SUNLOC

SHL/SEC/2018 May 29, 2018

Bombay Stock Exchange Limited
Listing Department,
Ist Floor, New Trading Ring,
Rotunda Building,
Phiroze JeeJeeBhoy Towers, Dalal Street, Fort
Mumbai – 400 001.

Company Code: **537253**

Sub.: INVESTOR PRESENTATION MAY 20189

Pursuant to Regulation 30 of the SEBI (LODR) Regulations, 2015, please find attached Investor Presentation on financial performance of the Company for the financial year ended on March 31, 2018.

We hope you will find the same in order, and take the information in your record.

Thanking you,

Yours sincerely,
for SUNIL HEALTHCARE LIMITED

29/05/2018

SANTOSH KUMAR SHARMA
COMPANY SECRETARY & COMPLIANCE OFFICER
F6817 New Delhi

Encl : As above
CC: Calcutta Stock Exchange Limited
7, Lyons Range
Kolkata- 700 001.

Sunil Healthcare Limited
Vijay Tower, 38E/252 - A, Shahpur Jat, Panchsheel Park Commercial Complex, New Delhi-110049
T: +91 11 49435555/00 F: +91 11 43850087 E-mail: info@sunilhealthcare.com Web.: www.sunilhealthcare.com
CIN No.: L24302DL1973PLC189662

Sunil Healthcare Ltd.

Investor Presentation – May 2018

Safe Harbor

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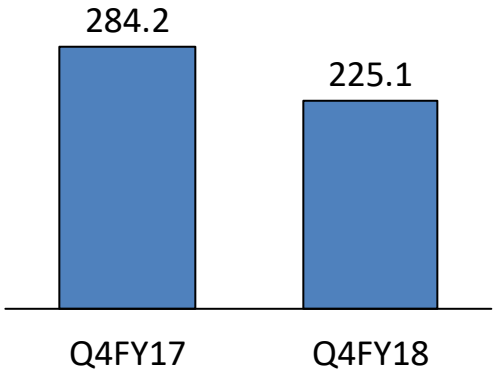
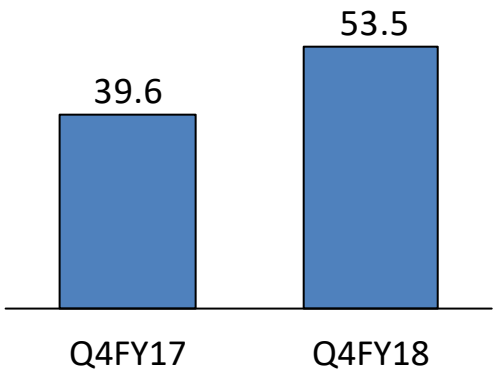
Q4FY18 Standalone Performance Highlights

Rs. Mn.

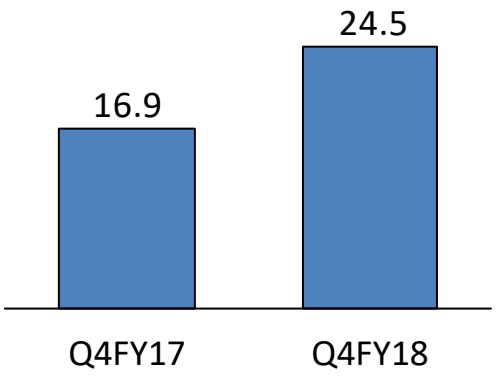
Net Revenue*



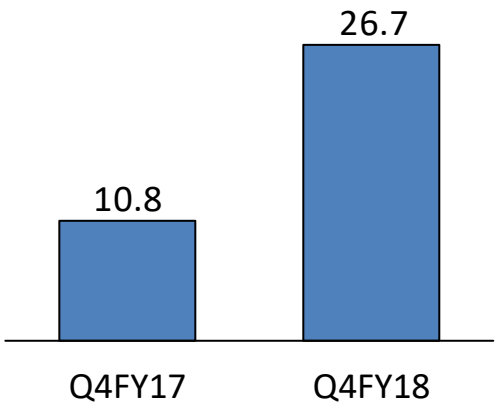
EBITDA



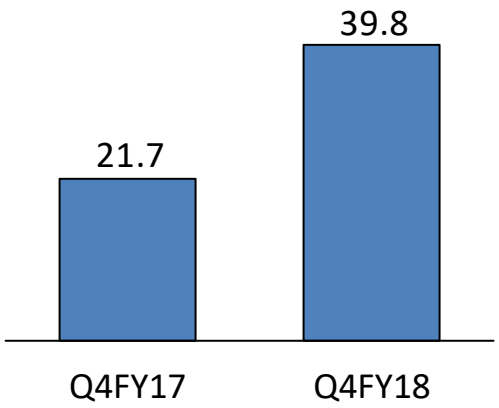
Profit Before Tax



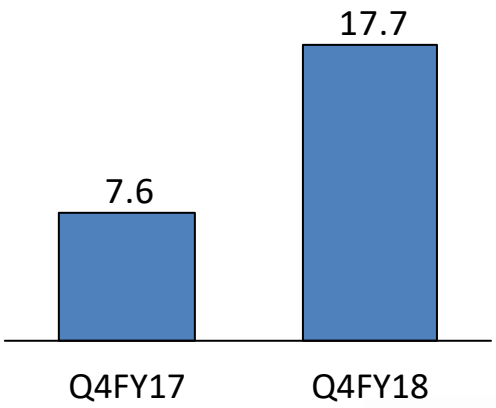
Profit After Tax



Cash PAT



Cash PAT Margin %



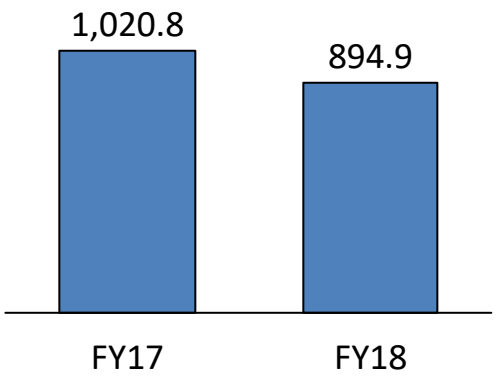
*** Net Revenue = Gross Revenue – Excise Duty**

Financials are as per IndAS

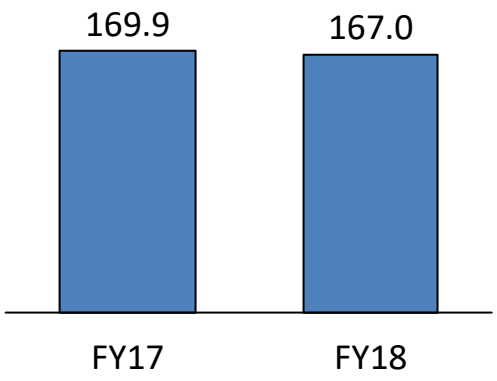
FY18 Standalone Performance Highlights

Rs. Mn.

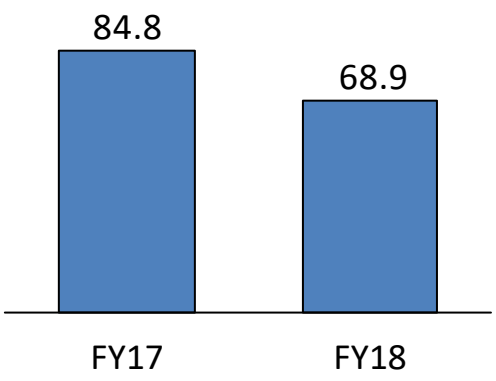
Net Revenue*



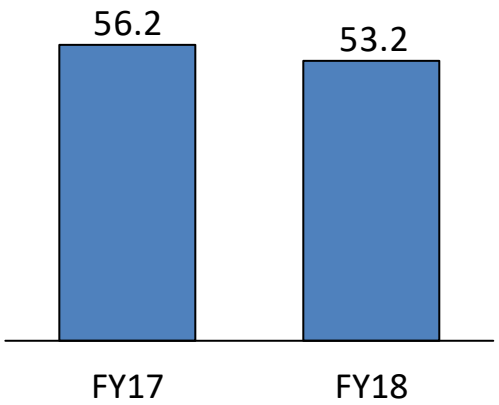
EBITDA



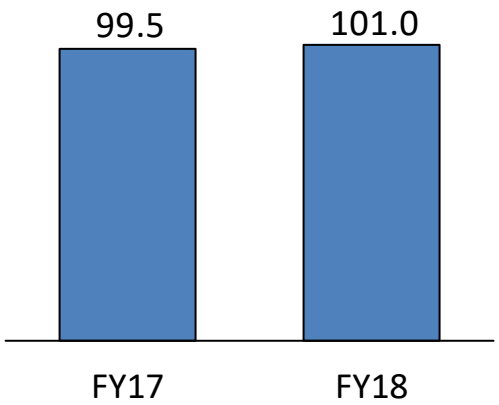
Profit Before Tax



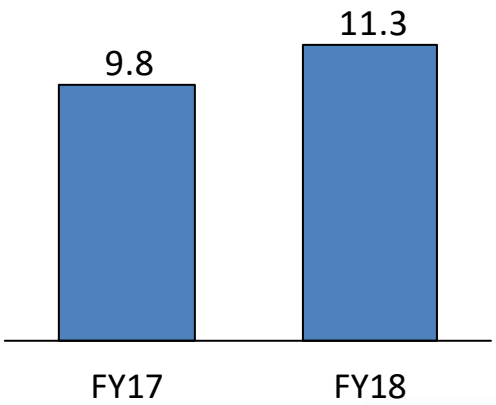
Profit After Tax



Cash PAT



Cash PAT Margin %



*** Net Revenue = Gross Revenue – Excise Duty**

Financials are as per IndAS

Q4/FY18 – Standalone Income Statement as per IndAS

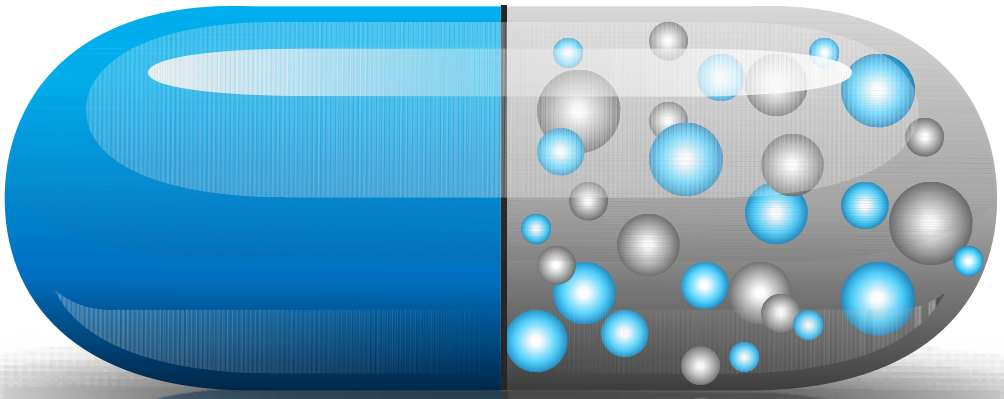
Rs. Million	Q4FY18	Q4FY17	YoY %	FY18	FY17	YoY %
Net Revenue*	**225.1**	**284.2**	**-20.8%**	**894.9**	**1,020.8**	**-12.3%**
Capsule	224.2	203.5		820.7	825.3	
Marketing of Food Product	0.9	80.7		74.2	195.5	
Raw Material	80.8	155.3		361.8	517.1	
Employee Cost	33.7	31.2		122.4	106.4	
Other Expenses	68.4	65.2		263.7	241.1	
Other Income	11.3	7.1		20.0	13.7	
EBITDA	**53.5**	**39.6**	**35.1%**	**167.0**	**169.9**	**-1.7%**
EBITDA Margin	**23.8%**	**13.9%**		**18.7%**	**16.6%**	
Interest	15.9	11.8		50.3	41.8	
Depreciation	13.1	10.8		47.8	43.3	
PBT	**24.5**	**16.9**	**44.9%**	**68.9**	**84.8**	**-18.7%**
Tax	-2.2	6.2		15.7	28.6	
PAT	**26.7**	**10.8**	**147.3%**	**53.2**	**56.2**	**-5.3%**
PAT Margin	**11.8%**	**3.8%**		**5.9%**	**5.5%**	
Cash PAT	**39.8**	**21.7**	**83.6%**	**101.1**	**99.5**	**1.5%**
Cash PAT Margin	**17.7%**	**7.6%**		**11.3%**	**9.8%**	

*** Net Revenue = Gross Revenue – Excise Duty**

Standalone Balance Sheet as per IndAS

Rs. Million	Mar -2018	Mar -2017
Assets		
Non current Assets	**731.9**	**619.0**
Fixed Assets		
Property Plant & Equipment	706.4	593.9
Capital WIP	1.9	1.2
Other Intangible Assets	2.8	3.3
Financial Assets		
Investments	2.3	-
Loans	17.7	19.4
Other Non current Assets	0.8	1.2
Current Assets	**693.9**	**574.4**
Inventories	97.4	105.4
Financial Assets		
Trade Receivables	479.7	389.6
Cash & cash equivalents	6.5	14.8
Other Bank Balances	40.2	24.4
Loans	11.2	3.1
Other Financial Assets	4.4	4.0
Current Tax Assets	0.8	1.1
Other Current Assets	53.7	32.0
Total Assets	**1,425.8**	**1,193.4**

Rs. Million	Mar -2018	Mar -2017
Equity & Liabilities		
Equity	**487.9**	**434.9**
Share Capital	102.5	102.5
Other Equity	385.4	332.4
Non Current Liabilities	**263.5**	**194.4**
Financial Liabilities – Borrowings	183.0	127.8
Provisions	20.1	12.9
Deferred Tax Liabilities (Net)	60.4	53.7
Current Liabilities	**674.4**	**564.1**
Financial Liabilities		
Borrowings	385.8	275.7
Trade Payables	178.8	196.0
Other Financial Labilities	55.6	54.5
Other Current Liabilities	49.0	24.3
Provisions	4.8	7.2
Current Tax Liabilities (Net)	0.4	6.4
Total Equity & Liabilities	**1,425.8**	**1,193.4**



Our Story

Company Snapshot

SUNLOC

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

Ranked at 635th position* in "Top 1000 High Growth Companies in Asia Pacific 2018" with 76% growth in Revenue and 20.7% CAGR during 2013 to 2016.

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"

* As per the study done by the Financial Times research Partner Statista

Our Journey

2010-15

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

2003

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

1990's

- Slow – Steady business in the EHGC division

1980's

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

1976

- Established Commercial Operations under Sunil Synchem Limited

Management Team

SUNLOC

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
- President of PHD Chamber of Commerce and Industry & Chairman - CSR PANEL CII DELHI
- 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 19 years of experience in varied financial space
- Responsible for the Banking & Financing Activities

Core Competencies to lead GROWTH

SUNLOC

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

Source : Survey by "Markets and Market", USA

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** – Started inhouse manufacturing since Q2 FY18

03 Unique Product Offering

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
- 25 automatic production lines
- Capacity expansion completed in Q4FY18 taking total available Capacity to 13 billion capsules p.a.

05 Quality Focus

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

06 Regulatory Certifications

SUNLOC

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)

HALAL

KOSHER

Aflatoxin

Gluten Free

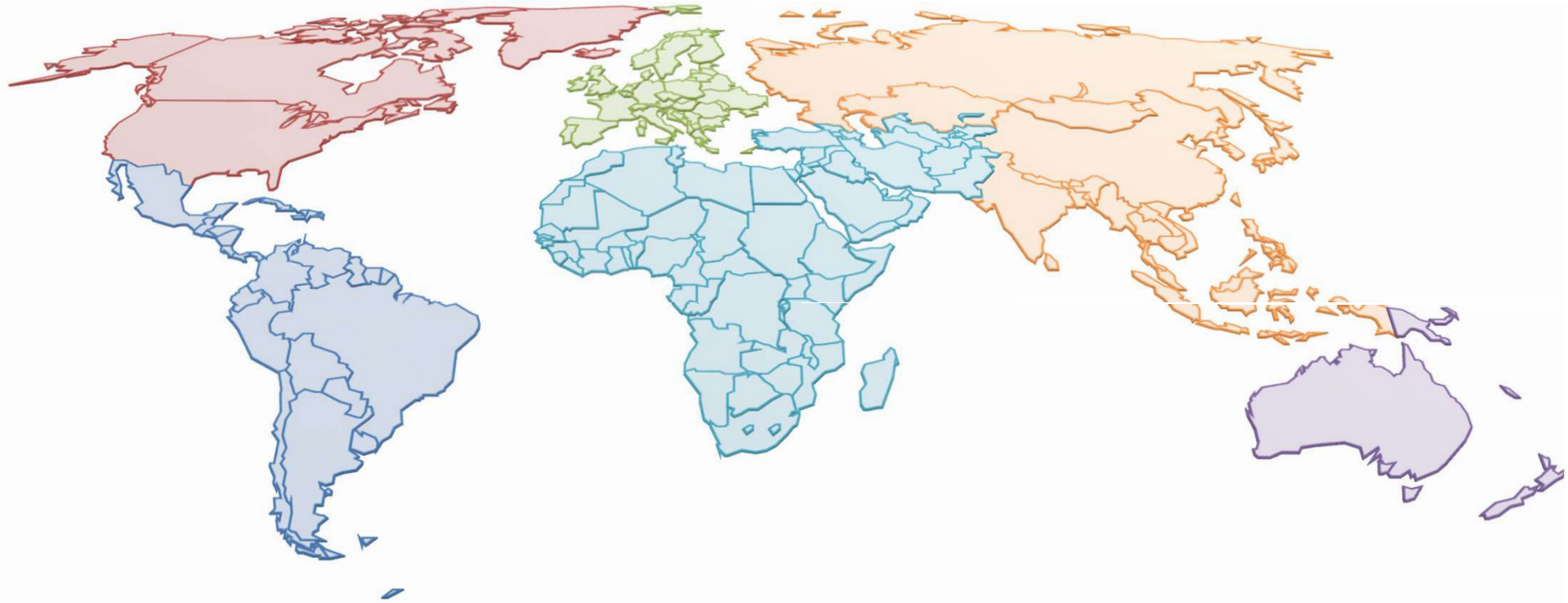
EDQM

Veterinary

BSE/TSE FREE

07 Global Presence

Presence in Over 30 Countries across the Globe



Recognized Star Export House

08 Marquee Clientele

SUNLOC

Wyeth

gsk GlaxoSmithKline

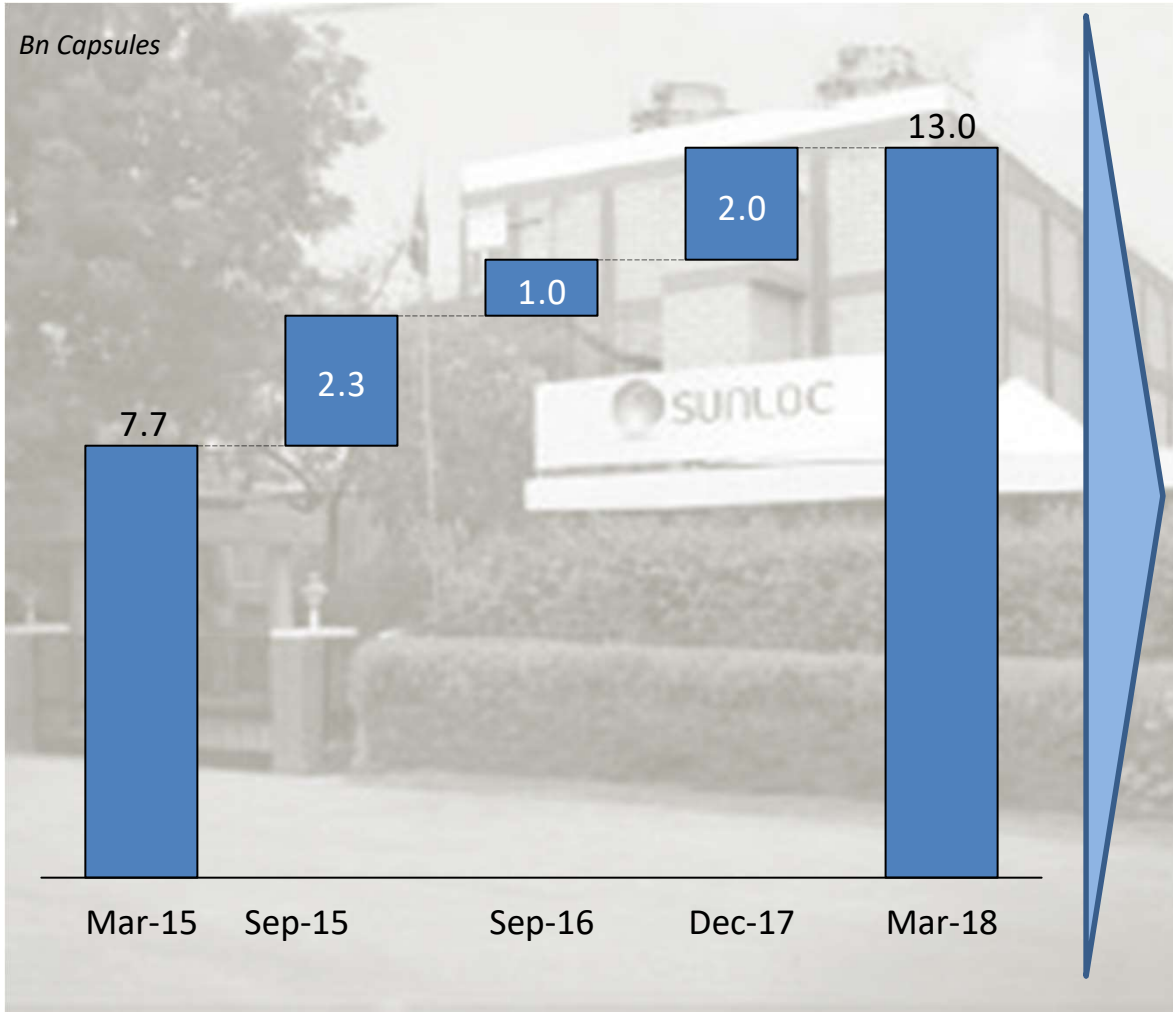
Pfizer

Abbott
A Promise for Life

INTAS
Expressions for healthy life

CADILA PHARMACEUTICALS

09 Brownfield Capacity Expansion Completed



- **Capacity Expansion completed during Q4FY18 taking the total available capacity to 13bn capsules p.a.**
- **The incremental capacity has been commissioned in Q4FY18**
- **Capacity Expansion – to drive increased revenue streams with margin expansion as economies of scale play out**

10 Economies of Scale

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

01 Infrastructure
Common Infrastructure and Utilities

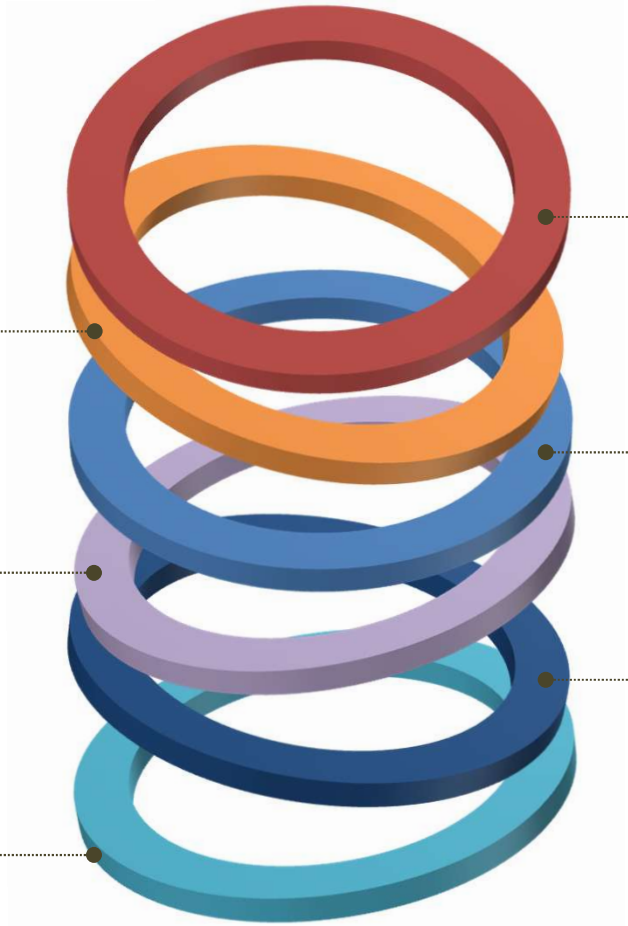
02 Human Resource
Shared Commercial & Technical Resources

03 Control
Better Control and Smooth Running of the Plant

04 Procurement & Dispatch
Better Negotiating Power with the Key Suppliers & Vendors

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

06 Competitive Position
Manufacturing Efficiencies helps achieve competitive strength

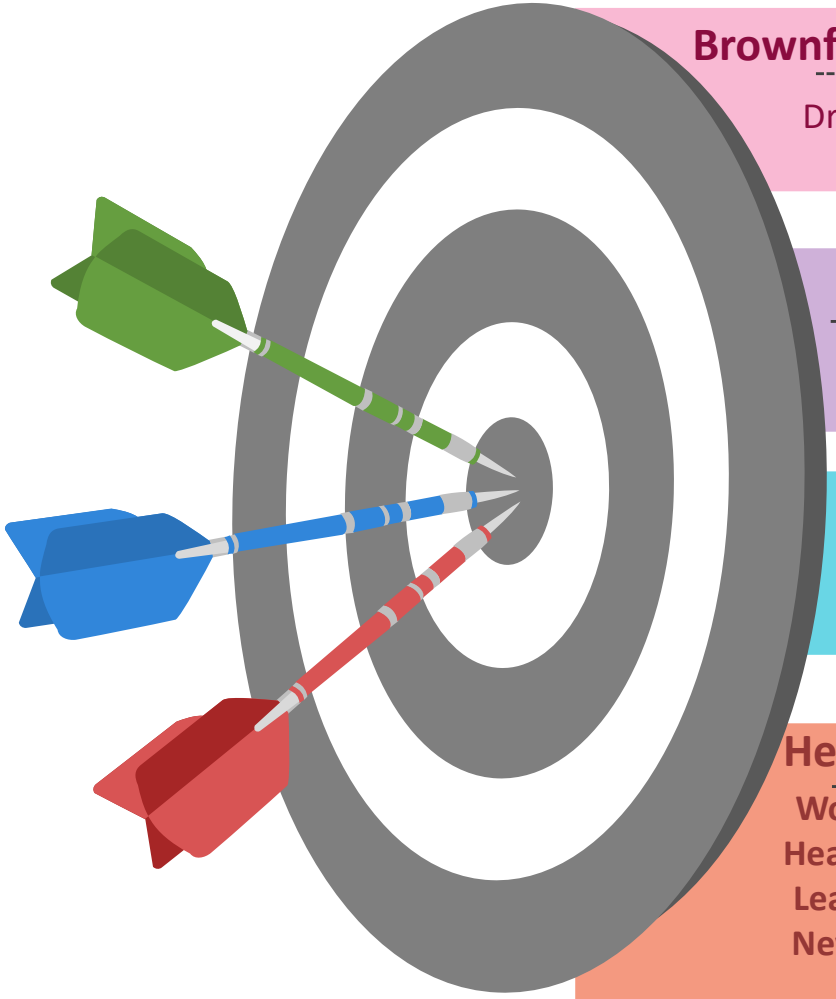


SAP Implemented Organization

Sunloc Foods - (A division of Sunil Healthcare)

- Division started in 2013
- Engaged in marketing of Nuts, mainly Cashews
- Building Capabilities in Supply Chain
- 8% Revenue Contribution in FY18
- Awarded "**Top Most Exporter**" under **Cashew nut & allied products** from **The Cashew Export Promotion Council of India**

Building Strength



Brownfield Expansion Completed

Driving growth with profitability

HPMC product Launched

Supplied and Delivered to new overseas geographies

Credit Rating Moves Up

Credit Rating moved a notch up, reaffirming our growing stability

Healthcare Leadership Award

Won "The Best Use of Six Sigma In Healthcare Award at the Healthcare Leadership Awards, hosted by ABP News" highlighting our competitive strengths and commitment

Featured among 1000 High Growth Companies in Asia-Pacific 2018

FT 1000 High-Growth Companies Asia-Pacific 2018

statista

Certificate

The Financial Times and Statista

Hereby recognise

Sunil Healthcare

as one of

FT 1000 High-Growth Companies Asia-Pacific 2018

Criteria for inclusion in the ranking:

Revenue of at least 100,000 USD generated in 2013

Revenue of at least 1 million USD generated in 2016

Be independent (the applying company is not a subsidiary or branch office of another company)

Be headquartered in one of 11 countries in Asia-Pacific

The revenue growth between 2013 and 2016 was primarily organic (i.e. "internally" stimulated)

Have not experienced share price irregularities in the past 12 months

Leyla Boulton
Special Reports Editor and Executive Editor
Financial Times

Dr. Friedrich Schwandt
CEO and Founder
Statista

FT statista

- We are immensely proud to announce that the company has been **ranked at 635th position among 1000 High Growth Companies in Asia-Pacific 2018** with **76% growth in Revenue and 20.7% CAGR during 2013 to 2016**

- The Study was conducted by the Financial Times research Partner Statista

Business Excellence Awards

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

Business Momentum

In Rs.

915 Mn	167 Mn	53 Mn
*Total Income - FY18	EBITDA – FY18	PAT - FY18

14.3% ↑	15.6% ↑	30.5% ↑
*Total Income 5 Years CAGR	EBITDA 5 Years CAGR	PAT 5 Years CAGR

*Total Income = Net Revenue + Other Income – Excise Duty

Financials are as per IndAS

Annual Income Statement

Rs. Million	FY18^	FY17^	FY16	FY15	FY14	FY13
Total Income*	915	1,034	829	734	622	470
Raw Material	362	517	353	319	214	141
Employee Cost	122	106	94	86	71	62
Other Expenses	264	241	225	204	220	186
EBITDA	167	170	157	125	117	81
EBITDA Margin	**18.7%**	**16.6%**	***18.9%***	***17.0%***	***18.8%***	***17.2%***
Interest	50	42	38	23	25	26
Depreciation	48	43	38	40	41	38
Exceptional Item	0	0	0	0	0	6
PBT	69	85	80	62	51	22
Tax	16	29	28	22	18	7
PAT	53	56	52	40	33	14
PAT Margin	**5.9%**	**5.5%**	***6.4%***	***5.5%***	***5.3%***	***3.1%***

***Total Income = Net Revenue + Other Income**

^FY17 & FY18 as per IndAS FY13 to FY16 as per I-GAAP

For further information, please contact:

Company :	Investor Relations Advisors :
Sunil Healthcare Ltd. CIN - L24302DL1973PLC189662 Mr. Pawan Rathi, Chief Financial Officer cfo@sunilhealthcare.com	Strategic Growth Advisors Pvt. Ltd. CIN - U74140MH2010PTC204285 Mr. Shogun Jain / Mr. Pratik R. Shah shogun.jain@sgapl.net / pratik.shah@sgapl.net +91 77383 77756 / +91 9769260769
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