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# From Local to Global: The rise of Indian players in Global Cardiovascular Device Market

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**o3capital**

*Your Partners, Your Advisors*

**Healthcare Newsletter**

*May 2025*



Hello Readers,

Welcome to the latest edition of the o3 Capital Healthcare Newsletter.

The **global cardiovascular device (CVD) market** is currently valued at over USD 25 Bn and is projected to reach approximately USD 41 Bn by 2030, growing at a CAGR of ~9%. This growth is largely driven by the rising **prevalence of cardiovascular diseases** and the **steady increase in the global geriatric population**.

To meet this growing demand, homegrown players like Meril, SMT, Translumina, and Relisys are scaling exports driven by focused R&D investments and cost-competitive products aligned with global standards. The playbook is evolving beyond DES and balloons, Indian firms are now entering advanced categories like TAVI, stent grafts, and occluders, unlocking the next wave of value-led growth.

As healthcare providers seek **cost optimization** without compromising quality, **are Indian companies ready to lead the next phase of growth?** In this newsletter, we will delve into our perspective on how Indian players are shaping up to meet this global opportunity.

**Deal of the quarter:** In February, KKR announced the acquisition of up to 54%+ stake in the largest oncology-focused hospital chain **HCG**, valuing the company at ~INR 6,300 cr.

In this edition, we also cover key M&A and private equity deals from Q1 CY25, along with a comprehensive market overview to provide you with deeper insights into the industry.

Hope you enjoy reading the Newsletter.



**Cover story: From Local to Global - The rise of Indian players in global CVD market**



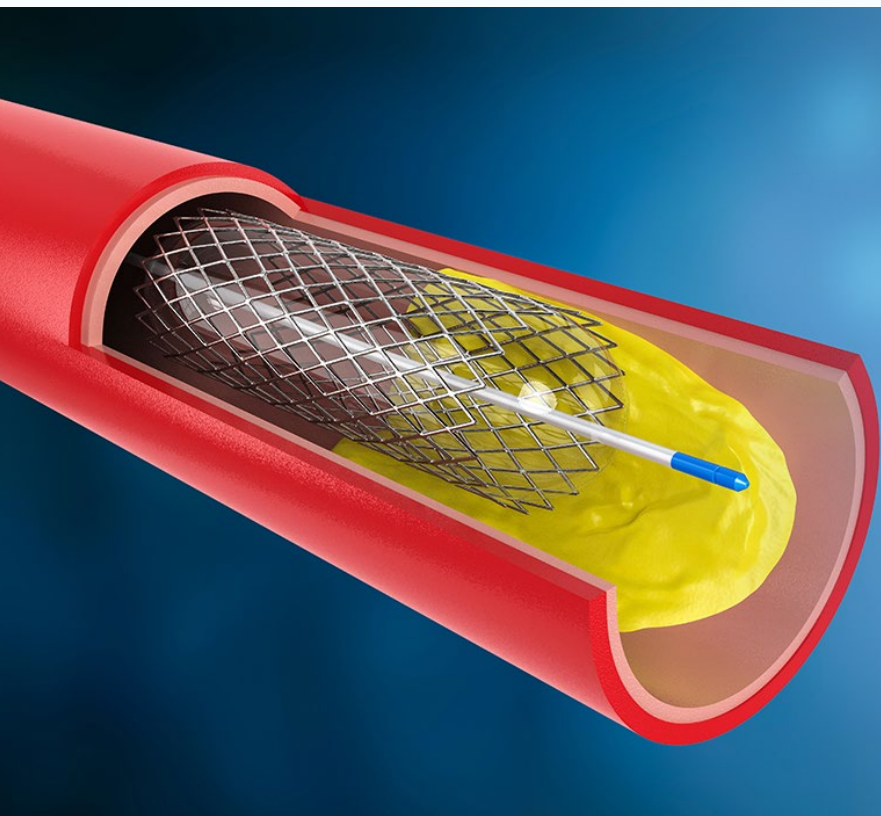
**Key healthcare transactions**



**Listed market landscape**



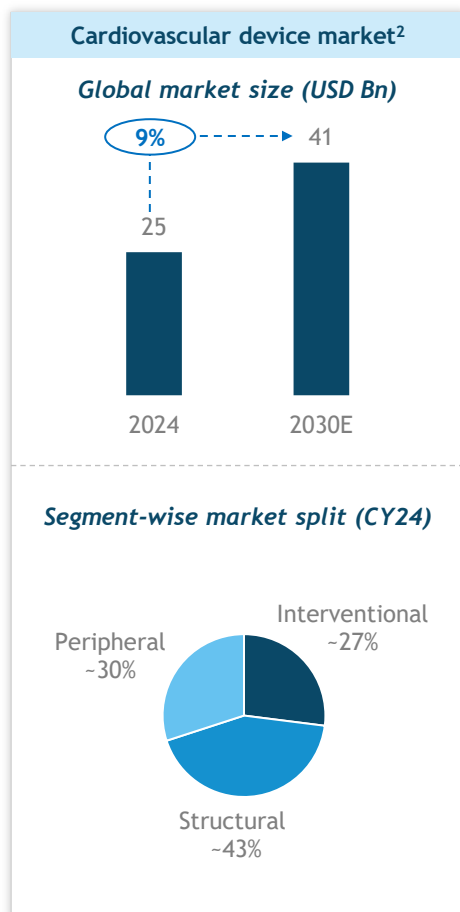
**o3 Capital overview**



**Cover story:  
From Local to Global-  
The rise of Indian players  
in global CVD market**

# Global market: Large TAM, USD 25 Bn+ market, growing at 9% CAGR...

*Growth in underlying factors like increasing geriatric & diabetic population leading to increase in CVD<sup>1</sup> burden*



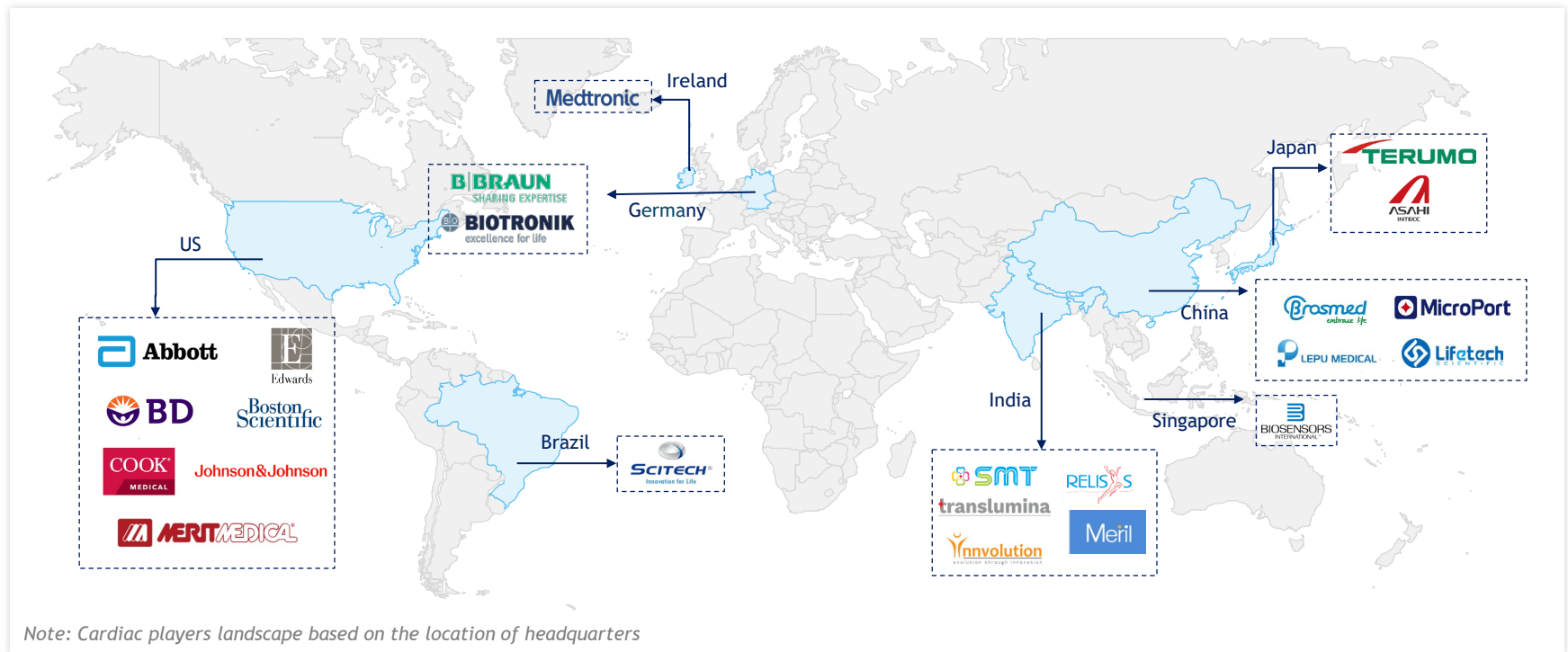
CVD <sup>1</sup> market split by product categories (USD Bn)				
Interventional	~4.0		~0.7	
	Coronary DES <sup>3</sup>		PTCA <sup>4</sup> balloon	
			~0.2	
			Coronary DCB <sup>5</sup>	
Structural			~1.5	
			Others	
	~7.0		~1.0	
	TAVI <sup>6</sup>		TTVI <sup>7</sup>	
Peripheral			~3.0	
			Others	
	~2.5		~1.0	
	Stent grafts		Peripheral DCB <sup>5</sup>	
Peripheral			~3.6	
			Others	

Continuous rise in CVD <sup>1</sup> prevalence			
640 Mn	# CVD <sup>1</sup> patients globally	60 Mn	# new CVD <sup>1</sup> patients p.a.
		32%	% share of global deaths
Growth drivers			
22%	% of global population > 60 years by 2050 (vs 12% in 2015)	853	Diabetic population (in Mn) around the world by 2050 (vs 589 Mn in 2024)

Source: Industry research, o3 capital analysis

Note: 1. Cardiovascular disease, 2. Includes devices for heart related vascular interventions excluding ECG, MRI, cathlabs, pacemaker, defibrillator etc., 3. Drug Eluting Stent, 4. Percutaneous Transluminal Coronary Angioplasty, 5. Drug Coated Balloon, 6. Transcatheter Aortic Valve Implantation, 7. Transcatheter Tricuspid Valve Implantation

...so far dominated by Western players, with the emergence of Asian players driving the next phase of growth...



### Story so far

- With their technology access, Western players are leading *product innovation* for cardiovascular devices
- Asian players are now rising with *quality products, clinical data and favorable cost structures*

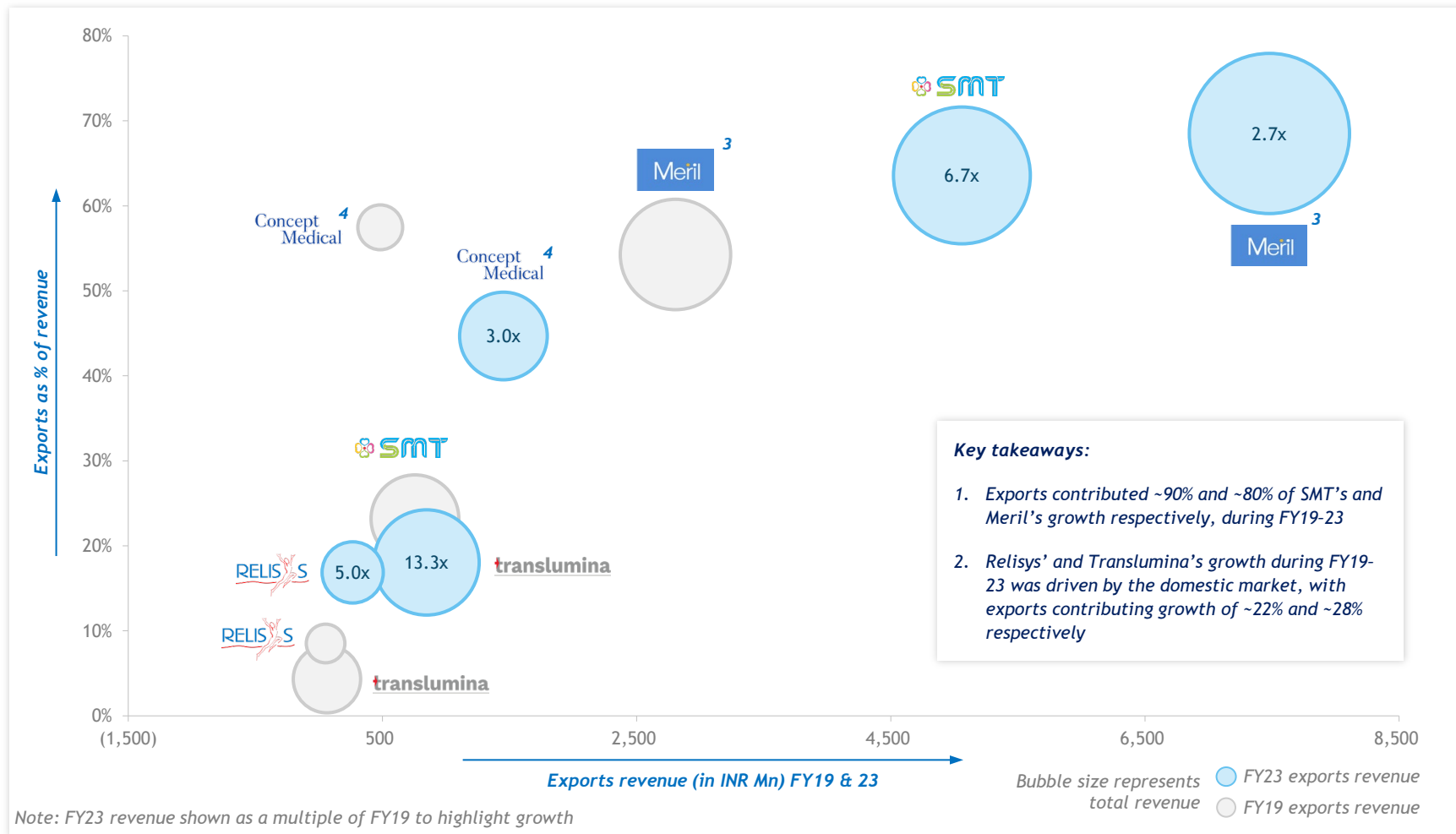
### Road ahead

- MNCs are diverting their focus to *high value products*, leaving ample room for Asian players to expand their presence
- The CDMO space presents a strong growth opportunity, where *contract design manufacturing* is a good avenue to work with MNCs

Source: Industry research; o3 capital analysis

...led by Indian companies making strong inroads into export markets...

Indian companies<sup>1</sup> increasing their global footprint by building strong distribution networks and improved KoL<sup>2</sup> engagement<sup>4</sup>

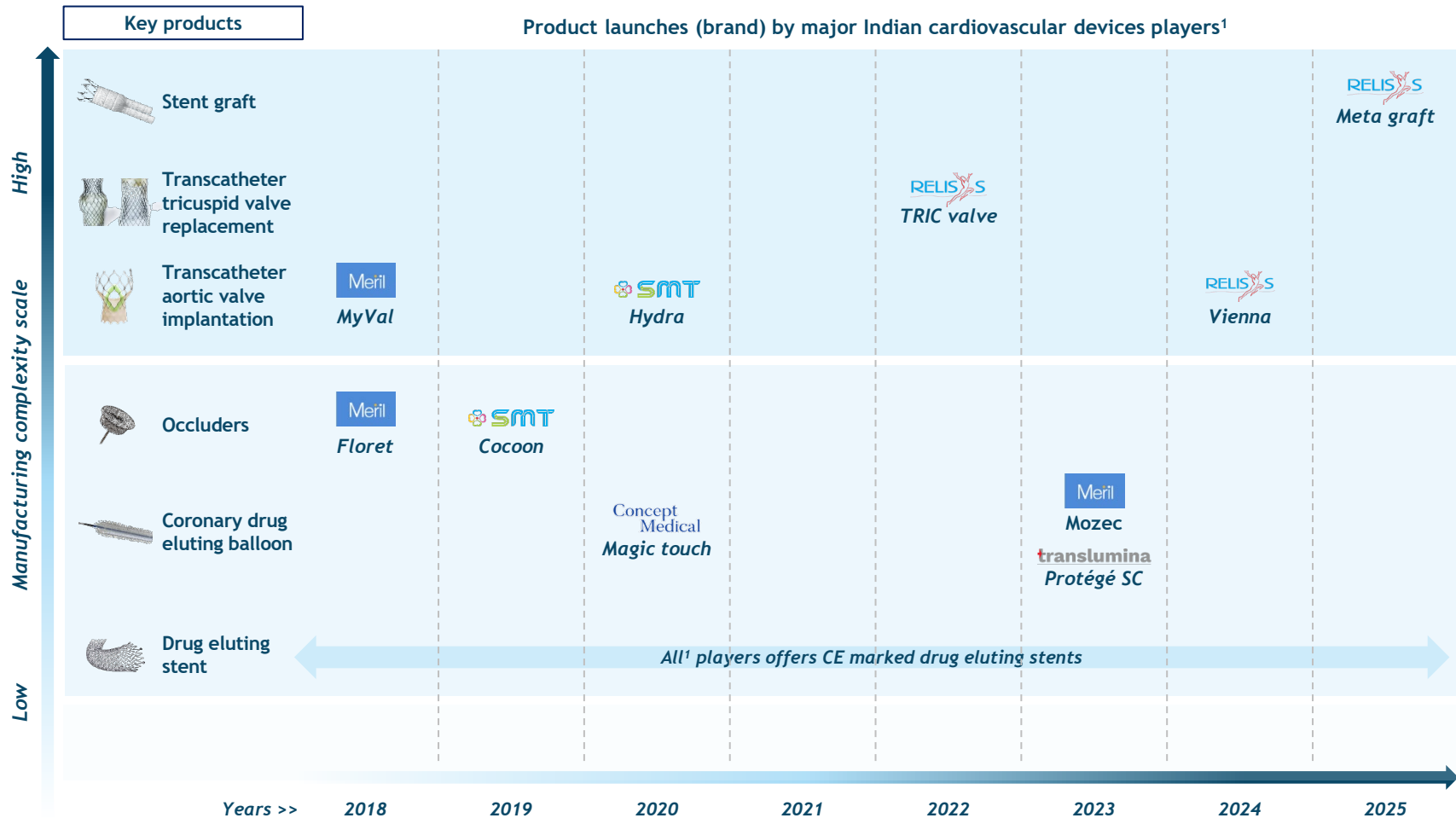


Source: Company filings, o3 capital analysis

Note: 1. Considered Meril, SMT, Translumina, Relisys & Concept Medical, 2. Key Opinion Leader, 3. Cardiac portfolio of Meril, 4. Indian entities of Concept Medical

# ...and moving up the value curve by offering advanced products...

*Indian companies<sup>1</sup> are unlocking a new phase of growth by launching advanced products at competitive prices*



Source: o3 capital analysis; Note: 1. Considered Meril, SMT, Translumina, Relisys & Concept Medical (Indian entities)



## ...backed by strong industry trends favoring Indian players

Key trends for Indian players	Description
Favourable government regulations	<ul style="list-style-type: none"><li>▪ Introduction of <b>export promotion council</b> to boost Indian medical devices exports</li><li>▪ <b>INR 5,000 cr research linked incentive scheme</b> launched to support innovation in medical devices and pharma sector</li><li>▪ Setting up of <b>4 medical devices parks</b> across the country along with hubs to ease raw material sourcing &amp; supply chain to streamline medical device manufacturing processes</li></ul>
Proven success in regulated markets	<ul style="list-style-type: none"><li>▪ Indian players have secured global regulatory approvals such as <b>CE, ANVISA, TGA, etc.</b> and are in the process of getting <b>MDR certification</b></li><li>▪ Increased investments in conducting global trials and clinical evidence to build trust amongst KoLs<sup>1</sup>. E.g. Publication of <b>TALENT trial</b> and <b>LANDMARK trial</b> in the <b>Lancet journal</b></li></ul>
Cost competitiveness	<ul style="list-style-type: none"><li>▪ Indian players are offering <b>comparable quality products</b> at penetrative prices due to a significant <b>labour cost advantage</b>. E.g. Meril prices its TAVI <b>30-40% lower</b> than MNC offerings</li><li>▪ Increased investments in building manufacturing capabilities. E.g. SMT invested <b>INR 150+ cr</b> to build Asia's largest stent manufacturing facility in Hyderabad and Translumina shifted its <b>manufacturing base to India</b></li></ul>

Note: 1. Key Opinion Leader





# Recent healthcare transactions

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# KKR acquires majority stake in HCG for USD ~400 Mn

## KKR

A major global private equity firm deploying around \$11 billion in India over ~2 decades

Acquires

## HCG

adding life to years

A unique oncology platform redefining comprehensive cancer care treatment and protocols in India

### Transaction highlights

~400

Deal value  
(USD Mn)

54%

Stake acquired  
(%)

~850

Enterprise value  
(USD Mn)

### Target business overview

- Founded in 1989, HCG is the **largest oncology-focused hospital chain** with a pan-India network of **26** medical centers in **19** cities
- HCG has positioned itself as the **‘Destination for Cancer Care’** with superior clinical and non-clinical expertise
- Successful playbook of **smart acquisitions** and driving **sustained growth** post integration

### Deal rationale

- The deal entails KKR acquiring a **51% stake from CVC**, along with an open offer to purchase up to an **additional 26%** from public shareholders
- If the tendered shares fall short of raising KKR’s stake to 54%, KKR will acquire additional shares to reach the **54% threshold**
- This acquisition marks KKR’s foray into establishing its **single-specialty healthcare platform** in India

### Key highlights and metrics

2500+

# Bed capacity

400+

# Oncologists

22 CCs<sup>1</sup>

Units

1,921

FY24 Net Sales  
(INR crs)

41,802

ARPOB (INR)

18%

FY24 EBITDA  
margin

*“Our investment in HCG will support the development of medical infrastructure and the delivery of critical oncology services and care to more patients in the country.”*

**Akshay Tanna, Partner and Head of India Private Equity, KKR**

Source: Company filings; Note: 1. Comprehensive cancer care centers

# Key healthcare M&A transactions in Q1 CY25

	Target	Acquirer/ Investor	Description	Deal value (USD Mn)
Diagnostics	 SCIENTIFIC PATHOLOGY <small>An ISO CERTIFIED &amp; NABL ACCREDITED LAB</small>	 METROPOLIS <small>The Pathology Solution</small>	Scientific pathology is a diagnostics brand in Agra with 3 labs and 11 collection centres. This deal helps strengthen Metropolis' presence in Western UP while accelerating its B2C expansion	8
	 CARE <small>DIAGNOSTIC CENTRE</small>	 Apollo Health and Lifestyle Ltd.	Care diagnostics operates a main diagnostic center in Lucknow along with multiple collection centers. This deal helps is expected to enhance Care's operational capabilities and accelerate its expansion across Uttar Pradesh	NA
Med products	 BOMBAY ORTHO INDUSTRIES	 ALKEM	Bombay Ortho is a manufacturer and supplier of the orthopedic implants such as hip and knee implants. This deal expands Alkem's foray into the growing orthopedic space by helping it to gain manufacturing capabilities	17
Multi specialty hospitals	 Shrimann <small>SUPERSPECIALITY HOSPITAL Reliable &amp; Transparent</small>	 Fortis HOSPITALS	Shrimann hospital based in Jalandhar with a capacity of 228 beds. The acquisition is in line with Fortis's cluster-focused inorganic growth strategy and further bolsters their network in Punjab	49
Others	 Modern family doctor	 BRIDGE <sup>®</sup> HEALTH	Modern family doctor is an affordable healthcare provider specializing in comprehensive outpatient services. This acquisition expands Bridge Health's footprint to over 50 clinics and corporate health centers across India	NA



Source: VCCEdge and Private Circle

# Key healthcare PE transactions in Q1 CY25 (1/2)

	Target	Acquirer/ Investor	Description	Deal value (USD Mn)
Single-specialty		 ASIAN DEVELOPMENT BANK	➤ Ankura hospital is an integrated maternity & pediatrics platform in India which specializes in women's & children's care. They operates in Andhra Pradesh and Telangana, with a total capacity of over 1,200+ beds	19
			➤ DCDC health services is an operator of dialysis chains in India. This deal will help in expanding dialysis services across India to improve access to essential kidney care for underserved communities	17
			➤ Cellcure cancer centre specializes in the oncology and hematology healthcare services. This deal will help in expanding operations in Delhi NCR, conducting large-scale clinical trials and explore new therapies	18
Med products		 INDIA SME INVESTMENTS	➤ Integrus health manufacture and distributes cardiac stents and cardiovascular medical devices ("Translumina Therapeutics"). The funding will drive the company's organic & inorganic expansion into diverse therapeutic areas	52
Diagnostics		 Kotak Alternate Asset Managers	➤ Neuberg diagnostics, headquartered in Chennai, is one of India's leading diagnostic service providers, with its presence in India, UAE, South Africa and USA. This deal will help in organic and inorganic expansion	110

Source: VCCEdge and Private Circle

## Key healthcare PE transactions in Q1 CY25 (2/2)

	Target	Acquirer/ Investor	Description	Deal value (USD Mn)
Healthcare supply chain		Accel	Truemeds, an e-pharmacy and telehealth platform focused on providing affordable substitute medicines. The deal proceeds will be used for advancing business and facilitating the planned growth	43
Others		InvAscent	Geri care health services focuses on geriatric care, offering a range of services from home care to assisted living and multi-speciality hospital care. The funds will be used to expand its services across key cities in South India	13

Source: VCCEdge and Private Circle

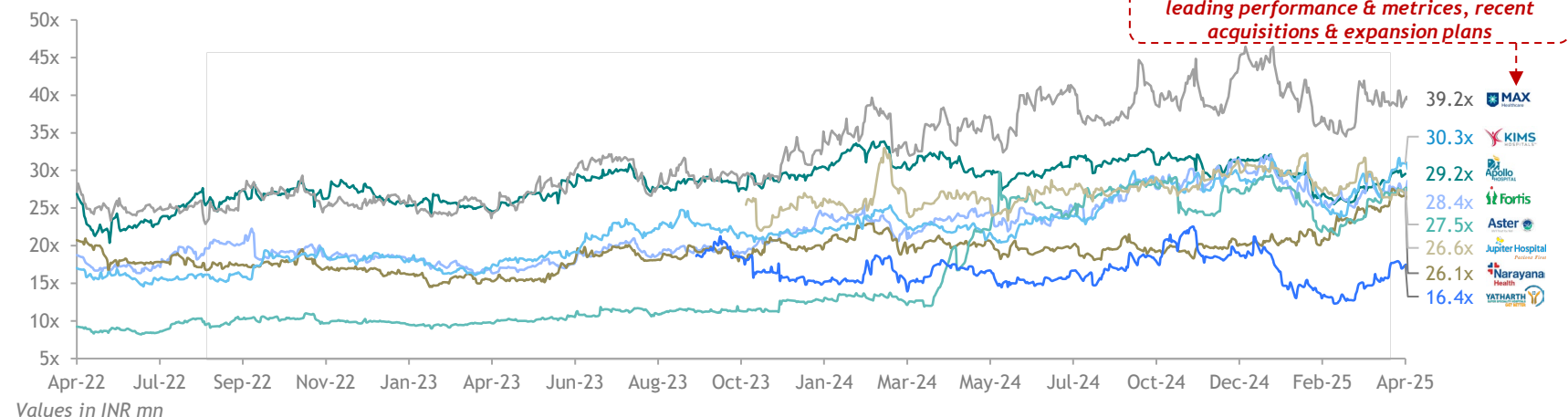


# Listed market landscape

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# Listed market multiples (1/4) - Multi specialty hospitals

## EV / NTM EBITDA



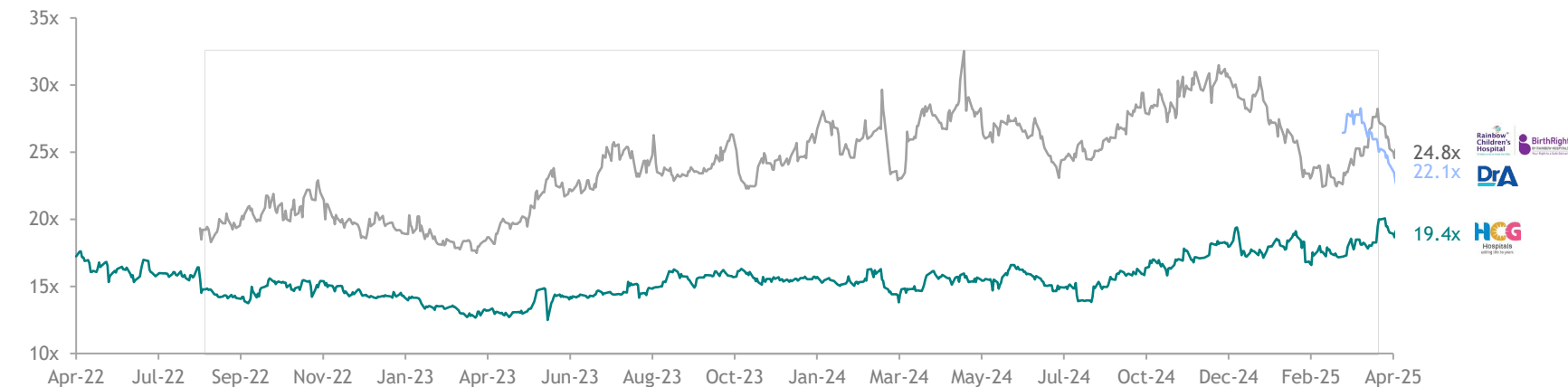
Company	Market cap	EV	LTM			NTM			EV/LTM		EV/NTM	
			Sales	EBITDA <sup>1</sup>	EBITDA <sup>1</sup> (%)	Sales	EBITDA <sup>1</sup>	EBITDA <sup>1</sup> (%)	Sales	EBITDA <sup>1</sup>	Sales	EBITDA <sup>1</sup>
MAX	1,060,121	1,064,940	65,416	16,305	25%	101,676	27,163	27%	16.3x	65.3x	10.5x	39.2x
Apollo	999,950	1,048,712	211,457	26,963	13%	247,419	35,928	15%	5.0x	38.9x	4.2x	29.2x
Fortis	512,315	526,994	75,614	14,270	19%	84,327	18,585	22%	7.0x	36.9x	6.2x	28.4x
Narayana	357,415	362,607	53,836	11,683	22%	60,917	13,878	23%	6.7x	31.0x	6.0x	26.1x
KIMS	263,672	283,401	28,719	7,181	25%	37,200	9,364	25%	9.9x	39.5x	7.6x	30.3x
Aster	253,790	259,071	41,117	6,798	17%	48,483	9,421	19%	6.3x	38.1x	5.3x	27.5x
Jupiter Hospital	95,621	92,329	12,208	2,730	22%	14,594	3,473	24%	7.6x	33.8x	6.3x	26.6x
YATHARTH	45,407	43,866	8,267	1,901	23%	10,760	2,677	25%	5.3x	23.1x	4.1x	16.4x
				Mean	21%	75,672	15,061	22%	8.0x	38.3x	6.3x	28.0x
				Median	22%	54,700	11,650	23%	6.9x	37.5x	6.1x	27.9x

Source: CapIQ data as on 4<sup>th</sup> May, 2025; Note: 1. IndAS EBITDA



# Listed market multiples (2/4) - Single specialty hospitals

## EV / NTM EBITDA

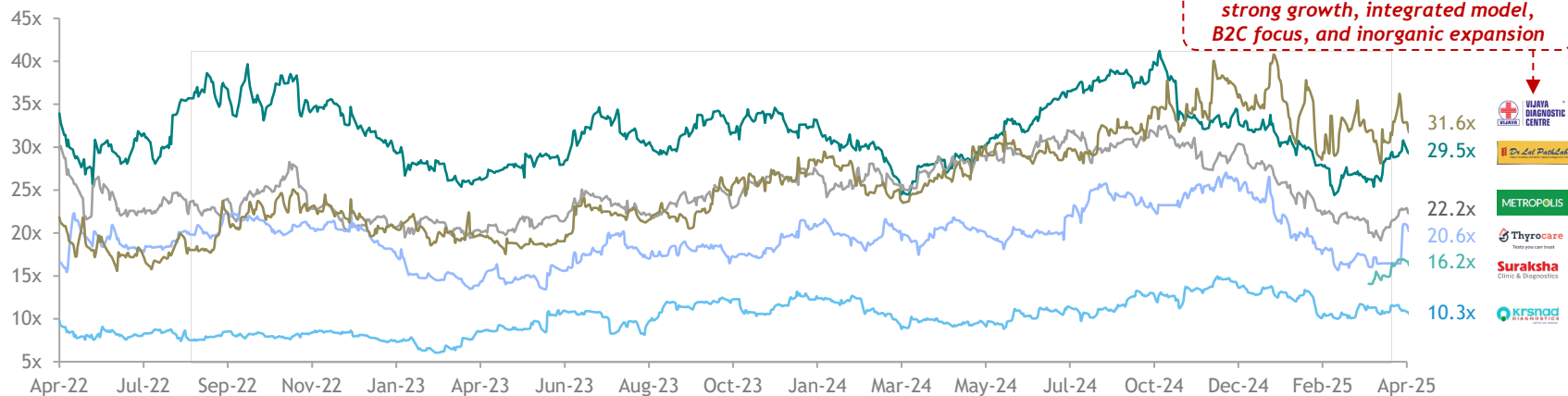


Company	Market cap	EV	LTM			NTM			EV/LTM		EV/NTM	
			Sales	EBITDA <sup>1</sup>	EBITDA <sup>1</sup> (%)	Sales	EBITDA <sup>1</sup>	EBITDA <sup>1</sup> (%)	Sales	EBITDA <sup>1</sup>	Sales	EBITDA <sup>1</sup>
	138,131	141,287	14,869	4,278	29%	17,513	5,692	32%	9.5x	33.0x	8.1x	24.8x
	111,752	117,724	15,997	3,564	22%	19,842	5,324	27%	7.4x	33.0x	5.9x	22.1x
	79,923	93,039	21,280	2,937	14%	25,928	4,789	18%	4.4x	31.7x	3.6x	19.4x
	20,146	23,048	3,780	909	24%	NA	NA	NA	6.1x	25.4x	NA	NA
				Mean	22%	21,094	5,268	26%	6.8x	30.8x	5.9x	22.1x
				Median	23%	19,842	5,324	27%	6.7x	32.4x	5.9x	22.1x

Source: CapIQ data as on 4<sup>th</sup> May, 2025; Note: 1. IndAS EBITDA

# Listed market multiples (3/4) - Diagnostics

## EV / NTM EBITDA



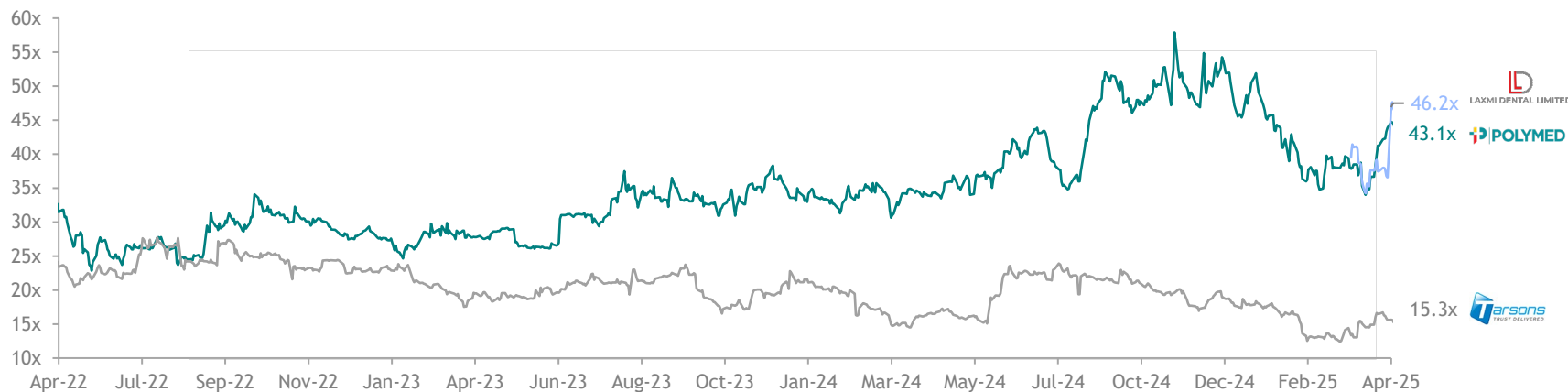
Values in INR mn

Company	Market cap	EV	LTM			NTM			EV/LTM		EV/NTM	
			Sales	EBITDA <sup>1</sup>	EBITDA <sup>1</sup> (%)	Sales	EBITDA <sup>1</sup>	EBITDA <sup>1</sup> (%)	Sales	EBITDA <sup>1</sup>	Sales	EBITDA <sup>1</sup>
Dr Lal PathLabs	232,782	223,040	24,614	6,955	28%	27,434	7,560	28%	9.1x	32.1x	8.1x	29.5x
Vijaya Diagnostic Centre	102,318	103,151	6,634	2,220	33%	7,957	3,267	41%	15.5x	46.5x	13.0x	31.6x
Metropolis	87,794	87,878	13,169	2,367	18%	15,994	3,963	25%	6.7x	37.1x	5.5x	22.2x
Thyrocare	47,448	45,779	6,874	1,904	28%	7,975	2,222	28%	6.7x	24.0x	5.7x	20.6x
Krsnad	22,990	24,525	6,974	1,737	25%	9,205	2,386	26%	3.5x	14.1x	2.7x	10.3x
Suraksha	15,551	15,833	2,422	927	38%	2,846	979	34%	6.5x	17.1x	5.6x	16.2x
				Mean	28%	11,902	3,396	30%	8.0x	28.5x	6.8x	21.7x
				Median	28%	8,590	2,826	28%	6.7x	28.1x	5.7x	21.4x

Source: CapIQ data as on 4<sup>th</sup> May, 2025; Note: 1. IndAS EBITDA

# Listed market multiples (4/4) - Med products

## EV / NTM EBITDA



Company	Market cap	EV	LTM			NTM			EV/LTM		EV/NTM	
			Sales	EBITDA <sup>1</sup>	EBITDA <sup>1</sup> (%)	Sales	EBITDA <sup>1</sup>	EBITDA <sup>1</sup> (%)	Sales	EBITDA <sup>1</sup>	Sales	EBITDA <sup>1</sup>
POLYMED	252,889	241,982	16,071	4,204	26%	19,769	5,617	28%	15.1x	57.6x	12.2x	43.1x
LAXMI DENTAL LIMITED	27,636	28,211	2,328	400	17%	2,864	611	21%	12.1x	70.6x	9.9x	46.2x
TARSONS	19,239	22,046	3,854	966	25%	4,437	1,445	33%	5.7x	22.8x	5.0x	15.3x
				Mean	23%	9,023	2,558	27%	11.0x	50.3x	9.0x	34.8x
				Median	25%	4,437	1,445	28%	12.1x	57.6x	9.9x	43.1x

Source: CapIQ data as on 4<sup>th</sup> May, 2025; Note: 1. IndAS EBITDA



# o3 Capital overview

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# o3 Capital overview



Transactions closed



Total value of transactions (USD Bn)




Transactions closed in last 12 months

## Recent healthcare transactions

  
Investment by  




  
Investment by  


  
Investment by  
Morgan Stanley

  
Investment by  


  
Investment by  
CHRYSCAPITAL

  
Investment by  
CX partners

  
Investment in  


  
Investment by  


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