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Fortis Healthcare divests Chennai hospital biz operations to Kauvery Group for Rs 152 Cr

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Fortis Healthcare has announced the signing of definitive agreements for sale of its hospital business operations at Vadapalani, Chennai to Sri Kauvery Medical Care (SKMC / Kauvery Group of Hospitals), for a sale consideration of Rs 152 crore.

The transaction will be an all-cash deal and is estimated to be consummated by end of July 2023, subject to certain conditions as stipulated in the definitive agreements.

The facility, which is on a leased premises, was commissioned in October 2020 and is located on the arterial Arcot Road. It currently has 110 operational beds with a potential to scale up-to approx. 200 beds.

The divestment is a part of the Fortis' ongoing portfolio rationalization strategy in order to focus on deepening its presence in select geographic clusters where it has a sizeable presence.

The acquisition of Vadapalani facility is in line with Kauvery's strategy to further expand its presence in Chennai, in addition to its existing facilities of 500+ beds at Alwarpet & Radial Road.