

## Suraksha Diagnostic may consider an IPO

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**S**uraksha Diagnostic Pvt. Ltd has hired investment bank JM Financial to advise on a possible fundraise that will also mark the exit of private equity firm OrbiMed, two people familiar with the matter said.

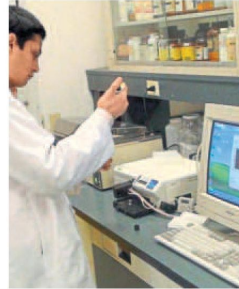
The Kolkata-based diagnostics chain is considering raising fresh capital either through an initial public offering (IPO) or a private equity round, the people cited above said on the condition of anonymity. They declined to give a time frame for the potential fundraise.

OrbiMed, which had invested in Suraksha Diagnostic in 2016 through its OrbiMed Asia Partner II fund, plans to make an exit during the new funding round, they said, without elaborating.

Suraksha, JM Financial and OrbiMed did not respond to emailed queries.

Suraksha was founded in 1992 as Suraksha Diagnostic & Eye Centre Pvt. Ltd. In 2016, OrbiMed had invested about \$25 million in the company in a deal comprising a mix of primary capital infusion and secondary share purchases. Bulk of the fresh capital was used to give exit to its previous investor Lighthouse, Somnath Chatterjee, director at Suraksha, said at the time.

Suraksha's plans follow major mergers and acquisitions



Suraksha is also considering a private equity round.

(M&As) and IPOs in the diagnostic industry last year.

While listed diagnostic company Thyrocare was sold to new-age firm PharmEasy, other major listed diagnostics firms made big ticket acquisitions. Metropolis Healthcare acquired Dr Ganesan's Hitech for ₹636 crore in its biggest-ever M&A deal. Dr Lal Path-Labs, the first diagnostics firm to be listed on the bourses in 2015, acquired Sequoia Capital-backed Suburban Diagnostics in its first major M&A deal. The diagnostics space also saw regional players—Vijaya Diagnostic and Krsnaa Diagnostics—list on the exchanges last year.

Drugmaker Lupin began its own diagnostics business last year. *VCCircle* reported last month that TA Associates-backed infertility treatment provider Indira IVF Hospital Pvt. Ltd is set to diversify into pathology business.

Industry experts expect the diagnostics sector to see more private equity deals, M&As and IPOs in the coming years.