

How this doctor turned into an entrepreneur

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Sunita Maheshwari, co-founder, Teleradiology Solutions - N. Ramakrishnan

Teleradiology provides radiology solutions to hospitals in more than 20 countries

They are accidental entrepreneurs. Sunita Maheshwari and Arjun Kalyanpur, both US-trained doctors, returned to India in the early 2000s, with the lofty aim of providing the same level of medical care and technology in the US to patients here, especially in rural areas.

When Arjun found it difficult to get a job because hospitals felt he was “over qualified” for them, he ended up working for Yale University, out of Bengaluru, studying their radiology scans and sending back his diagnosis and reports to them. It started off as a job, morphed into an enterprise and became a full-fledged venture, says Sunita.

“When we became medical entrepreneurs, we wanted to use the same technology and do the same thing for India and Africa,” she says. Initially, Teleradiology covered the US night shift, which was day time in India, according to her. Hospitals in the US found it difficult to have radiologists at night. Teleradiology would have the scans sent over the then rather primitive internet connection in India, Arjun would go through them and send his reports back to the hospitals.

They were operating out of one of the bedrooms of their flat in Whitefield, Bengaluru. “Now,” says Sunita, “we cover about 150 hospitals in about 20 countries. We have done over five million studies over the internet.” The radiology reports were primarily CAT scans, MRI, X-Ray and ECG. The scans would be digitised and sent to them for their diagnosis.

Teething troubles

Now, Sunita is able to laugh at the teething troubles they had when they launched their venture. The internet connection was poor and the scans were bandwidth heavy. Road repair works in the area would result in the cable getting cut. She recalls the number of instances when Arjun had to rush out to find the lineman to restore their internet connection. They had no clue about how to register a company and even write out a contract. They had gone to the office of the Registrar of Companies to complete the formalities of registering their venture and when the Registrar asked them for the name of their company, they had no idea what it could be.

“We went back to the parking lot to decide on the name. We said, okay we are doing teleradiology and offering a solution, so it is Teleradiology Solutions. If we had to do it again, it will be a shorter, zippier name,” laughs Sunita. The poor infrastructure meant that they lost out on getting some important contracts. One such was from Massachusetts General Hospital; they signed up with the hospital last year, nearly 13 years after they made their initial pitch. “Our lesson from that is, entrepreneurship needs perseverance and patience. Nothing falls into place. You have to keep at it and one day it happens,” she adds.

In the initial years, they were doing 20-30 scans a day. Now, they do about 3,500 studies a day. They have 75 radiologists on their rolls in different parts of the world.

What was the value proposition they offered the US hospitals? “Our value proposition, it is day time here when it is night in the US. It is a US-trained radiologist covering your nights from India,” she points out. Teleradiology, she points out, wasn’t offering a huge cost arbitrage, but was covering up for the shortage of radiologists at night in the US. “Even if you have a 10-15 per cent cost difference for them, you can make a sustainable model here,” says Sunita.

Banks on self-funding

From the beginning, Teleradiology had a meaningful business model and ploughed back the profits into building and growing the company. The doctor-couple took a conscious decision not to raise funds from investors. “We grew the business. It probably took us much longer than if we had raised funding, but that is okay,” she says. Thanks to their approach to be self-funded, they were under no pressure to either expand rapidly or show greater profits.

According to her, the company ties up with radiologists’ groups in the US, offering to do the night work for them. This accounts for just 10 per cent of all radiology work in the US hospitals. With their experience in running Teleradiology, Sunita and Arjun have floated a few more ventures, all in related fields. There is RxDx, a chain of primary care clinics in Bengaluru. Another venture Telerad Tech, which developed the software for Teleradiology Solutions, is using Artificial Intelligence and algorithms to auto detect breast cancer. The group is working with the Gates Foundation for auto detection of TB.

The group now has 600 employees, including 75 radiologists. A total of 175 doctors come to the Rx Dx clinics, while general practitioners are on their rolls, the specialists come in as part-time. Besides, the group has data entry operators, transcriptionists, administrative, IT, finance and HR professionals. The group's income was ₹100 crore last year and it hopes to end this year with an income of ₹140 crore.

About four years ago, says Sunita, there was a lot of soul searching for the doctors-turned-entrepreneurs. Should they plod along or should they scale. They had created a company that was innovative and had built for itself a good reputation. They had done so without a CFO or sales and marketing head. They felt they had to scale and brought in professionals for various functions. That transition, says Sunita, took some time. The company's culture also had to change, from one of family driven to performance driven to a professionally run one. "We are about 80 per cent of the way there. It helped getting the right people. Some employees couldn't take it, but 99 per cent of the employees loved it," she says.

"We have been clear that we don't want VC/PE funding. But sometimes, there is the FOMO (Fear of missing out), are we crazy, plodding along. But at the end of the day, for us it makes sense. We are building something sustainable, long-term, something that is profitable but not driven by profit, and something that is impactful," signs off Sunita.

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