

June 1, 2026

Kids Clinic India Ltd: Update on material event

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Outstanding
Long-term – Fund-based - Term Loan	35.00	35.00	[ICRA]A- (Stable)
Short-term – Fund-based – Overdraft	10.00	10.00	[ICRA]A2+
Total	45.00	45.00	

*Instrument details are provided in Annexure II

Rationale

Material Event

ICRA has taken note of the stock exchange filing dated May 20, 2026 made by Apollo Hospitals Enterprise Limited (AHEL), wherein Kids Clinic India Limited (KCIL) and Apollo Health and Lifestyle Limited (AHLL) (a wholly owned subsidiary of AHEL) have entered into a transaction, wherein AHLL will divest its stake in Apollo Specialty Hospitals Private Limited (ASHPL) and Apollo Fertility Centre Private Limited (AFCPL) to KCIL at an enterprise value of approximately Rs. 1,550 crore, encompassing a combination of cash consideration of Rs. 765 crore and an equity stake of approximately 9.9% in KCIL at a consideration of Rs. 785 crore. The transaction is subject to customary closing conditions and receipt of necessary regulatory approvals, including approval of the Competition Commission of India (CCI).

Impact of the Material Event

ICRA notes that the said transaction will result in transfer of ownership of maternity and fertility businesses of AHLL to KCIL, thereby expanding KCIL's network of maternity and fertility centres across the country. One of the existing investors is expected to infuse equity into KCIL to fund the cash consideration portion of the transaction. KCIL may prepay around Rs. 200-crore worth debt outstanding on the books of acquired business or may retain it on its books post the transaction. Even in case of a scenario wherein the debt of the acquired business is retained by KCIL on its books, ICRA expects TD/OPBITDA of KCIL to remain below 6.0 times. Consequently, no material adverse impact is envisaged from the aforementioned transaction on the credit profile of KCIL. That said, KCIL's ability to achieve the desired improvement in profitability of the centres being acquired over the medium term will remain a key monitorable. Going forward, ICRA will continue to closely monitor the progress of the aforementioned transaction, and take appropriate rating action as required.

Please refer the following link for the previous detailed rationale that captures the key rating drivers and their descriptions, liquidity position, rating sensitivities and key financial indicators: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Hospitals
Parent/Group support	NA
Consolidation/Standalone	For arriving at the ratings, ICRA has taken consolidated financial statement of Kids Clinic.

About the company

Kids Clinic India Ltd. operates the Cloudnine Group of hospitals, a leading chain of super-specialty hospitals providing all services for mother and baby care, including maternity, fertility, childcare, etc. At present, the company has maternity and fertility centres across India in locations including Bangalore, Delhi, Mumbai, Pune, Chennai, Gurgaon, Ludhiana, Chandigarh, etc. The hospital chain was founded by neonatologist, Dr. R Kishore Kumar with his team of co-founders—Mr. Rohit M A, Mr. M Ramachandra and Mrs. Vidya Kumar. The specialities of the hospital chain include maternity care, gynaecology, pediatrics, neonatology, fertility and stem cell banking. The entity's head office is in Bangalore.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Current rating (FY2027)			Chronology of rating history for the past 3 years					
	Type	Amount Rated (Rs.)	June 1, 2026	FY2026		FY2025		FY2024	
				Date	Rating	Date	Rating	Date	Rating
Fund based - Term Loan	Long term	35.00	[ICRA]A-(Stable)	July 07, 2025	[ICRA]A-(Stable)	Apr 26, 2024	[ICRA]A-(Stable)	-	-
Fund-based – Overdraft	Short term	10.00	[ICRA]A2+	July 07, 2025	[ICRA]A2+	Apr 26, 2024	[ICRA]A2+	-	-

Source: Company

Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10, 2026

ICRA-rated instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$))	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other activities offered by ICRA fall under regulatory purview of various FSR as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA

7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of FSR other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term fund-based – Term Loan	Simple
Short-term – Fund-based – Overdraft	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, are available on ICRA's website: [Click Here](#)

Annexure II: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. Crore)	Current Rating and Outlook
NA	Term Loan	FY2021	~8.00%	FY2032	35.00	[ICRA]A- (Stable)
NA	Overdraft	NA	NA	NA	10.00	[ICRA]A2+

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure III: List of entities considered for consolidated analysis

Company Name	Kids Clinic equity Ownership	Consolidation Approach
Acquity Labs Private Limited	100.0%	Full Consolidation
Birthplace Healthcare Private Limited	100.0%	Full Consolidation

Source: Company

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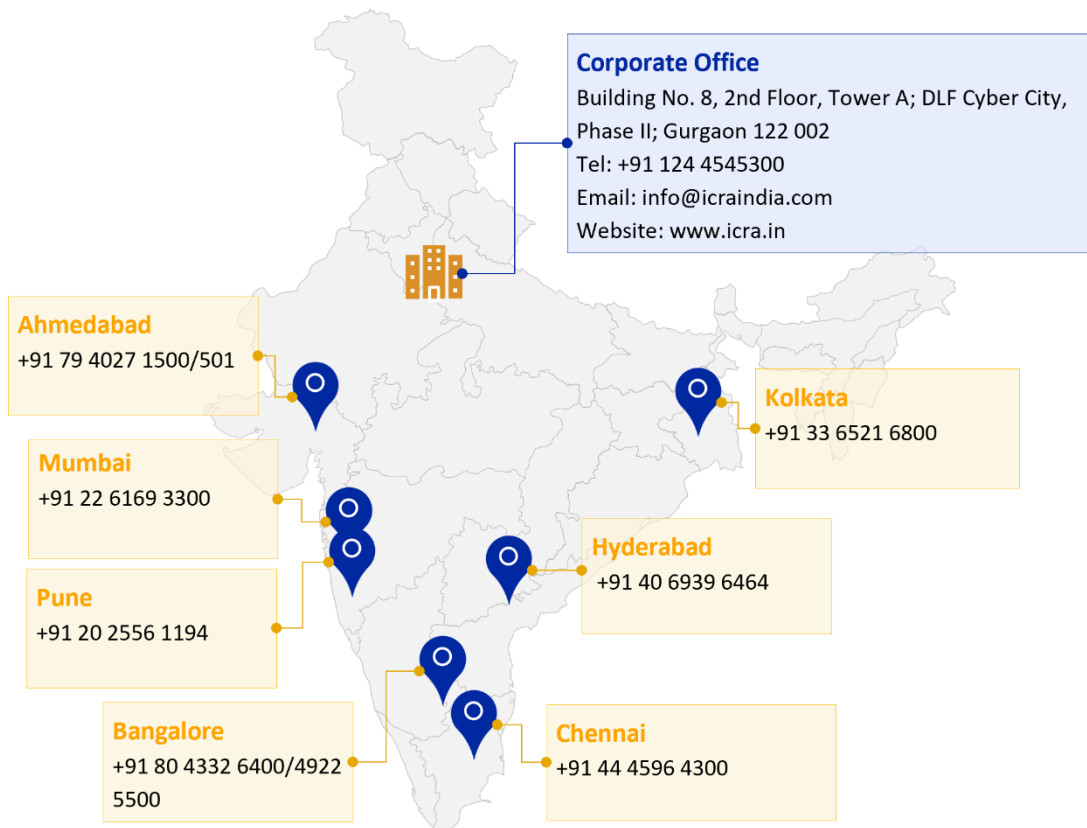
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