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## MANIPAL HOSPITALS ACQUIRES 84% STAKE IN EMAMI'S AMRI

1 India's second-largest hospital chain Manipal Hospitals has acquired a majority stake – 84 per cent – in Kolkata-based AMRI Hospitals, which is part of Emami Group, for an undisclosed amount in a bid to strengthen its presence in the country's eastern region. The region witnesses an influx of patients from a few neighbouring countries, too. The deal size, according to market sources, is estimated at around ₹2,300 crore. The agreement took months of negotiations and legal battles. 3 ▶



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# Emami's AMRI in care of Manipal Hospitals after 84% stake sale

Deal to boost Manipal's east India footprint estimated at ₹2,300 cr

SOHINI DAS

Mumbai, 20 September

India's second-largest hospital chain Manipal Hospitals has acquired a majority stake — 84 per cent — in Kolkata-based AMRI Hospitals, which is part of Emami Group, for an undisclosed amount in a bid to strengthen its presence in the country's eastern region. The region witnesses an influx of patients from a few neighbouring countries, too.

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Manipal Hospitals, which now has 9,500 beds with the addition of 1,200 beds from AMRI, is looking to expand to 12,000 beds in three years through organic and inorganic routes.

Manipal Group, which has a significant stake in Manipal Hospitals, said that the deal fits into its growth strategy to have a wider footprint and expanded presence across eastern India, and finally emerge as the largest hospital chain in that region. Emami Group, on the other hand, said it decided to divest its majority stake in AMRI Hospitals to focus on its core business, including FMCG.

Dr Ranjan Pai, chairman, Manipal Education and Medical Group (MEMG), said: "Manipal Hospitals always had patrons from eastern India and countries like Bangladesh. This acquisition is in sync with our objective to further strengthen our presence and serve the patients in eastern India — an underserved area when it comes to health care."

Dilip Jose, MD and CEO of Manipal Hospitals, told Business Standard that now that it would now have four hospitals in Kolkata and that the hospital chain would look



## DEAL'S BEDROCK

- Manipal Hospitals targets 12,000 beds in 3 yrs; looks to expand in West Bengal's hinterland

- It is adding 1,100 beds via greenfield expansion in Bengaluru and Raipur

- After AMRI deal, it has 9,500 beds across India

- Emami Group to focus on core business

to expand further to tier-2 cities and towns of West Bengal. "We are already setting up three hospitals with a cumulative of 750 beds in Bengaluru, and adding another 350 beds in Raipur," Jose said.

Claiming that AMRI Hospitals has been close to their heart, Emami Group directors Aditya Agarwal and Manish Goenka stated: "In an endeavour to focus on our core businesses, we have divested our majority stake in AMRI Hospitals, which is a significant step in Emami Group's stated objective. We will continue as an investor in AMRI Hospitals with a 15 per cent stake. The Government of West Bengal will also have around 1 stake in AMRI Hospitals."

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