

Ziqitza to bring up \$40 million for its expansion

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Ziqitza Healthcare Ltd.(JHL), India's second-largest emergency medical services provider, is planning to raise around \$40 million from private equity investors. The company is in talks with investors from India and abroad, to close the deal by April 2019.

Ziqitza runs 108 emergency ambulances and 102 ambulances especially for pregnant women. It also runs mobile medical units (MMU) in seven states under PPP (public private partnership) model. In the last decade, ZHL has been instrumental in making the emergency aid available round the clock.

Through dial 1298, Ziqitza operates pay-for-use private ambulance service, providing outsourced ambulance fleets to hospitals and corporates. Currently, the company functions across 16 states in India. It recently launched a private ambulance service in UAE as well.

Since its inception, Ziqitza has raised two rounds of funding. The company raised Rs 7 crore from the US-based Acumen Fund in 2007, before raising further \$3 million in 2010 from Acumen, IDFC and True North.

At present, Ziqitza healthcare Ltd is planning to use the proposed fund for setting up 108, 102 and MMU operations in more states, enhance pay-for-use and ambulance outsourcing services and expand operations in the Gulf.

Operating around 3,200 ambulances, Ziqitza employs about 9100 people. It owns more than one-third of the ambulances. The rest were given by the government or taken on lease from third parties. Using its platform on lines of cab hailing services Ola and Uber, the company allows private owners to operate their ambulances.

Talking about the growth of the company, Manish Sacheti, Chief Financial Officer of Ziqitza said, "We are growing at 30-40% per year. There will be lot of working capital requirement to fund the growth."

Sacheti expects Ziqitza to end FY19 with Rs 450 crore revenues. The company is targeting Rs 700 crore for FY20.

The growth of the company will be primarily driven by winning new PPP contracts from the state governments. Many of them including UP, Karnataka, West Bengal, and Jammu & Kashmir will be coming up with tenders to select vendors for operating emergency medical services in their respective states.

Today, the company caters to more than 10,000 emergencies and serves around 2400 pregnant women on daily basis. Having served more than 70 lakh people in the last two years, India's leading emergency service provider is setting new benchmarks in the healthcare industry.