



Date: 24/11/2017

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

Scrip code: 537253 (BSE)

Subject: Investor Release for H1 FY 2017-18

Dear Sir/Madam,

With reference to the above mentioned subject, Please find enclosed the Investor Release for H1 FY1 2017-8 of the Company for your reference and record.

Thanking you,

For Sunil Healthcare Ltd.,

A handwritten signature in blue ink, appearing to read "Pawan Rathi", written over a horizontal line.

Pawan Rathi

CFO

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

Sunil Healthcare Limited

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CIN No. L24302DL1973PLC189662

Investor Release

Sunil Healthcare Ltd. Financial Performance in H1FY18

November 24, 2017, New Delhi - Sunil Healthcare Ltd, a leading manufacturer of Empty Hard Gelatin Capsules, has announced it's Unaudited Financial Results for the Quarter and Half year ended 30th September 2017. The Financial Results has been prepared as per Ind-AS.

Key Standalone Financial Highlights are as follows

Rs. In Millions	H1FY18	H1FY17	YoY %
Net Revenue	440.67	454.85	(3.1%)
EBITDA	76.11	85.73	(11.2%)
EBITDA Margin	17.3%	18.8%	(158bps)
Profit Before Tax	30.49	44.47	(31.4%)
PAT	20.53	29.98	(31.5%)
PAT Margin	4.7%	6.6%	(193bps)
Cash PAT	43.74	51.25	(14.7%)
Cash PAT Margin	9.9%	11.3%	(134bps)

- GST implementation led to low volume offtake and resulted in pricing pressure thus impacting margin in Q2FY18.
- The GST rate for our capsules business was increased to 28% in July 2017 which increased the working capital for the company and increased borrowing costs. The new GST rate announced on 15th November 2017 at 18% is therefore a huge relief from the perspective of working capital and demand scenario.
- Power Costs shot up substantially by 3.24% of the Capsule business revenue thereby impacting EBITDA margin commensurately.
- Our focus on improving internal efficiencies will help us to outperform and grow profitability.

Commenting on the Standalone Results, Mr. D. Gnanasekaran (CEO) said, “The Second Quarter was a challenging one for our Industry, wherein we grappled with the slow recoveries post GST implementation. Re-stocking of inventory was at a slower pace than expected, which created pricing pressures. This was further exacerbated by a high rate of 28%, which impacted working capital and margins overall in our Industry.

Additionally, specific to us were challenges faced by us due to the inconsistent availability of quality power, which further impacted our margins due to higher costs of alternatives.

The above notwithstanding, we are happy to share that we continue to outperform our Industry in these challenging times.

This has been brought about by our strategies to increase penetration with existing clients and geographies as well as new clients and geographies. Our rigorous focus on cost optimization on all fronts is playing out well and we continue to witness positive momentum. The revised GST rate at 18% is a huge positive for the industry which had a temporary shock in Q2FY18. Further, we are in the process of commercializing our increased capacity and are confident to benefit from operating leverage.

On our Foods division, we are pleased to share that we have been awarded the prestigious “Export Award” as “Top Most Exporter under Cashew nut and Allied products from New Delhi during the year 2016-17 by The Cashew Export Promotion Council of India (Sponsored by Ministry of Commerce and Industry, Government of India) during the Kaju India 2017 - Global Cashew Summit, 17-19 September 2017, Goa. This is testimony to the efforts being put in by our team to strengthen our base in this division.”

The Capsules Division Standalone performance is as follows

Rs. In Millions	H1FY18	H1FY17	YoY %
Net Revenue	398.29	416.45	(4.4%)
EBITDA	77.53	88.12	(12.0%)
EBITDA Margin	19.5%	21.2%	(169bps)
Profit Before Tax	31.91	46.86	(31.9%)
PAT	21.48	31.58	(32.0%)
PAT Margin	5.4%	7.6%	(219bps)
Cash PAT	44.69	52.85	(15.4%)
Cash PAT Margin	11.2%	12.7%	(147bps)

Way Ahead

We remain on track to commercialize and stabilize our new capacity at our existing facilities. With our focus on improving our reach with New & existing clients as well as New and existing Geographies we are confident to fully utilize this capacity in the next 12-15 months. We have initiated further cost saving measures which we hope will positively impact our EBIDTA in the next 6-9 months.

About Sunil Healthcare Ltd

Sunil Healthcare Ltd, is the second largest manufacturer of Empty Hard Gelatin Capsules in India. A Gol recognized Star Export House, ~50% of revenues are from exports. With four decades of experience, and a strong brand equity "Sunloc", the company is a preferred vendor for large pharmaceutical companies. The company was the pioneer of Double lock and Triple lock technology in India. With a strong focus on R &D, the company is constantly innovating its product line to cater to the industry requirements. For more information, please visit the company website www.sunilhealthcare.com

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

For further details please contact

Company:	Investor Relations Advisors:
Sunil Healthcare Limited CIN: L24302DL1973PLC189662	Strategic Growth Advisors Pvt. Ltd. CIN: U74140MH2010PTC204285
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