

Cloudnine files for IPO, to raise around Rs 1,200 Cr

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Bengaluru based super specialty mother and baby care chain, operating under the Cloudnine brand, offering end-to-end coverage of all stages of the parenthood journey has filed its draft red herring prospectus (DRHP) for its initial public offering (IPO).

The issue with a face value of Rs 5 per equity share consists of a fresh issue of equity shares worth up to Rs 300 crore and an offer-for-sale (OFS) of up to 13,293,514 equity shares by existing shareholders.

As per market sources, the company looks to raise around Rs. 1,200 crore.

Dr. Kishore Kumar Rajagopal, Scrips 'N' Scrolls India Private Limited, True North Fund V LLP, Indium V (Mauritius) Holdings Limited, and Sequoia Capital Investment are among the key shareholders selling in the IPO. The offer also includes a reservation for a subscription for eligible employees.

The proceeds from its fresh issuance worth Rs. 95 crores for the repayment or prepayment of borrowings, in full or part of all or certain borrowings for the company, Rs 117.90 crore for setting up seven new Mother and Baby centres at various locations over the next few years, Rs 12.71 crore for acquisition of 49% stake in its subsidiary, Acquity Labs Private Limited besides general corporate purposes.

As at September 30, 2021, its had a team of 1,480 medical professionals, including 196 junior doctors and 1,284 nurses and held medical records of more than 7.6L customers. In FY21 it had assisted in 16,801 deliveries and 5,994 fertility services.

As per the Crisil Report stated in its DRHP, the total addressable market for private maternity healthcare in Fiscal 2020 was Rs 20,800 crore and projected to grow at CAGR of 11% to 12% from Fiscal 2021 to Fiscal 2026 to reach Rs 26,100 crore in Fiscal 2026.