

Narayana Health

Providing affordable healthcare



There are a large number of hospitals in India but most of them are catering to rich people. We are... a company offering healthcare to the working class and poor.

Dr Devi Shetty, Founder and Chairman, Narayana Health



Location

India

CDC investment

US\$48m

Date of investment

2014



Narayana Health

Indians encounter heart problems at a younger age than most in the West. They are genetically more vulnerable to a heart attack than Caucasians. This means that in India, heart disease is attacking the working population, whose dependents rely on their income.

To tackle this, it is estimated that India needs to carry out two million heart operations a year. However, currently all the heart hospitals in the country combined only perform about 120,000 heart operations a year.

Narayana Health is an Indian multi-specialty healthcare provider founded by renowned cardiac surgeon Dr Devi Shetty. Heart surgery is expensive and Narayana is pioneering ways of cutting costs without cutting standards, so that healthcare can be delivered to lower-income patients.

Around half of Narayana patients receive financial support for treatment, either from Narayana itself or through government schemes. The company has worked with several state governments in India to implement health insurance schemes which support lower-income patients to access its services.

Narayana also cuts costs through economies of scale. The company carries out 12 per cent of heart surgery in India. This means that if a supplier sells to Narayana, it reaches 12 per cent of the Indian market. These economies of scale enable Narayana to secure lower prices for supplies and encourage entrepreneurs to design new products.



We need to do two million heart operations a year in India and all the heart hospitals in the country put together perform about 120,000 heart surgeries. What happens to the rest? They die gradually over a period of time.

Dr Devi Shetty, Founder and Chairman, Narayana Health



India needs to carry out two million heart operations a year

How CDC's investment supports Narayana Health

Businesses in developing countries often struggle to find the investment they need to grow. CDC supports the building of businesses throughout Africa and South Asia, to create jobs and make a lasting difference to people's lives in some of the world's poorest places. We do this by providing businesses with long-term capital and expertise to help raise their standards.

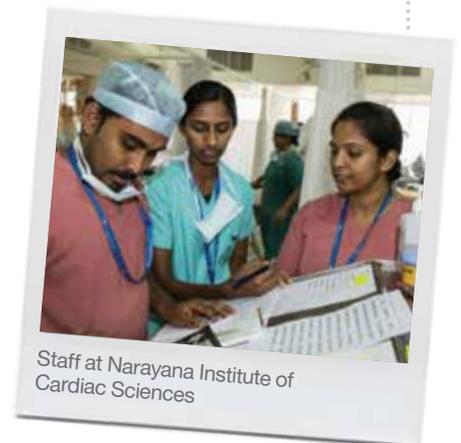
CDC invested US\$48 million in Narayana Health in 2014. The investment is supporting the growth of the company, enabling it to employ and train more staff, as well as increase access to and improve the affordability of specialist healthcare in India. Currently, capital from CDC is helping Narayana to build or expand hospitals in cities such as Kolkata, Lucknow, Bhubaneswar and Bengaluru.

Narayana sees CDC as a particularly important investor due to our long-term horizon, and the fact that we share similar developmental missions.



CDC is like us. They look at the long-term horizon, they look at making this world a better place to live. As long as it's going to touch more people, and help more people, they are supportive.

Dr Devi Shetty, Founder and Chairman, Narayana Health



Staff at Narayana Institute of Cardiac Sciences

How Narayana Health supports low-income patients

Narayana has worked with several state governments in India to implement health insurance schemes which support lower-income patients to access its services.

For example, ten years ago it launched a farmers' insurance scheme with the State Government of Karnataka. Under the scheme, four million farmers pay US\$0.22 per month, and the Government acts as an insurer, allowing them to access any type of operation for free. To date, almost a million people have had surgery under the scheme.

Prakash is a rickshaw driver in Hosur, a town in the southern Indian state of Tamil Nadu. He's the breadwinner for a family of four.

In 2012 he fell ill due to a heart problem. His illness made him lightheaded and tired, which meant continuing to work was very difficult. However, as his family depended on his income, he had to keep working to support them.

“

I have to earn my livelihood by running the rickshaw. If I don't run the rickshaw, I can't get money. I don't have anything for my survival. Simply nothing.

Prakash, rickshaw driver, Hosur, India

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Thanks to a subsidised healthcare scheme run between the State Government of Tamil Nadu and Narayana Health, Prakash was able to get the heart surgery he urgently needed for free.

He had his surgery at the end of 2014, and has recovered well. He has now returned to work as a rickshaw driver.

“

I feel well. I don't have any problems. Previously I was feeling tired. Now I feel better. Before, my family and I were worried, but now we are all happy.

Prakash, rickshaw driver, Hosur, India

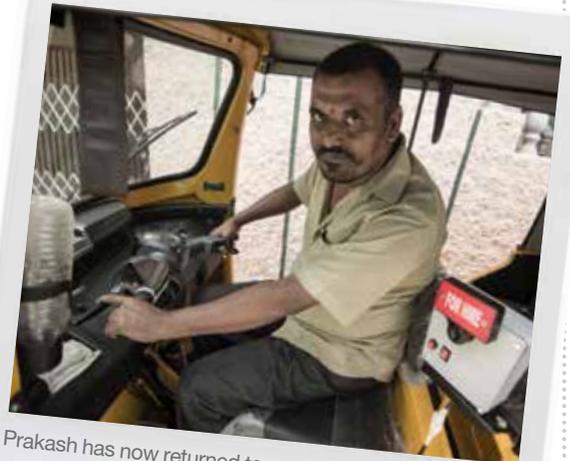
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Nurses at Narayana Institute of Cardiac Sciences



Before his heart surgery, Prakash struggled to work as a rickshaw driver



Prakash has now returned to work

About CDC

CDC is the UK's development finance institution, owned by the UK Government. Our mission is to support the building of businesses throughout Africa and South Asia, to create jobs and make a lasting difference to people's lives in some of the world's poorest places.

Businesses in developing countries often struggle to find the investment they need to grow. CDC helps meet that need by providing businesses with patient, long-term capital and expertise to help raise their standards.

We aim to invest in countries where the private sector is weak and jobs are scarce, and in sectors where growth leads to jobs, especially agribusiness, construction, education, financial institutions, health, infrastructure and manufacturing. These jobs can be created directly in the businesses in which we invest, but also indirectly in supply chains, through local spending of wages, and through better access to power and finance.

As a responsible investor, we support businesses to achieve good environmental, social and business integrity standards. Examples include supporting them to improve working conditions in factories, reduce negative environmental impacts, or enhance community facilities.

We want the businesses we invest in to be financially successful, because this is how they can grow, create jobs, and make a lasting difference. We also aim to show that it is possible to invest successfully in challenging environments, in order to attract commercial capital to these countries and sectors. The financial returns from the businesses CDC invests in are reinvested into other businesses. In this way, CDC is able to help more businesses grow and provide jobs.

CDC is a pioneering institution that has been investing in developing countries for almost 70 years. Over 1,300 businesses in developing countries are supported by CDC's capital, with over 350 of these businesses in South Asia.

Find out more about our work at www.cdggroupp.com

