

City healthcare consultancy eyes transition into investment bank

City-based advisory firm Camomile Healthcare Ventures has inked a first-of-its kind deal involving a government-run cancer hospital and the Mumbai-based Tata Trusts, the apex entity of the \$100 bn Tata Group.



Representative Image

Chennai:

Within two years, the healthcare consulting firm has sealed two major transactions in the domestic healthcare circuit, including the Tata project. It is now on the verge of signing a collaborative partnership with a \$2 trillion USbased investment firm.

Talking about the Tata deal, Raghava Rao, the founder of the firm, said the Tata Group wanted to increase accessibility of cancer care in India as they saw a significant number of patient arrivals from the north-east and West Bengal, to Chennai and Mumbai. “In CMC Vellore, 25 pc patients are from NE. Even top hospitals in Chennai house 30 pc patients from the NE,” he remarked. Tatas recognised this need and acted immediately on the request made by the Assam CM to the Department of Atomic Energy for the takeover arrangement of the 220-bed, Dr B Barooah Cancer Institute (BBCI). “Our role was to see how to enable the upgradation as we put the entire transformation plan in place after assessment. We are liasioning with Tata Memorial, entrusted with this job to help in the entire transaction and Tata Trust. A substantial portion of the

Rs 450 cr to be pumped in will be towards infrastructure, augmentation of manpower (250-300 new staff have to be trained), IT systems and general upkeep of the facility,” Rao said.

Rao also outlined his plans to turn his firm into a niche player within the healthcare ecosystem of the country. “We have been advisors in two of the top three healthcare transactions in India in recent times. We are entrenched in all aspects of healthcare – from architecture to planning, and technology,” he said, emphasising that artificial intelligence and big data are the focus areas of the company presently. Positioning Camomile as a comprehensive player providing end-to-end consultancy services, Rao said,

“We see ourselves emerging as a healthcare investment bank. That is a position that nobody else has taken. We manage hospitals comprising 8,000 beds, across south, west and north India, besides 800 off beds in (Africa). We have expertise in providing consulting services from concept to operations.” Rao also spearheads a 55-member team that monitors emerging trends in healthcare.

Speaking of trends, Rao turned his focus on spends on interiors, furnishing and ambience which are increasingly on a par with medical equipment, He said customers are driving the demand for such amenities. “The Fortis Gurugram facility, combined with a mall is one of the best as far as look, feel and technology are concerned. When you enter the hospital, it looks like a mall, equipped with a 12-screen multiplex,” he said, opining this could be the future. He explained the development this way, “As many as 35 new hospitals (on an average 100 beds) are coming up in AP - from Gachibowli to the Shamshabad Airport – a 40-km stretch.

Chains like Yasoda, Care and Continental are making a beeline for this region. A collaborative venture of Mayo, Apollo and GMR is on the anvil. We are likely to sign up two of them, including an international organisation and a southern player.” He added this could be the first such hospital corridor in the South. The consultancy is now working with ministry of AP in setting up a cancer institute in Guntur, an 18-acre integrated campus as part of the Guntur Government Hospital. To raise the Rs 30 crore fund for this project, they brought in a private entity, Natco Pharma which had invested about Rs 17 crore. The rest was funded by the government.