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# ALLIANCES IN ACTION

## MERRYGOLD HEALTH NETWORK ALLIANCE

### DEVELOPMENT CHALLENGE

In Uttar Pradesh, India maternal mortality rates are the highest in the country and infant mortality rates are the third highest. The lack of quality, affordable care for mothers and infants is a chief cause for these high death rates. Overstretched government programs have inadequate reach, thus exacerbating the problem. Plus, there is a heavy reliance on private health care provision, which averages five to seven times higher than in nearby states.

### BUSINESS CHALLENGE

Hindustan Latex Limited, a fast-growing health care company, believes that by providing quality maternal and infant care at reasonable prices, they can help expand market demand for and familiarity with their products, including condoms, oral contraceptives, and oral rehydration salts, in underserved communities.

### APPROACH

USAID partnered with Hindustan Latex Family Promotion Trust (HLFPPT), a social enterprise formed by Hindustan Latex Limited, to launch the Merrygold Health Network—a franchise of hospitals and clinics providing maternal and child healthcare in rural communities throughout Uttar Pradesh. As the franchisor, HLFPPT selects, appoints and manages potential franchisees, seeking entrepreneurs looking to invest in hospitals and clinics, and providing them with support for accessing finance capital and starting up their own facilities. Then, much like a standard franchise agreement, it gives them access to the Merrygold brand and expects the franchisee to meet its quality standard criteria. The network is comprised of hospitals that provide maternal and child health services; clinics that provide obstetric care, family planning services and immunization, and community partners that provide counseling, refer customers to Merrygold clinics and hospital, and sell condoms, oral contraceptives, oral rehydration salts and nutritional supplements at affordable prices. The franchise aims to provide quality care at approximately half the price of other private sector providers and Merrygold hospitals are able to provide services free of charge to their poorest clients.

### PARTNERS



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### RESULTS

- Merrygold is expected to become a sustainable social enterprise that will be financially self-sustaining after the first three years.
- Merrygold plans to expand to 70 hospitals, 700 clinics, and 10,000 community partners, covering all 70 districts of Uttar Pradesh – reaching approximately 8 million women.
- The Merrygold Health Network establishes a new model for delivering affordable and good quality healthcare to the poor in Uttar Pradesh.

### FAST FACTS

START: 2007                      END: 2010

### PARTNER CONTRIBUTIONS:

USAID:  
HLFPPT: