



SHL/CFO/BSE/02

Date: 31/05/2016

To,
The Manager,
The Bombay Stock Exchange Ltd.
Dept. of Corporate Service,
PJ Tower, Dalal Street,
Mumbai-40001

Scrip code: 537253 (BSE)

Subject: Investor Presentation

Dear Sir/Madam,

With reference to the above mentioned subject, Please find enclosed the Investor Presentation of the Company for your reference and record.

Thanking you,

For Sunil Healthcare Ltd.,




Pawan Rathi

CFO

CC: Calcutta Stock Exchange Ltd.,
7, Lyons Range
Kolkatta-700001

Sunil Healthcare Limited

Vijay Tower, 38E/252 - A, Shahpur Jat, Panchsheel Park Commercial Complex, New Delhi-110049

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CIN No. L24302DL1973PLC189662



Investor Presentation – May 2016

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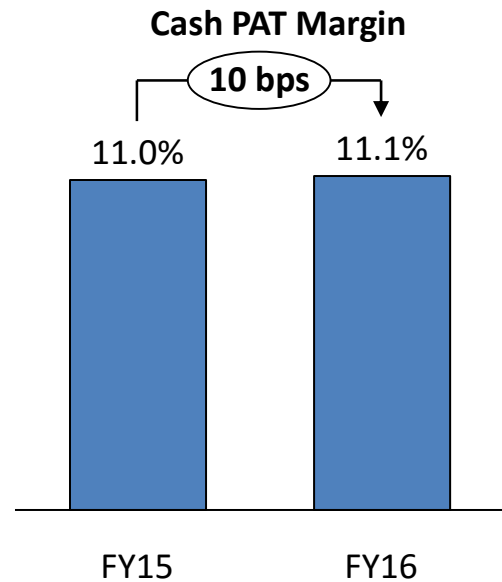
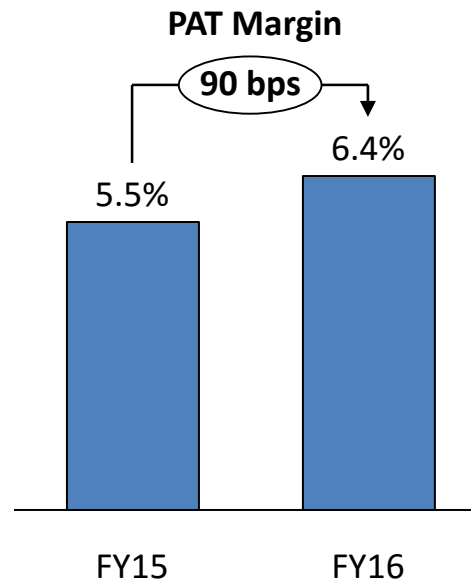
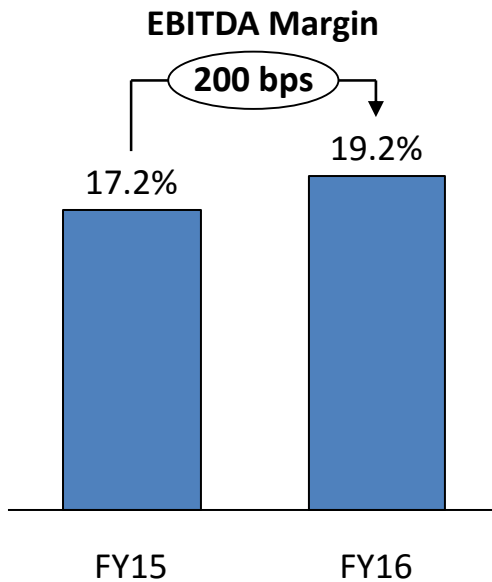
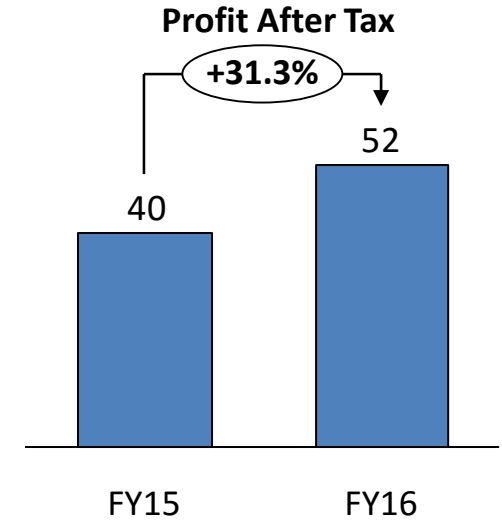
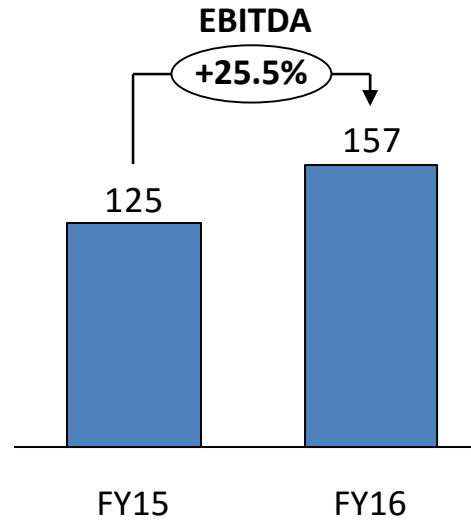
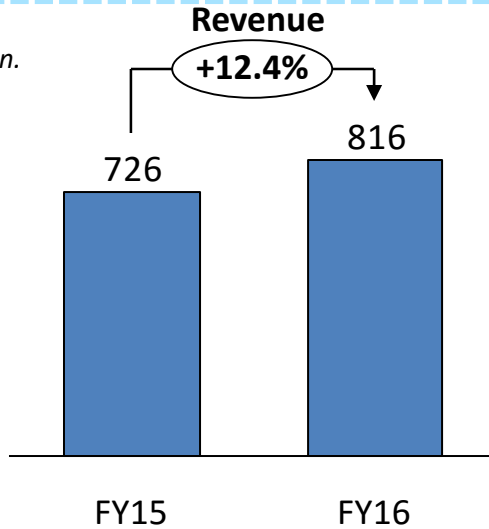
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FY16 Performance Highlights

Rs. Mn.



816 Mn

Revenue – FY16

157 Mn

EBITDA – FY16

19.2%

EBITDA Margin – FY16

31.3% ↑PAT –
FY16 Vs. FY15**90 bps** ↑PAT Margin –
FY16 Vs. FY15**~81%** ↑Capacity Utilization –
FY15

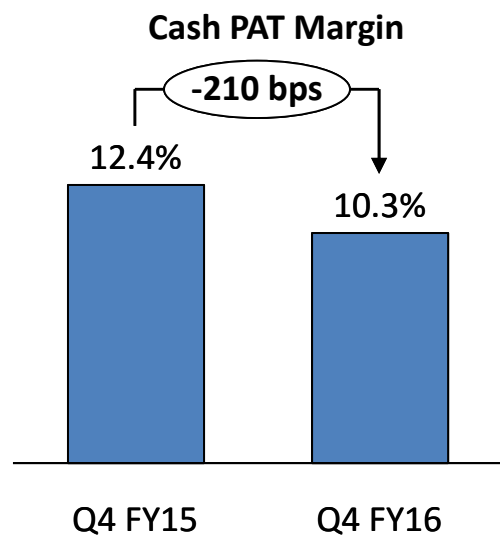
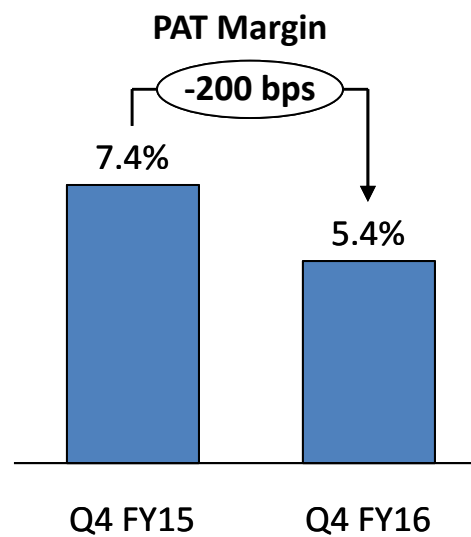
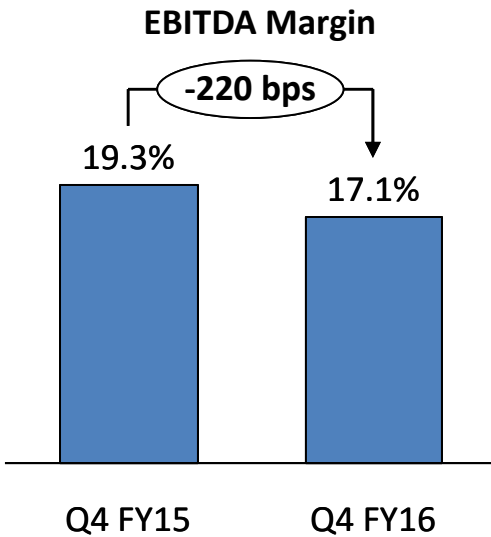
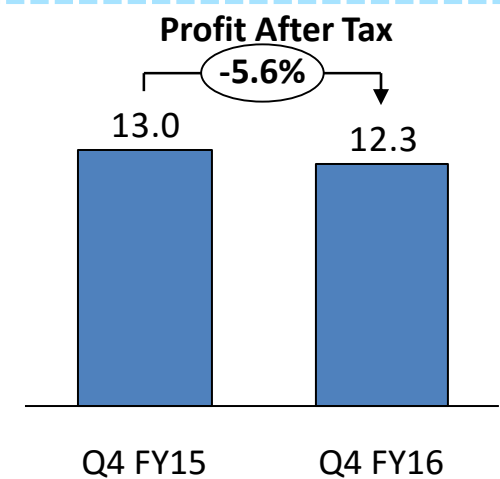
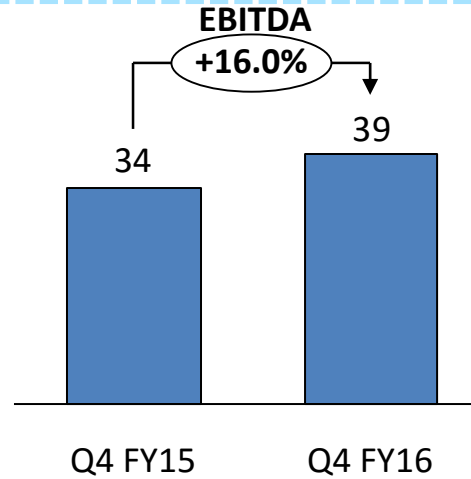
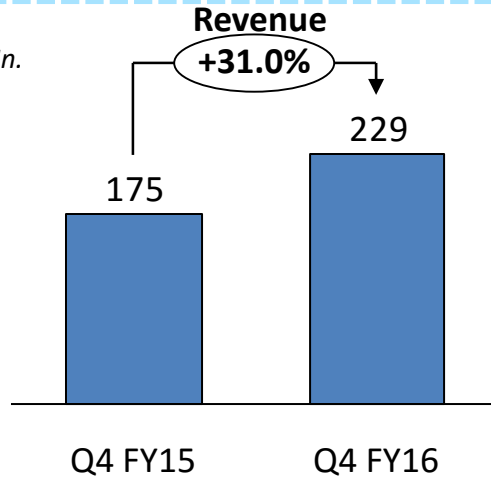
FY16 – Income Statement

Rs. Million	Q4 FY16	Q4 FY15	YoY %	FY16	FY15	YoY %
Revenue	229	175	31.0%	816	726	12.4%
<i>Capsule</i>	176	175	0.6%	721	619	16.5%
<i>Marketing of Food Product</i>	53	--		95	107	
Raw Material	112	69		353	319	
Employee Cost	24	23		94	86	
Other Expenses	61	55		225	204	
Other Income	7	6		13	8	
EBITDA	39	34	16.0%	157	125	25.5%
EBITDA Margin	17.1%	19.3%	(220 bps)	19.2%	17.2%	200 bps
Interest	10	4		38	23	
Depreciation	11	9		39	40	
Exceptional Item	-	-		-	-	
PBT	18	21		80	62	
Tax	6	8		28	22	
PAT	12	13	(5.6%)	52	40	31.3%
PAT Margin	5.4%	7.4%	(200 bps)	6.4%	5.5%	90 bps



Q4 FY16 Performance Highlights*

Rs. Mn.



**Q4 FY16 Profitability was impacted due to increase in depreciation and interest cost on account of capitalizing the new Capex in the capsules division*



Product Innovation-Latest Launch HPMC Capsules

Hydroxy-Propyl-Methyl Cellulose



Cellulose Capsules – Catering to Vegetarian and varied culture needs

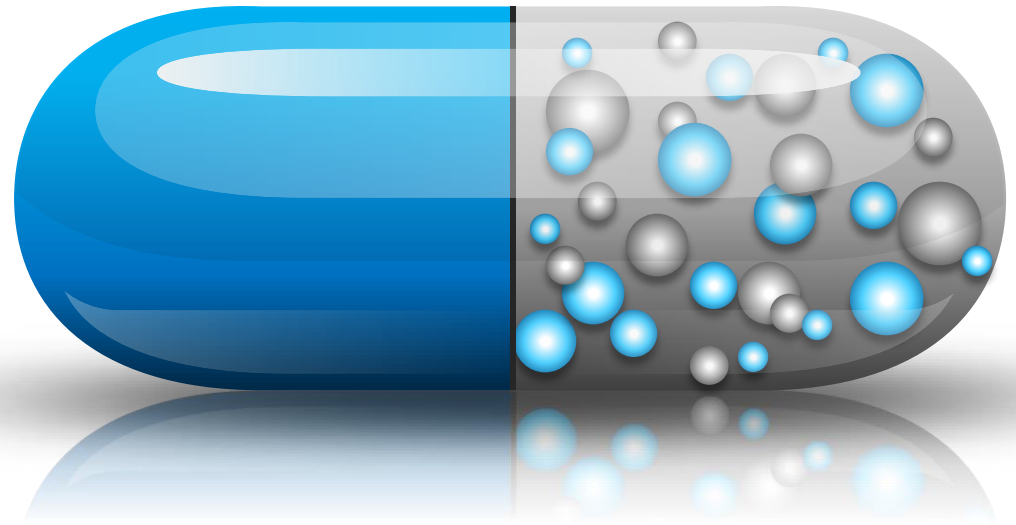
Newest product in SHL's basket -
Manufactured by SHL through
Contract Manufacturer

SHL's brand equity & established well
reputed market presence has led to
quick market development

Initial supplies done by SHL to
Regulated markets met with favourable
response

Concerted efforts being made to
augment market in this new segment.






Our Story

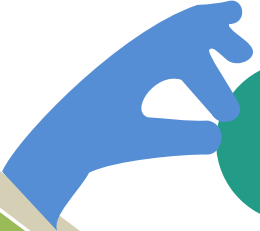


Company Snapshot




2nd Largest producer of Empty Hard Gelatin Capsules (EHGC) in India

Pioneer of Double Lock and Triple Lock Capsules in India



Global Presence with ~40% Exports Revenue
Recognized as a “STAR EXPORT HOUSE” by GoI

Preferred Vendor for Large Pharmaceutical Companies



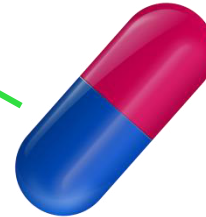
Forayed into the Food Business and markets its products under the brand “Sunloc Foods”



Our Journey

- 2013 – Entered Foods Business with Sunloc foods.
- State of the Art HVAC System
- Focusing on “Quality Assurance and Automation”

2010-15

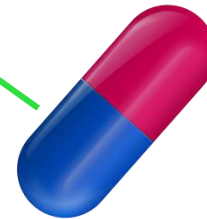


2003

- Renewed interest in the business with an aim to become top 3 manufacturers of capsules in India
- Focus on increasing export revenues

- Slow – Steady business in the EHGC division

1990's



1980's

- Entered into API manufacturing with production of Methyldopa
- Exited API business by late 80's

- Established Commercial Operations under Sunil Synchem Limited

1976



Mr. Anil Khaitan - Promoter and Chairman cum Managing Director



- Mr. Anil Khaitan is an MBA from IMD, Geneva, 1981
- Over 37 years of wide experience in Industries ranging from Steel, Copper, Paper, Jute, Wires, Foods, Pharmaceutical and Retail
- Vice President : PHD Chamber of Commerce and Industry
- Chairman - CSR PANEL CII DELHI and Industry Affairs Committee at PHD Chamber of Commerce
- Member of World President Organisation (WPO) Delhi Chapter and AIMA
- Board member of Indian Council of Competitiveness

Mr. Ishan Khaitan - President (Ops. & Marketing)

- Bachelor of Science (Industrial Engineering) from University of Illinois at Urbana Champaign
- Member of the “Alpha Pi Mu” and “Phi Kappa Phi” professional fraternities
- Served on the board of Institute for Industrial Engineers.

Mr. Kahaan Khaitan - Sr. VP (Procurement)

- Graduated from Babson in “Business Administration”
- Actively involved in the Business since June 2013 and is responsible for helping the Company in deriving efficiencies in their Operations

Mr. D Gnanasekaran - Chief Executive Officer

- Graduate in Production Engineering, Post Graduate in Engineering Design & MBA in Marketing
- 34 years of experience in varied Industries. Member of Institute Engineers India and a Chartered Engineer

Mr. Pawan Rathi – Chief Financial Officer

- Member of The Institute of Chartered Accountants of India with 15 years of experience in varied financial space
- Responsible for the Banking & Financing Activities



Core Competencies to lead GROWTH

- 01 Huge Industry Potential
- 02 Wide Product Range
- 03 Unique Product Offering
- 04 State of Art Manufacturing Facility
- 05 Quality Focus
- 06 Regulatory Certifications
- 07 Global Presence
- 08 Marque Clientele
- 09 Brownfield Expansion
- 10 Economies of Scale



01 | Huge Industry Potential

- Pharma exports were pegged at US\$ 15 bn with a CAGR of 15% over the last 5 years

- Indian Pharma market is expected to grow at a CAGR of 13.6% - US\$ 50 bn in 2020

- In India, manufacturing cost is competitive as compared to the Western countries. Cost of innovation is 5th or 7th of Europe / U.S

- India is the largest exporter of Pharma formulations in the world by volume of 14% market share and 12th in terms of export value

- Capsule Industry globally is expected to grow at a CAGR of 7% from 2014 to 2019, Asia Pacific to grow at a CAGR of 12-13%.

- Installed capacity of EHG Capsules in India is ~100 bn p.a.

- 70% of the healthcare infrastructure is confined to the top 20 cities of India



02 | Wide Product Range



TSE Free



Preservative Free



Stick Free



SLS Free



Liquid Filled



Pearl Finished



Flavoured



EHG Capsule



HPMC Capsule



Natural Colour



Non-AZO Capsule

- We offer all range of capsules and have abilities to customise products
- Capsules can be transparent, coloured (same or different), partially opaque or completely opaque
- Sizes Available - 00, OSEL, OEL, 0, 1, 2, 3, 4, 5
- HPMC Capsules – Latest Launch





Triple Lock Capsule

Product

Product Range caters to Pharma & Food Supplement Industry



Innovation

Pioneers in Double Lock, Triple Lock Capsules and Multi Groove Capsules

Customize

Strengths and Appearance can be modified as per client requirement

Suitability

Suitable for filling on high speed machines with capacities upto 3,00,000 caps/hr

Printing

Linear, Circular & 360 degree. Two colour printing offered in single/ double colour with orientation



04 State of Art Manufacturing Facility



- WHO-GMP certified facility
- Zero Discharge with fully automated 'ETP'
- Latest Generation PLC controlled high-speed automatic machines
- State of Art HVAC system from Kruger, Trane, Carrier, Zeco
- Experienced Six Sigma Qualified team
- 22 automatic production lines
- Capacity expansion completed taking total Capacity to 10 billion capsules p.a.





Internationally Accepted Measures

- ✓ TPAM, 5S, Jishu Hozen across production lines
- ✓ Six Sigma, for process control and product control
- ✓ Stringent in-process quality checks
- ✓ Statistical sampling and testing
- ✓ Hourly checks

- Stringent Quality Compliance Measures Adopted for “zero defect” capsules
- Process R&D: Industry Leader for efficient utilization of primary raw material
- Automatic Inspection Machines for Automated Visual Inspection





WHO-GMP

ISO-14001:2004

**ISO-22000:2005
/9001:2008**

NSF

US FDA-DMF TYPE-IV

**TGA
AUSTRALIA**

Health Canada

GDP

GLP

**Halal-JAKIM
Malaysia**

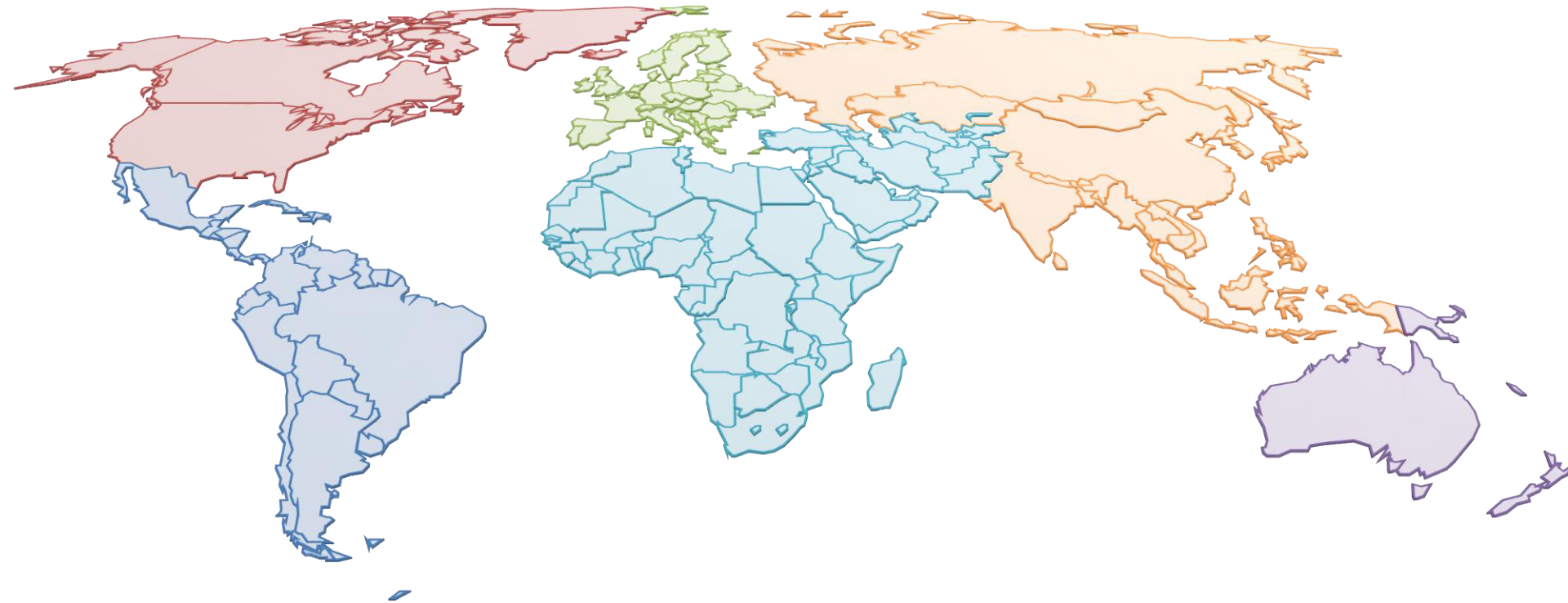
OHSAS 18001:2007



Certifications – Raw Material (Gelatin)



Presence in Over 30 Countries across the Globe



Recognized Star Export House



Wyeth



gsk
GlaxoSmithKline



Abbott
A Promise for Life



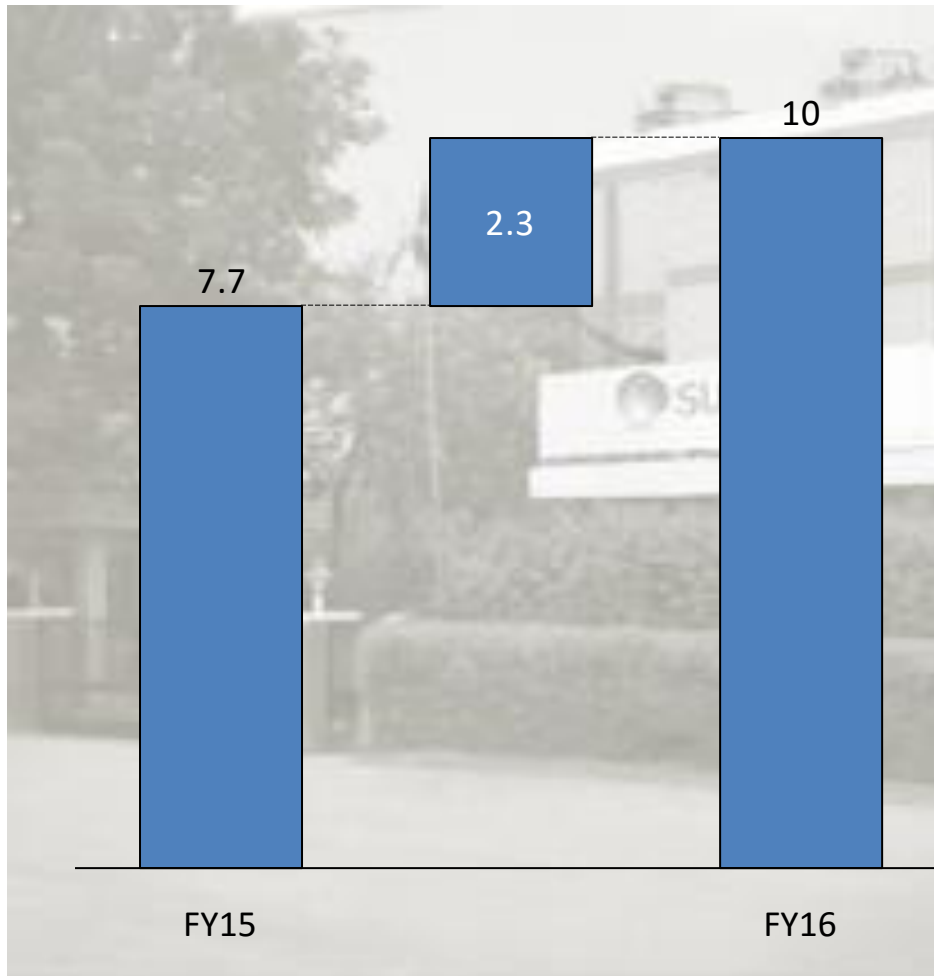
INTAS
Expressions for healthy life



CADILA
PHARMACEUTICALS



09 | Brownfield Capacity Expansion Completed

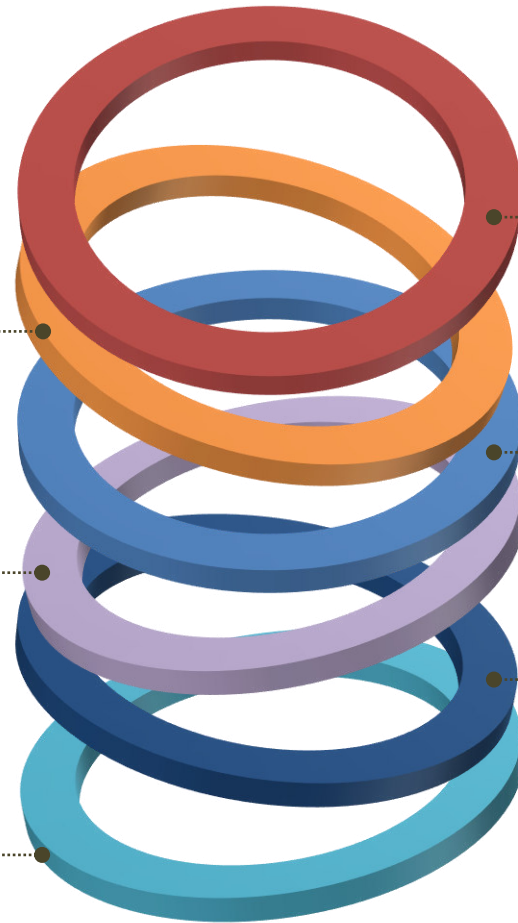


- Capacity Expansion at end of FY16 at 10 billion capsules p.a
- In Q4 FY16, achieved a capacity utilization rate of ~81% and expect to maintain momentum going forward
- Capacity Expansion – to drive increased revenue streams with margin expansion as economies of scale to play out



10 | Economies of Scale

10 billion p.a Capsules Capacity at a Single Location at Alwar, Rajasthan



01 Infrastructure
Common Infrastructure and Utilities

03 Control
Better Control and Smooth Running of the Plant

05 Operating Leverage
Fixed Cost Remains same ; Operating Leverage plays out

02

04

06

Human Resource

Shared Commercial & Technical Resources

Procurement & Dispatch

Better Negotiating Power with the Key Suppliers & Vendors

Competitive

Position

Manufacturing Efficiencies helps achieve competitive strength

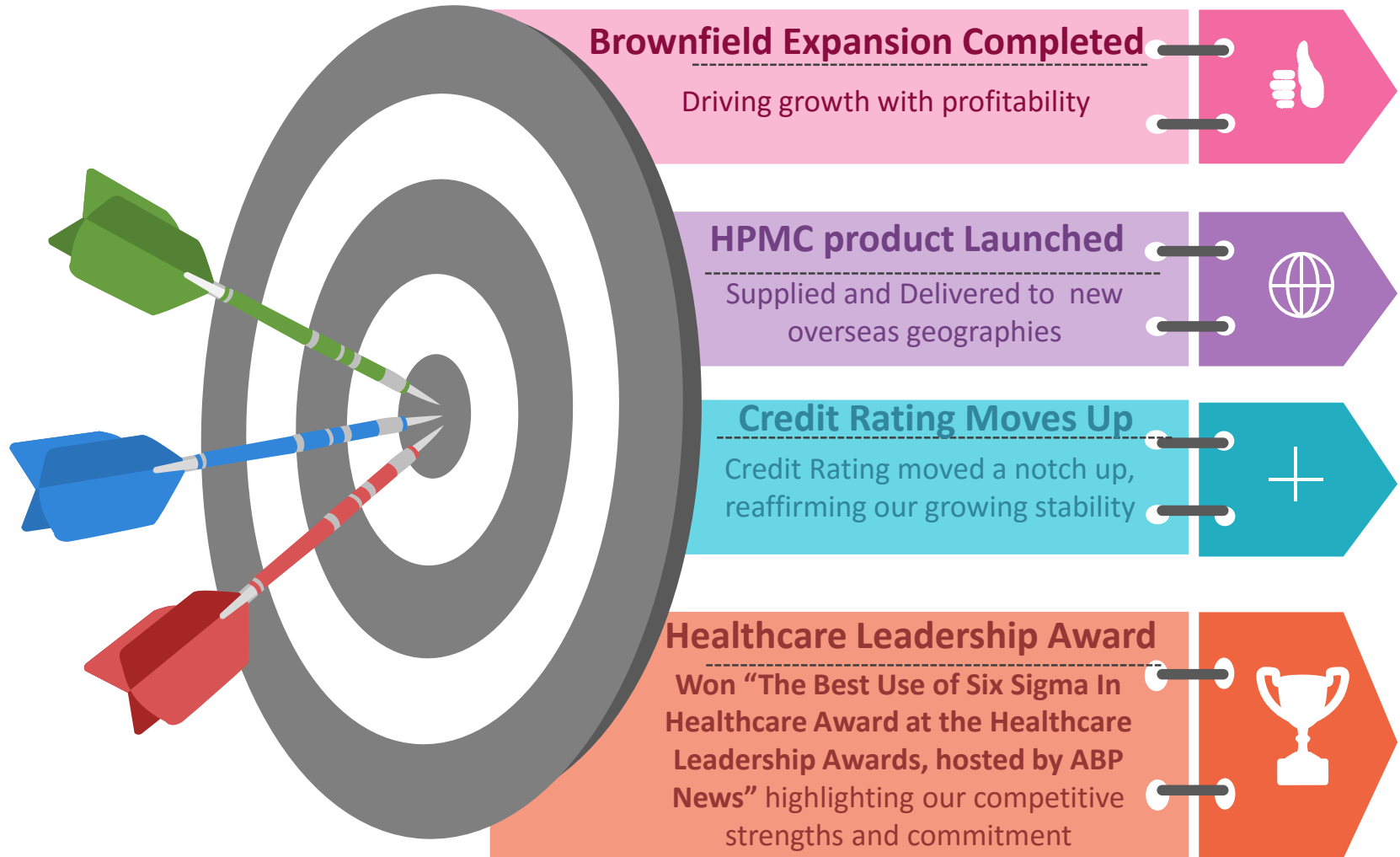
SAP Implemented Organization





- Division started in 2013
- Engaged in marketing of Nuts, mainly Cashews
- Building Capabilities in Supply Chain
- 11.7 % Revenue Contribution in FY16







Healthcare Leadership Award – Six Sigma

Won *“The Best Use of Six Sigma In Healthcare Award at the Healthcare Leadership Awards, hosted by ABP News November 2015”*



Business Excellence Award 2015

Received the prestigious *“Business Excellence Award 2015 for Excellence in Manufacturing, Research & Distribution for Empty Hard Gelatine Capsules”* at *“Indian Pharma Expo”, October 2015*



*In Rs.***816 Mn**

Revenue - FY16

157 Mn

EBITDA – FY16

52 Mn

PAT - FY16

21% ↑Revenue
3 Years CAGR**25%** ↑EBITDA
3 Years CAGR**55%** ↑PAT
3 Years CAGR

Annual Income Statement

Rs. Million	FY16	FY15	FY14	FY13
Revenue	816	726	617	461
Raw Material	353	319	214	141
Employee Cost	94	86	71	62
Other Expenses	225	204	220	186
Other Income	13	8	5	9
EBITDA	157	125	117	81
EBITDA Margin	19.2%	17.2%	19.0%	17.5%
Interest	38	23	25	26
Depreciation	39	40	41	38
Exceptional Item	0	0	0	6
PBT	80	62	51	22
Tax	28	22	18	7
PAT	52	40	33	14
PAT Margin	6.4%	5.5%	5.3%	3.1%



Balance Sheet

Rs. Million	FY16	FY15	FY14	FY13
Shareholders Fund	310	258	231	198
Share Capital	102	102	102	102
Reserves & Surplus	208	156	129	96
Total Non Current Liabilities	132	82	66	73
Long Term Borrowings	92	57	38	43
Other Long Term Liabilities	40	25	28	30
Total Current Liabilities	415	295	260	262
Short Term Borrowings	249	170	145	162
Trade Payables	104	70	63	57
Other Current Liabilities	62	55	52	43
TOTAL EQUITY & LIABILITIES	857	635	557	533
Total Non Current Assets	416	302	279	292
Fixed Assets	410	281	273	287
Long Term loans & Advances	6	21	6	5
Total Current Assets	442	333	278	241
Inventories	132	95	77	77
Trade Receivables	241	198	169	141
Cash & Cash Equivalents	41	25	16	12
Short Term loans & Advances	15	9	8	7
Other Current Assets	12	6	8	4
TOTAL ASSETS	857	635	557	533



For further information, please contact:

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