



# Max lines up Rs 600-cr expansion

**Soma Das**

**New Delhi, Oct 1:** Analjit Singh promoted corporate hospital chain Max Healthcare plans to add 1,200 beds in the next two years, taking its total bed count to over 2,000 by 2011.

Currently, the healthcare player has a chain of eight hospitals with over 800 beds, all of them concentrated in the national capital region.

As Max expands its footprint in northern India beyond the NCR, it would be investing close to Rs 600 crore, considering the player spends in the range of Rs 45 lakh to Rs 55 lakh in setting up each bed. When

asked, Pervez Ahmed, CEO, Max confirmed the expansion plan. He said, "For smaller centres, we would try to keep the cost per bed marginally lower. On an average, each bed could cost us between Rs 35 lakh to Rs 55 lakh depending on whether the facility is located in a metro, tier I or tier II centre."

Max's four more hospitals are coming up in Dehradun, Bhatinda, Mohali and Shalimar Bagh in Delhi. All four are greenfield projects and are expected to be operationalised in 2011. Max is also on a lookout in the NCR region to acquire existing hospitals. "We are looking in the NCR region and if we find a facility and the price

suits us, we will consider buying it," Ahmed said.

Unlike most other large corporate hospital chains, which have first ensured presence in metros, followed by state capitals and are subsequently planning presence in tier I and tier II cities and towns, Max has gone about following another model of consolidating its presence in the northern part of India.

Admitting that creating a tertiary facility in smaller centres poses logistical, manpower problems, Ahmed said Max will cope with it. "Not only is it difficult to convince doctors to relocate, a bigger problem is to arrange nurses and paramed-

ical staff. That is the reason we are looking at cities and towns in proximity to our epicentre in the NCR. That way, we would be able to manage and deliver the quality that our brand practices and promises," said Ahmed.

Other large players are also increasing bed counts. For instance, by 2012, when the size of domestic healthcare sector is expected to touch \$38 billion, the second largest player Fortis Healthcare aims to reach 40 hospitals, 6,000 beds. By striking one deal with Wockhardt this August, it has ensured an increase of its hospital count to 38 from 28 and bed count to 5,180 beds from 3,278 beds.