

## Temasek acquires Rs 1000 cr stake in Manipal hospitals

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**Temasek joins another global investor TPG Capital, which owns 22 per cent, as a significant minority shareholder in the Ranjan Pai-controlled Manipal Hospitals.**



Singapore's Temasek Holding has agreed to acquire a Rs 1,000-crore stake in Manipal Hospitals in a deal that possibly turns the Bengaluru-based private healthcare network into an industry consolidator. Temasek's investment committee last week approved a transaction to buy existing private equity investor True North's 16 per cent stake in Manipal Health Systems, which runs a hospital chain of around 5,000 beds. The move values Manipal at \$1 billion, or Rs 6,500 crore.

True North, a leading Indian private equity firm managing assets worth over \$2 billion, is exiting Manipal with a threefold gain on its five-year-old investment. Temasek joins another global investor TPG Capital, which owns 22 per cent, as a significant minority shareholder in the Ranjan Pai-controlled Manipal Hospitals.

With TPG and Temasek jointly owning about 40 per cent, Manipal could become an engine for consolidation in the hospitals business. TPG has been chasing acquisitions, notably that of Fortis Healthcare, though the deal-making has run into court rulings and diligence concerns. Temasek owns shares in other healthcare networks, including Naresh Trehan's Medanta.

India's healthcare industry is projected to grow at a compounded annual growth rate of 13 per cent, hitting Rs 6.85 lakh crore by 2020, on the back of improving healthcare affordability, changing disease patterns, greater health awareness and rising insurance coverage.