



**SHL/SEC/  
12.08.2016**

To,  
**The Manager,  
Bombay Stock Exchange Ltd.  
Dept. of Corporate Service  
P J Towers, Dalal Street,  
Mumbai-400001**

**Scrip Code;-537253 (BSE)**

**Sub: Investor Presentation**

Dear Sir,

With reference to the above cited subject, please find enclosed the Investor Presentation of the Company.

This is your information and record please.

Thanking you.

Your Faithfully  
**For SUNIL HEALTHCARE LIMITED**

  
**Virendra Garg**  
**AGM Legal cum Company Secretary**

**CC- Calcutta Stock Exchange Ltd.  
7, Lyons Range  
Kolkata- 700 001**

**Sunil Healthcare Limited**

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CIN No. L24302DL1973PLC189662



**Investor Presentation – August 2016**

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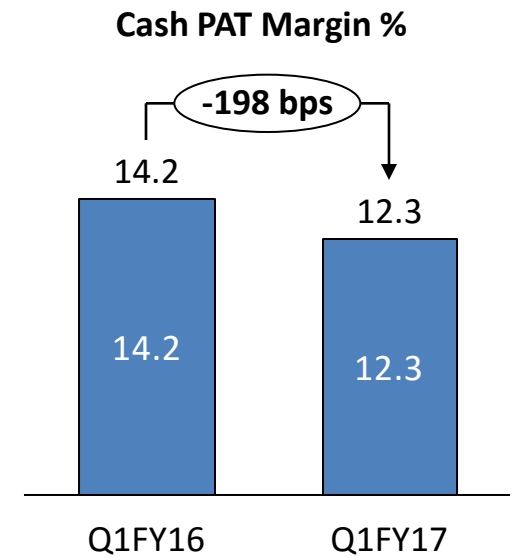
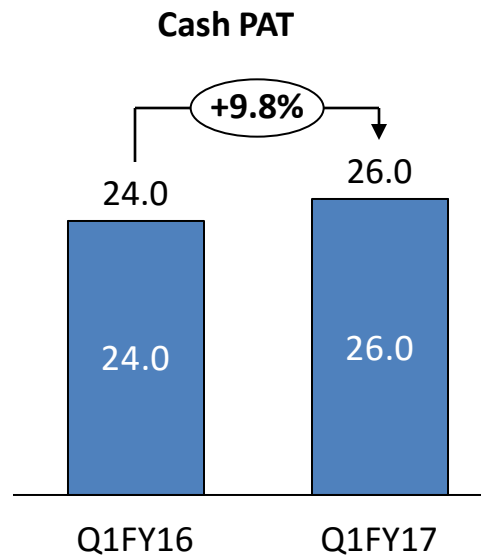
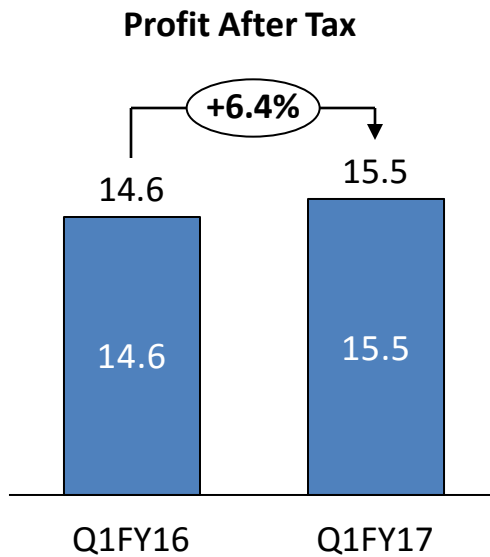
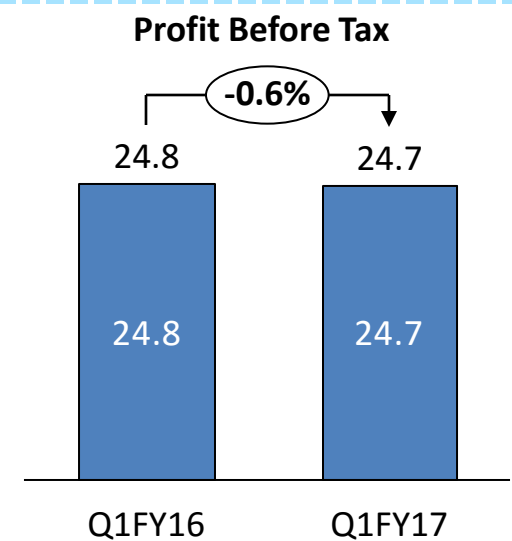
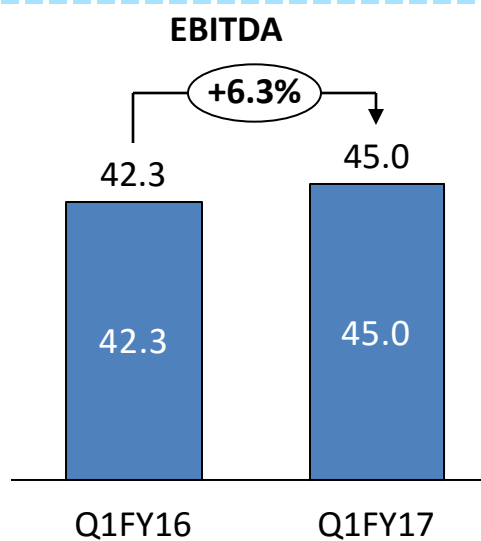
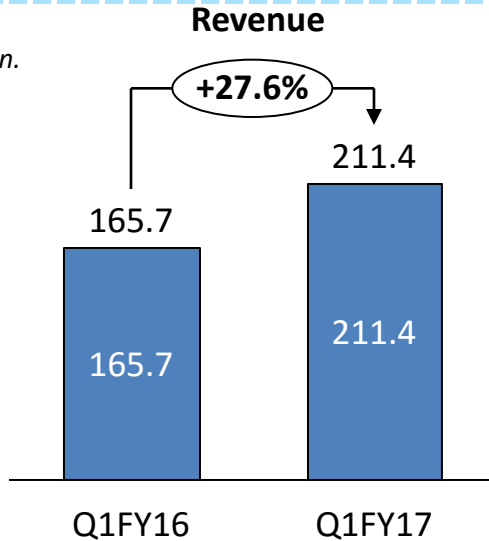
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# Q1FY17 Performance Highlights

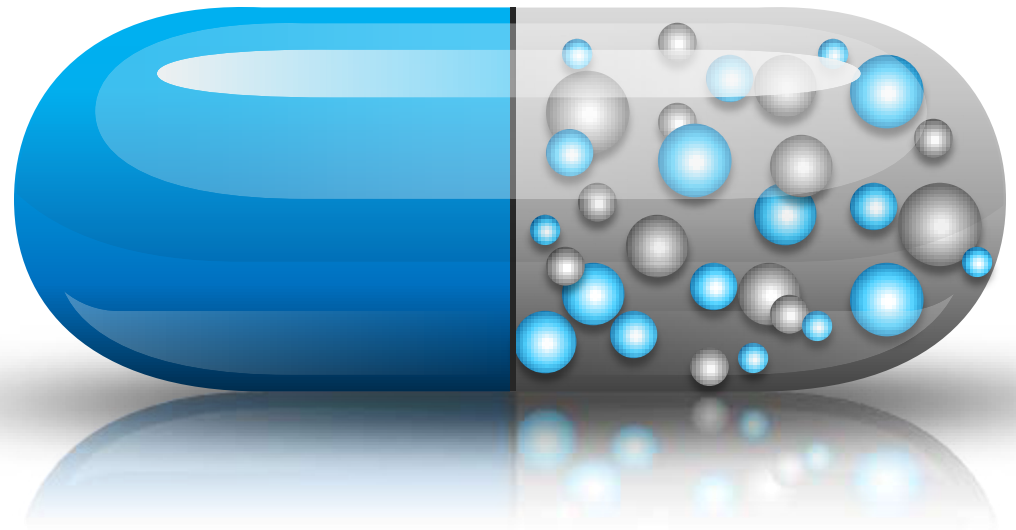
Rs. Mn.



# Q1FY17 – Income Statement

Rs. Million	Q1 FY17	Q1 FY16	YoY %	Q4FY16	QoQ %
<b>Revenue</b>	<b>211.4</b>	<b>165.7</b>	<b>27.6%</b>	<b>228.7</b>	<b>-7.6%</b>
<i>Capsule</i>	211.4	165.7	27.6%	176.0	
<i>Marketing of Food Product</i>	-	-	-	52.7	
Raw Material	92.9	50.9		111.5	
Employee Cost	24.9	22.7		24.4	
Other Expenses	51.9	51.7		61.2	
Other Income	3.3	1.9		7.4	
<b>EBITDA</b>	<b>45.0</b>	<b>42.3</b>	<b>6.3%</b>	<b>39.0</b>	<b>15.1%</b>
<b>EBITDA Margin</b>	<b>21.3%</b>	<b>25.5%</b>		<b>17.1%</b>	
Interest	9.9	8.5		9.5	
Depreciation	10.4	9.0		11.2	
<b>PBT</b>	<b>24.7</b>	<b>24.8</b>	<b>-0.6%</b>	<b>18.3</b>	<b>34.6%</b>
Tax	9.2	10.2		6.1	
<b>PAT</b>	<b>15.5</b>	<b>14.6</b>	<b>6.4%</b>	<b>12.3</b>	<b>26.0%</b>
<b>PAT Margin</b>	<b>7.3%</b>	<b>8.8%</b>		<b>5.4%</b>	
<b>Cash PAT</b>	<b>25.9</b>	<b>23.6</b>	<b>9.8%</b>	<b>23.5</b>	<b>10.2%</b>
<b>Cash PAT Margin</b>	<b>12.3%</b>	<b>14.2%</b>		<b>10.3%</b>	






# Our Story




# Company Snapshot




2<sup>nd</sup> Largest producer of Empty Hard Gelatin Capsules (EHGC) in India

Pioneer of Double Lock and Triple Lock Capsules in India



Global Presence with ~50% 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”

2010-16



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 40 years of wide experience in Industries ranging from Steel, Copper, Paper, Jute, Wires, Foods, Pharmaceutical and Retail
- Vice President – PHD Chamber of Commerce & 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 16 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



# 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

Concentrated efforts being made to  
augment market in this new segment



## 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



## Product

Product Range caters to Pharma & Food Supplement Industry



Triple Lock Capsule

## 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

## Innovation

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



## 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





# 06 Regulatory Certifications

CERTIFICATE OF  
**ACHIEVEMENT**  
*This Award is Presented to*

First Class  
Certification



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

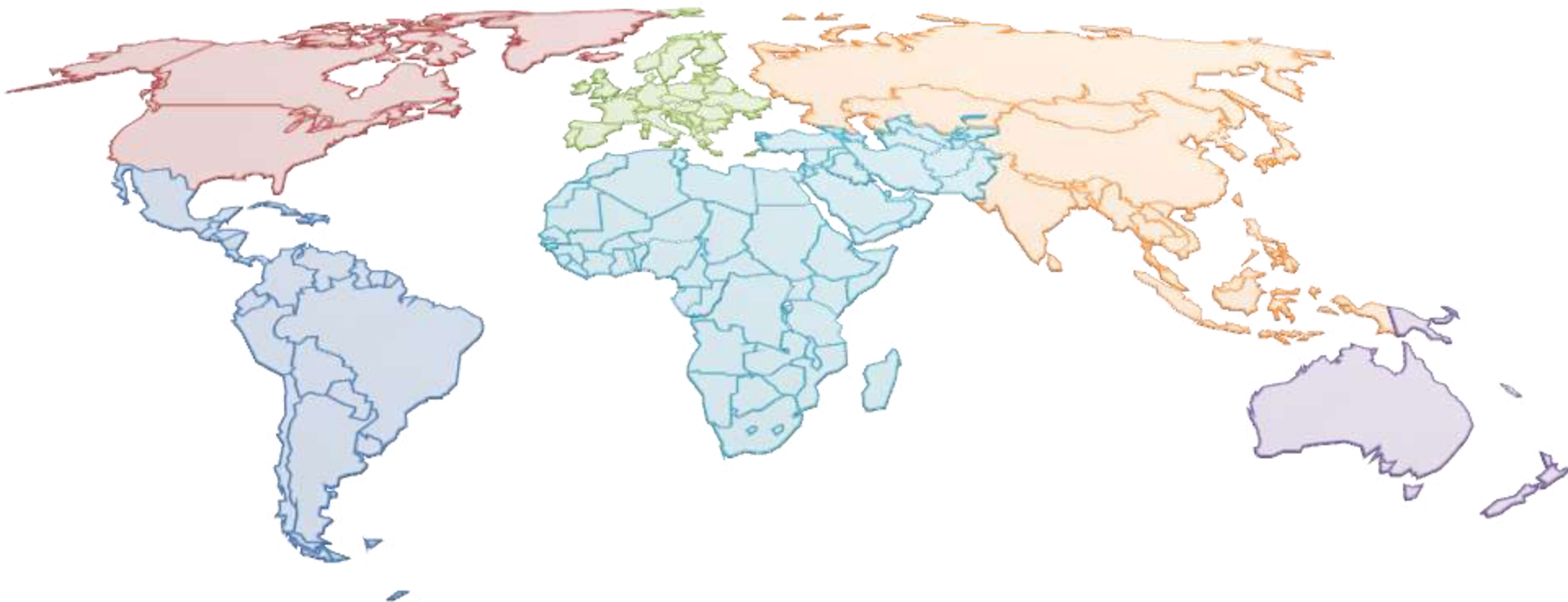
OHSAS 18001:2007



# Certifications – Raw Material (Gelatin)



*Presence in Over 30 Countries across the Globe*



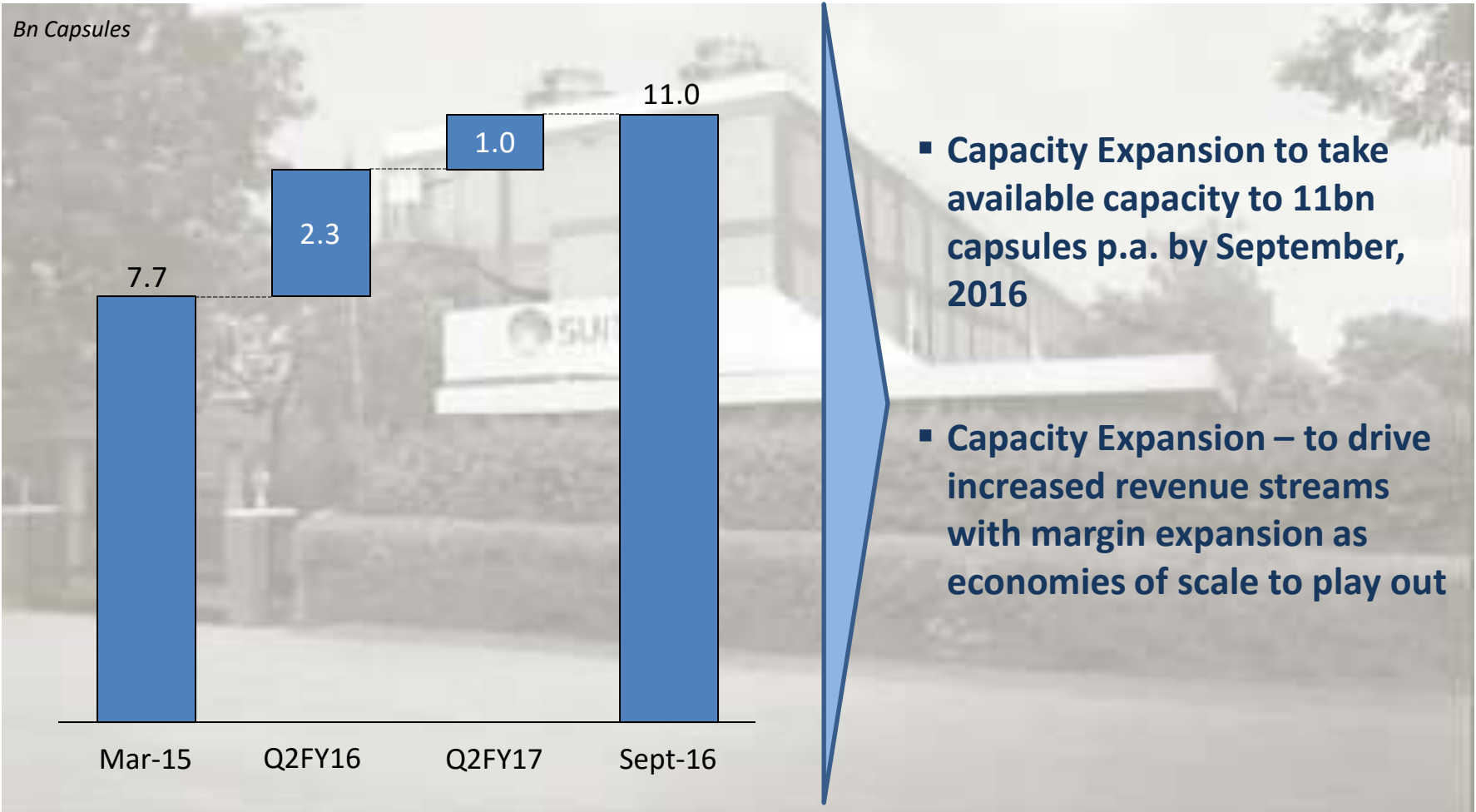
*Recognized Star Export House*



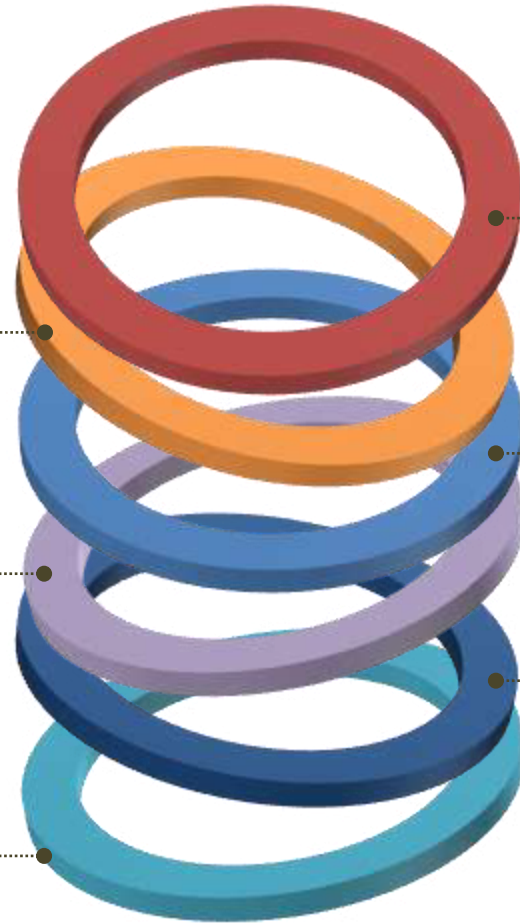
**Wyeth**



# 09 | Brownfield Capacity Expansion Completed



## 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
<b>EBITDA Margin</b>	<b>19.2%</b>	<b>17.2%</b>	<b>19.0%</b>	<b>17.5%</b>
Interest	38	23	25	26
Depreciation	38	40	41	38
Exceptional Item	0	0	0	6
PBT	80	62	51	22
Tax	28	22	18	7
PAT	52	40	33	14
<b>PAT Margin</b>	<b>6.4%</b>	<b>5.5%</b>	<b>5.3%</b>	<b>3.1%</b>



# Balance Sheet

Rs. Million	FY16	FY15	FY14	FY13
<b>Shareholders Fund</b>	<b>311</b>	<b>258</b>	<b>231</b>	<b>198</b>
Share Capital	102	102	102	102
Reserves & Surplus	209	156	129	96
<b>Total Non Current Liabilities</b>	<b>132</b>	<b>82</b>	<b>66</b>	<b>73</b>
Long Term Borrowings	92	57	38	43
Other Long Term Liabilities	40	25	28	30
<b>Total Current Liabilities</b>	<b>415</b>	<b>295</b>	<b>260</b>	<b>262</b>
Short Term Borrowings	249	170	145	162
Trade Payables	104	70	63	57
Other Current Liabilities	62	55	52	43
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>858</b>	<b>635</b>	<b>557</b>	<b>533</b>
<b>Total Non Current Assets</b>	<b>416</b>	<b>302</b>	<b>279</b>	<b>292</b>
Fixed Assets	410	281	273	287
Long Term loans & Advances	6	21	6	5
<b>Total Current Assets</b>	<b>442</b>	<b>333</b>	<b>278</b>	<b>241</b>
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	13	6	8	4
<b>TOTAL ASSETS</b>	<b>858</b>	<b>635</b>	<b>557</b>	<b>533</b>



For further information, please contact:

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