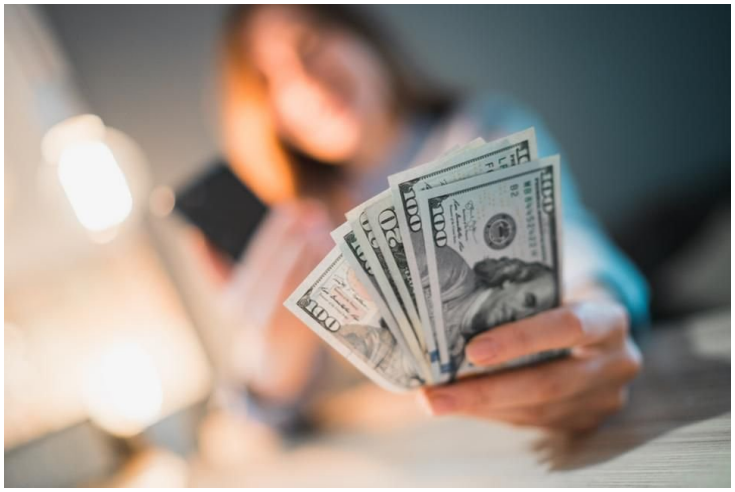
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ASG Hospitals secures investment worth Rs 308 Cr

19 September 2019 | News

In a deal led by Foundation Holdings



ASG Hospital Private Limited, founded in 2005 by Dr. Arun Singhvi and Dr. Shashank Gang, India's fastest growing eye-healthcare services provider, which has treated over five million patients since inception across its 33 centers in India, Africa and Nepal, has announced Rs 308 crore investment led by Foundation Holdings.

Foundation Holdings, a global investment firm focused on building sustainable, industry defining companies in the healthcare and education sectors, and Symphony International Holdings Limited ("Symphony"), an investor in consumer-related businesses, primarily in the healthcare, hospitality and lifestyle sectors, together have entered into a transaction with the Company and its promotors for an investment in ASG Hospitals.

As per CRISIL, owing to the rising proportion of ageing population, high prevalence of eye disorders, innovative models for improving penetration of medical facilities, increasing disposable income and rising insurance penetration, the eye healthcare delivery market is expected to reach USD 4.4 billion by 2020, with a compounded annual growth rate (CAGR) of 12 per cent over FY15-FY20. Surgery has a majority share in the market accounting for over 80%+ of the market while outpatient (consultation and diagnosis) account for the remaining ~20%.

Dr. Arun Singhvi, Chairman and Managing Director of ASG Hospitals said, "ASG's core purpose is to enhance the quality of life of our patients by providing comprehensive, high-quality healthcare services. We do this in such a way that the Group is trusted as the most respected provider of healthcare services by patients, doctors and funders of healthcare. Foundation Holdings' passion, operational approach and focus on healthcare delivery makes them the ideal partner for the next phase of growth for ASG Hospitals and will bolster both our healthcare delivery and our mission - to bring quality and affordability to all Indians when it comes to eye health. We have spent the last couple of years strengthening and expanding the bench strength of our senior management team led by Dr. Himanshu & Dr. Vikas, which positions us well to enter this next phase of the Company."

Aakash Sachdev, Managing Director of Foundation Holdings said, "We are excited to partner with ASG Hospitals. Our mandate is to help successful companies, their founders and management teams realize their potential and thereby creating a substantial impact. Our focus is to invest in market segments that are underserved and where our investment can result in a social impact while providing economic returns. ASG Hospitals, with its industry-leading scalable clinic delivery model, socially diverse patient mix, impeccable focus on quality and incredible growth profile makes it the perfect partner for Foundation Holdings. This investment will allow ASG Hospitals to pursue organic and inorganic expansion strategies to facilitate the consolidation of the highly fragmented eye healthcare services sector, a USD 4.4 billion opportunity in India alone. Bringing its industry leading full-service hub offering to its regional partners will result in service offering enhancements for the patients in these micro markets."

Earlier this year in July, Foundation Holdings also closed its maiden education transaction in India. Foundation Holdings through its industry leading K-12 managed school platform already impacts 21,000 students across West and South India and aims to impact 100,000 students in the next 3 to 5 years. This USD 100 million joint venture platform will formally be branded and launched in Q4 2019.

Abhishek Sharma, CEO Foundation Holdings, said, "The emerging markets' ophthalmology and single speciality healthcare sector have been in our sight for years, however, until we met ASG Hospitals, we struggled to find truly high-quality partners. ASG Hospitals immediately stood out due to their inherent focus on high quality healthcare services, a strategic expansion plan to address an under-served and fragmented market, and a very capable clinical and administrative team that can successfully execute its plan."

The Company was advised by ICICI Securities and AZB & Partners for this investment.