins, including 3 new logos & a cross-sell, while TruBridge added 1 new hospital. Moreover, TruBridge's 600+ hospital EHR installed base offers meaningful whitespace for financial-health, RCM and IKS SOA solutions. **Encoder** and the **clearinghouse (TruBridge RCM)** also provide incremental cross-sell & workflow-integration opportunities over the medium term. **We estimate ~13.8% organic US$ revenue CAGR (vs ~14.9% earlier) over FY26–29E.**
- **Margin recovery, cash generation and deleveraging potential in medium term:** The combined business reported a 27.7% EBITDA margin despite 82 days of TruBridge consolidation and ₹25 crore of one-time integration costs. Legacy IKS margins remained at 34.5–35%, while TruBridge margins were indicated at 21–22% after adjustments. Management identified operating-model optimisation, greater global delivery and technology-led productivity, and SG&A rationalisation as key synergy levers, with benefits expected from the second half of Q3 onwards. **It retains an ambition to restore both businesses to early-to-mid-30s margins by FY30 (~₹3,000 crore EBITDA), alongside reducing net leverage from below 3x to near zero. We bake in EBITDA margins of 28.5%/ 28.9%/ 29.5% in FY27E/FY28E/FY29E.**
- **Building an integrated healthcare platform with differentiated AI capabilities:** IKS is evolving from an ambulatory-focused provider into an end-to-end care enablement platform spanning physician groups and acute care hospitals through TruBridge. **Management sees access to 3.5–4x the initially envisaged 5 mn patient records from TruBridge as a key strategic asset to build proprietary context layers, knowledge graphs and AI models.**

Rating and Target Price: We maintain our BUY rating for IKS and value it at 32x FY28E EPS, for a target price of ₹2,050.

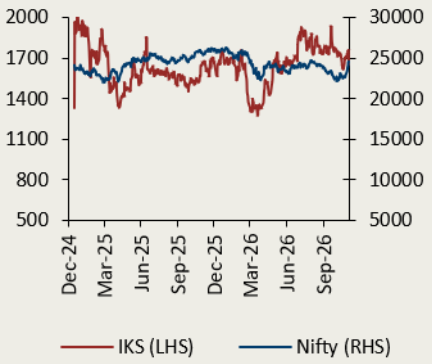
Particulars

Particular	Amount
Market Cap (₹ Crore)	28,133
Total Debt (₹ Crore)	641
Cash & Equiv. (₹ Crore)	609
EV (₹ Crore)	28,165
52 week H/L (₹)	1970 / 1262
Equity capital	17.1
Face value (₹)	1.0

Shareholding pattern

	Dec-25	Mar-26	Jun-26	Sep-26
Promoters	63.7	63.7	63.7	63.7
FII	7.6	8.2	8.0	8.1
DII	6.1	6.4	7.5	7.6
Others	22.7	21.7	20.8	20.6

Price Chart



Key risks

- Longer than expected time to get back to pre-TruBridge net debt levels;
- Regulatory changes in the healthcare industry, particularly US (~96% of revenues)

Research Analyst

Bhupendra Tiwary, CFA
bhupendra.tiwary@icicisecurities.com

CA Anjini Sharma
anjini.sharma@icicisecurities.com

Key Financial Summary

₹ Crore	FY25	FY26	5-Year CAGR (FY21-26)	FY27E	FY28E	FY29E	3 Year CAGR (FY26-29E)
Net Sales	2,664	3,194	43.0	5,906	7,496	8,497	38.6
EBITDA	770	1,091	38.4	1,682	2,165	2,507	31.9
EBITDA Margin (%)	28.9	34.2		28.5	28.9	29.5	
Net Profit	486	722	32.7	851	1,105	1,345	23.1
EPS (₹)	28.7	42.2		49.7	64.6	78.7	
P/E	57.6	39.0		33.1	25.5	21.0	
RoNW (%)	27.2	25.8		23.4	23.4	23.2	
RoCE (%)	24.9	26.6		14.0	18.1	20.8	

Source: Company, ICICI Direct Research

Result Update

ICICI Securities – Retail Equity Research

Performance highlights and outlook

- **Revenue Performance:** Consolidated revenue stood at ₹1,592.5 crore (US$169mn, +74.2% QoQ/+87.3% YoY), up 103.9% YoY and 78.2% QoQ. The quarter includes 82 days of TruBridge consolidation, contributing US$68mn (right on the guided US$75 mn/quarter run rate or US$300 mn annualised base), while the legacy IKS business contributed US$101mn, registering over 12% YoY growth in US-dollar terms.
- **Margin performance:** EBITDA stood at ₹441.5 crore, up 62.5% YoY and 49.7% QoQ, with margin of 27.7% (28.8% ex-ESOP costs), contracted 530bps QoQ/710bps YoY (in line with expectations). This includes ~₹25 crore of one-time acquisition/integration expenses. Legacy IKS margins remained healthy at 34.5–35%, while TruBridge margins were indicated at 21–22% after adjustments. PAT came at ₹213 crore, up 10% QoQ/ 18% YoY. Adjusted PAT (for ESOP cost, intangible amortisation and stood at ₹273.4 crore, up 20.7% QoQ/ 36% YoY.
- **Outcome based pricing protects margins as AI scales:** The bulk of productivity gains flow to IKS's bottom line because customers pay for outcomes, not effort. As the model becomes more AI-led and agentic, incremental price compression is expected, but management believes productivity benefits will more than offset it while retaining the bulk of those benefits.
- **Project Endeavour:** An AI-native operating system built from ground up for rural and community market, running in parallel with the 3-feature integration into legacy TruBridge EHR. The 3 features (denial prediction, coding, clinical productivity tools) are targeted to go live by Q1 FY28.
- **Management Outlook:**
  - **Legacy IKS (IKS+Aquity):** expected to sustain growth above the industry benchmark of 12%. **Green shoots are expected from FY28 where growth will come from cross-selling the IKS System of Action into the EHR install base, starting with denial prediction and prevention, medical coding, ambient clinical documentation, and virtual clinical assistant features**.
  - **TruBridge: FY27 will remain a year of integration & stabilisation, with no significant growth expected till FY28**. The ~**US$200 mn System of Action component is expected to edge toward 10-12% growth by the end of FY28/early FY29 while the ~US$100 mn System of Record (EHR) business is intended to stay relatively flat through FY28 and FY29**, with moderate growth possible only when Project Endeavor launches FY29 onwards.
  - **Combined Entity:** Overall, **management expects to continue growing above the 12% industry rate, likely at 13-14%,** despite bandwidth stretched across a larger book. On the margins front, it aspires to restore margins of both businesses to early-to-mid-30s by FY30 and achieve near-zero net leverage by FY30 and remains optimistic about the true north target of ₹3,000 crore EBITDA by FY30.
- **TruBridge integration:** Q2 saw 82 days of integration with TruBridge. Of TruBridge's top 5 executive leaders, 3 have made it into the integrated organization, preserving institutional knowledge of the EHR install base and customer relationships.
  - Chris Fowler (ex-TrueBridge CEO) now Chief Strategy Officer; continues mentoring the acute/hospital business unit.
  - Amaris (ex-TrueBridge CHRO) now Global CHRO of combined entity
  - David Harse continues as GM of the EHR business
- **Deal wins and customer traction:** Legacy IKS secured four wins, including three new logos (White Wilson, Evolve and UMass Memorial) and one cross-sell with Augusta Health. TruBridge added one new customer, MISH, a specialty surgical hospital.

Quarter Performance

Particulars	Q2FY27	Q2FY26	YoY (%)	Q1FY27	QoQ (%)
Revenue (₹ crore)	1,592	781	103.9	894	78.2
Employee expenses	806	407	98.0	455	77.2
Gross Margin	787	374	110.3	439	79.3
Gross margin (%)	49.4	47.9	151 bps	49.1	29 bps
Other expenses	345	102	237.4	144	139.9
EBITDA	442	272	62.5	295	49.7
EBITDA Margin (%)	27.7	34.8	-707 bps	33.0	-528 bps
Depreciation & amortisation	90	30	197.9	34	161.9
EBIT	352	242	45.6	261	34.9
EBIT Margin (%)	22.1	30.9	-885 bps	29.2	-708 bps
Other income	-79	-12	528.6	-4	1,684.8
PBT	273	229	19.2	256	6.6
Tax paid	60	47	27.3	57	4.6
Share of profit/(loss) of JVand associate	0.0	-1.4	-100.0	-5.3	-100.0
PAT	213	181	18.1	194	10.1

Source: Company, ICICI Direct Research

Change in estimates

	FY27E			FY28E			FY29E		
(₹ Crore)	Old	New	% Change	Old	New	% Change	Old	New	% Change
Revenue (USD mn)	641	628	-2.0	824	793	-3.7	941	899	-4.4
Revenue	6,004	5,906	-1.6	7,746	7,496	-3.2	8,842	8,497	-3.9
EBITDA	1,700	1,682	-1.1	2,246	2,165	-3.6	2,617	2,507	-4.2
EBITDA Margin (%)	28.3	28.5	16 bps	29.0	28.9	-12 bps	29.6	29.5	-10 bps
PAT	821	851	3.6	1,123	1,105	-1.7	1,382	1,345	-2.7
Diluted EPS (₹)	48.3	50.2	3.6	65.8	64.6	-1.7	81.0	78.7	-2.7

Source: Company, ICICI Direct Research

Financial summary

Profit and loss statement			₹ crore	
(Year-end March)	FY26	FY27E	FY28E	FY29E
Total Revenues	3,194	5,906	7,496	8,497
Growth (%)	19.9	84.9	26.9	13.4
Employee Benefit Expense	1,629	3,005	3,808	4,316
Other Expenses	474	1,219	1,523	1,674
EBITDA	**1,091**	**1,682**	**2,165**	**2,507**
Growth (%)	42	54	29	16
Depreciation	124	302	375	408
Other Income	17	41	24	36
Interest	70	316	360	360
Share of profit/(loss) of joint venture and associate (net of tax)	(9)	(5)	-	-
PBT	**905**	**1,100**	**1,454**	**1,775**
Growth (%)	49	22	32	22
Tax	183	262	366	447
PAT before Exceptional Items	**722**	**838**	**1,088**	**1,328**
Minority interest	-	-13	-17	-17
Exceptional items	-	-	-	-
PAT after exceptional items	**722**	**851**	**1,105**	**1,345**
Growth (%)	48.5	17.9	29.9	21.7
Diluted EPS	42.2	49.7	64.6	78.7
EPS (Growth %)	**47.4**	**17.8**	**29.9**	**21.7**

Source: Company, ICICI Direct Research

Cash flow statement			₹ crore	
(₹ Crore)	FY26	FY27E	FY28E	FY29E
Profit after tax	**722**	**838**	**1,088**	**1,328**
Finance cost	70	316	360	360
Depreciation	124	302	375	408
Others	(17)	(41)	(24)	(36)
Change in working capital	(131)	(681)	(392)	(247)
CF from operations	**768**	**734**	**1,407**	**1,813**
Other Investments	(406)	(123)	(72)	(25)
(Purchase)/Sale of FA	(141)	(295)	(375)	(425)
Intangible Assets and goodwill	(128)	(5,000)	-	-
CF from investing Activities	**(675)**	**(5,418)**	**(447)**	**(449)**
Inc / (Dec) in Equity Capital	312	0	-	0
Inc/(Dec) in borrowings/lease liab	(103)	5,600	(1,200)	(800)
Dividend & Dividend tax	(23)	-	-	(269)
Interest Paid on Loans	(70)	(316)	(360)	(360)
NCI	-	-	-	-
CF from Financial Activities	**116**	**5,284**	**(1,560)**	**(1,429)**
Net change in cash	208	600	(600)	(66)
Opening cash	180	389	988	388
Closing cash	**389**	**988**	**388**	**323**

Source: Company, ICICI Direct Research

Balance sheet			₹ crore	
(Year-end March)	FY26	FY27E	FY28E	FY29E
Equity	**17**	**17**	**17**	**17**
Reserves & Surplus	2,783	3,621	4,709	5,767
Networth	2,800	3,638	4,726	5,784
Total debt	641	6,241	5,041	4,241
Minority Interest	-	-	-	-
Other liabilities	256	256	256	256
Source of funds	**3,696**	**10,134**	**10,022**	**10,281**
Fixed assets	146	261	411	591
CWIP	-	-	-	-
Intangible assets	476	355	205	42
Goodwill	1,326	6,326	6,326	6,326
Non current investments	350	514	610	671
Other non current assets	660	1,162	1,456	1,641
Current Investments	220	220	220	220
Cash & Bank Balance	389	988	388	323
Inventories	0	0	0	0
Debtors	564	1,044	1,325	1,502
Other current assets	136	250	317	359
Trade payables	149	275	349	396
Other Current liabilities	423	711	887	998
Application of funds	**3,696**	**10,134**	**10,022**	**10,281**

Source: Company, ICICI Direct Research

Key ratios				
(Year-end March)	FY26	FY27E	FY28E	FY29E
Per share data (₹)				
Diluted EPS	42.3	49.8	64.6	78.7
BV	164.2	212.9	276.5	338.4
DPS	-	-	-	15.7
Cash Per Share	22.8	57.8	22.7	18.9
Operating Ratios (%)				
EBITDA Margin	34.2	28.5	28.9	29.5
PAT Margin	22.6	14.4	14.7	15.8
Debtor days	87	87	87	87
Creditor days	17	17	17	17
Return Ratios (%)				
RoE	25.8	23.4	23.4	23.2
RoCE	26.6	14.0	18.1	20.8
RoIC	31.4	15.5	19.0	21.6
Valuation Ratios (x)				
P/E	39.0	33.1	25.5	21.0
EV / EBITDA	25.8	19.7	15.0	12.7
Market Cap / Sales	8.8	4.8	3.8	3.3
Price to Book Value	10.0	7.8	6.0	4.9
Solvency Ratios				
Net Debt/Equity	0.0	1.4	0.9	0.6
Debt / EBITDA	0.6	3.7	2.3	1.7
Current Ratio	2.7	2.9	2.9	2.9
Quick Ratio	2.7	2.9	2.9	2.9

Source: Company, ICICI Direct Research

RATING RATIONALE

ICICI Direct endeavours to provide objective opinions and recommendations. ICICI Direct assigns ratings to its stocks according to their notional target price vs. current market price and then categorizes them as Buy, Hold, Reduce and Sell. The performance horizon is two years unless specified and the notional target price is defined as the analysts' valuation for a stock

Buy: >15%

Hold: -5% to 15%;

Reduce: -15% to -5%;

Sell: <-15%

Pankaj Pandey Head – Research pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,
ICICI Securities Limited,
Third Floor, Brillanto House,
Road No 13, MIDC,
Andheri (East)
Mumbai – 400 093
research@icicidirect.com

ANALYST CERTIFICATION

I/We, Bhupendra Tiwary, CFA, MBA (Finance), Anjini Sharma, CA, Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products.

ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. Registered Office Address: ICICI Venture House, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025. CIN: L67120MH1995PLC086241, Tel: (91 22) 6807 7100. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

Investments in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by Sebi and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum or risk-free return to the investors.

Name of the Compliance officer (Research Analyst): Mr. Atul Agrawal

Contact number: 022-40701000 E-mail Address: complianceofficer@icicisecurities.com

For any queries or grievances: Mr. Jeetu Jawrani Email address: headservicequality@icicidirect.com Contact Number: 18601231122

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Retail Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Institutional Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or actual/beneficial ownership of one percent or more or other material conflict of interest various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

ICICI Securities Limited has not used any Artificial Intelligence tools for preparation of this Research Report

SEBI Guidelines for Research Analyst (RA) requires all RAs to disclose terms and conditions pertaining to Research Services to all clients. Please go through the "Mandatory terms and conditions" and "Most Important Terms and Conditions".