

HCG in talks with PE giants to raise \$100m

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Bangalore/Mumbai: Healthcare Global Enterprises (HCG), a leading cancer care network and a recent business case study at Harvard, has held talks with private equity bigwigs Temasek Holdings, Kohlberg Kravis Roberts & Co and others to raise \$100 million, or roughly Rs 530 crore, said people briefed on the matter.

A part of the funds raised will be deployed to buy out some existing financial investors, which include Milestone Religare, PremjiInvest and Evolve India Fund. A possible transaction could value the hospital chain close to Rs 1,000 crore with the original promoter and HCG chairman Dr B S Ajaikumar keeping his 28% stake intact.

Discussions with Singapore's sovereign wealth manager Temasek have progressed, while talks with KKR have not moved ahead, said one of the sources mentioned earlier. "There could be multiple en-

tries and multiple exits of new and old investors. We are in advanced talks with a few investors and therefore we can not speak much about it right now," Dr Ajaikumar told TOI. He said a deal could be struck within the next 45 days but declined to comment further.

HCG has more than 23 cancer centers across India and in Africa providing cancer care treatment, imaging, laboratory services, clinical trials and research services.

HEALTH PLAY

Harvard Business School selected its model of making cancer care affordable as a case study recently.

HCG relied heavily on private equity funding, beginning with a Rs 50-crore IDFC investment six years ago, to expand cancer diagnosis and treatment under the Curie brand. The business plan involved getting hospitals to outsource oncology care to HCG within their premises as well as setting up standalone centres in smaller cities and towns.