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HCG buys Mahatma Gandhi Cancer Hospital & Research Institute in Vizag, for Rs 414 Cr

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This expansion strengthens HCG's presence in the region



Bengaluru-based HealthCare Global Enterprises Limited (HCG), one of the largest cancer care networks in India, has announced the acquisition of Mahatma Gandhi Cancer Hospital & Research Institute (MGCHRI) in Vizag, Andhra Pradesh, for an Enterprise Value of Rs 414 crore.

HCG will have initial 51% stake in MGCHRI, with plans to complete the acquisition of the additional 34% stake over the next 18 months.

This strategic move entails leadership in a highly attractive micro-market with high quality primary catchment supported by large draining secondary catchment from neighbouring states.

This acquisition is poised to significantly bolster HCG's annual EBITDA by Rs 3 per share and gain a leadership position with a dominant share in Vizag Region.

The hospital boasts 196 operational beds and features advanced medical infrastructure, including 2 LINAC machines, 1 PET CT scanner, 1 Robotics Surgery System, and a dedicated Bone Marrow Transplant (BMT) unit. Its clinical team comprises 31 doctors, including 12 Surgical, 6 Radiation, and 4 Medical oncologists.

This expansion strengthens HCG's presence in the region, enhancing their capabilities and reinforcing their commitment to providing high-quality treatment and support for cancer patients.

The partnership aims to address the significant demand-supply gap in radiation therapy equipment, which has a penetration rate of less than 0.6 per million in Andhra Pradesh and Orissa. Mahatma Gandhi Cancer Hospital & Research Institute, located in a robust primary catchment area, also benefits from substantial secondary demand from neighbouring states. Its clinical standards closely align with HCG's rigorous cancer care protocols, ensuring seamless integration post-acquisition.