

BUSINESS

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“All these taxes in Nepal make medical services very expensive”

Basant K Chaudhary needs no introduction. As chairman of Norvic Hospital, he spoke to **Terence Lee** of *THT Perspectives* on the hospital's plans to tie up with Medanta the Medicity, world class hospital in India, and on challenges facing the health care sector in Nepal. Excerpts:

What are the future plans for Norvic?

After 17 years of operations, we have reached a level where we should look for diversification. This consists of two things: one, enhancing our existing services and facilities to the next level and two, starting the health education as well. The initial few years were challenging and frustrating, but now we have earned a name, so obviously we should start expanding. Today, all our diagnostic facilities are world class. We never compromise on the services we provide and try to bring available cutting-edge technology and the best human resources. We have a committed and devoted group of people who are managing this hospital. That's why maybe we have been successful in earning a name for ourselves.

Today, without exaggeration, Norvic is a household name. Norvic is the name taken first when it comes to health care because if the patient is brought here, they will get the best medical attention. This year we have started the expansion projects. We started with 100 beds and now we plan to add 100 more. With this process, we thought to venture into a medical college as well. With quick analysis, we saw where the gaps were and we saw where we could be different. We found our biggest strength is our own brand image and our strong tie up with Dr Naresh Trehan and his team.

What made you decide on the tie up with Dr Trehan and Medanta?

Norvic is there because of Dr Trehan, as it was his brainchild. We had never thought of venturing into health service until Dr Trehan, who is a family friend came back to India and started planting the seed in our mind.

We are tying up with Medanta and not others because we do not believe in collecting patients and sending them to other countries for treatment. We want to bring Medanta's skills, technology and know-how into Nepal to treat our people here. Medanta will impart knowledge and skills and enhance our facilities. We are capable of handling all critical



Deepak Tolange / THT

patients here in Nepal and Medanta is an assuring, strong back up. Our doctors will go there for training and their doctors will come here to train our people. Their faculty will be available for our medical college.

Is the government policy promoting and encouraging private sector investment in the health sector? Are there any incentives to expand in the rural areas?

The government is always talking about promoting the private sector, but in reality, that's not a priority for them. For so many years now they have been busy fighting for their own rights and I don't think they are promoting the private sector investment in health. We are

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treated as any other industry and we receive no facilities or incentives from the government. We pay duty on equipment we import, we pay land tax, income tax and we are treated like any other manufacturing industry.

Although we are into health service which is not money-making business, there are costs involved. We cannot sell a product cheaper than the cost. If you look at neighbouring

countries, medical facilities have grown phenomenally. In India, medical facilities are at par with Europe and big business houses are investing in medical services. The government has recognised this and given a lot of input and facilities.

In India for a good medical project, the government provides free land for 99 years. There is no import duty on equipment. When you have such facilities, you can demand that medical facilities be provided at affordable costs. In real terms, all these taxes in Nepal make medical services very expensive.

What is the potential for medical tourism in Nepal?

Our climate and natural beauty is very suitable for attracting such business. But, we have to have the infrastructure and we have to have political stability. Otherwise who will come if we don't know when there is going to be a bandh or how many hours we won't have electricity?

For the kind of money a Japanese or European patient spends back home, it is cheaper for them to be brought here along with their whole family. But we have to have proper infrastructure. But it's a wonderful concept and even Bangladesh has started exploiting that.

What do you expect from your expansion into health education?

We know there is a shortage of trained qualified human resources for medical services here in Nepal. The reason we have ventured into health education like the nursing college, and now we are planning for a medical college, is to produce quality human resources to be absorbed into our own hospital. If you sell a quality product, there are buyers but you have to be quality conscious. I'm not in favour of producing nurses and doctors just for the sake of doing it. I would rather aim to reduce the numbers and produce the best.

Where would you like to see Norvic and yourself in the next 10 years?

I want to grow like our partners Medanta and I want to develop Norvic as a medicity in Nepal. Medicity is a concept of a medical city that along with world class health facilities has a hotel, a mall, entertainment shopping and everything you need attached. It's a complete city where my medical college, my diagnostic centre and everything is in there.