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HCG acquires oncology labs, divests stake in Strand Lifesciences to Reliance

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To focus on integrated and specialised diagnostics scale-up



Bengaluru-based HealthCare Global Enterprises (HCG) has announced the acquisition of oncology hospital labs and clinical trials business from Strand Lifesciences as well as simultaneous divestment of its ~38.5 per cent stake (on a paid-up capital basis and 34.5 per cent on a fully diluted basis) in Strand to Reliance Industries group company.

HCG received consideration of ~Rs 157 crore for the sale of its ownership in Strand and acquired labs and clinical research business through a Business Transfer Agreement (BTA) from Strand for consideration of ~Rs 81 crore with a set-off of ~Rs 7 crore towards receivables. The transactions resulted in a net cash inflow of ~Rs 83 crore for HCG in addition to the take-over of the labs and clinical research business.

Dr BS Ajaikumar, Executive Chairman, HCG, said, “We will continue to work with Strand to utilise their strengths in bioinformatics and data analytics as we generate valuable cancer patients’ data and implement EMR / digitization across the network to emerge as the leading precision medicine company focused on oncology in India. HCG also gets the ability to pursue clinical trials business in-house which given the diversity and scale of HCG Cancer operations would be an attractive proposition to build upon."