



Vaishali Pharma Limited
Result Update Presentation
May 2018

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Director's Message & Financial Highlights



Company Overview



Industry Overview



Business Overview



Way Ahead



**Director's Message &
Financial
Highlights**

Commenting on the results, Ms. Priyanka Vasani – Chief Operating Officer, Vaishali Pharma Limited said :

"This second half and full financial year end 2017-18, our Company has reported a growth with fantastic H2 FY18 sales of Rs. 45 Cr, an increase of over 95% as compared to H1 FY18, on account of good demand and growing acceptability for our products. The demand witnessed in newer geographies will enable the Company to deliver better performance going ahead. Further the Company intends strive harder to improve the same in coming financial year.

I am pleased to share that the Company recently, received product registrations across different dosages, in high growth markets of Myanmar and Kenya. These products are much needed and highly sought out in these markets; however these markets are also very stringent in issuing product registrations. This marks a milestone for our Company to reach out more and increase penetration in such markets.

Our Company has already developed a strong network of clients and healthy relationships in these countries. We will benefit from larger sale of products in these markets. This is another yet another important step towards laying a strong foundation and meeting desired targets. The Company is in a phase of evolution and growth and we will strive hard and deliver on the expected lines. Also we are looking to expand its presence across other different markets that we are currently present.

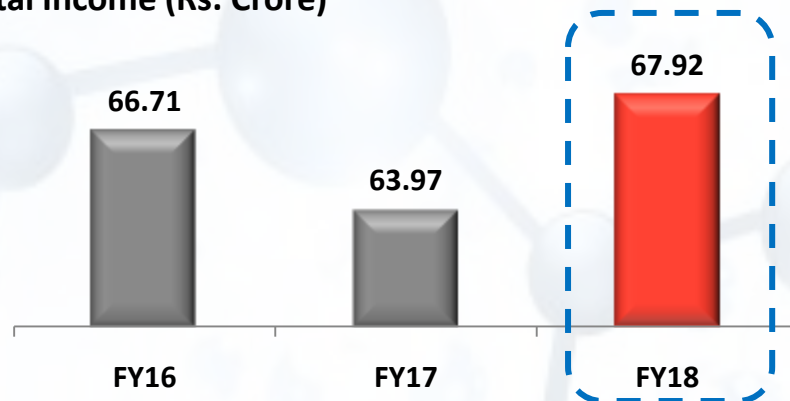
I would like to thank the entire team of 'Vaishali Pharma Ltd.' for their untiring efforts, hard work, sincerity and high dedication. Also, I would like to thank our valued Shareholders, whose support and faith in the Company has given us the determination and ambition to grow from strength to strength."

Half Yearly Profit & Loss Highlights

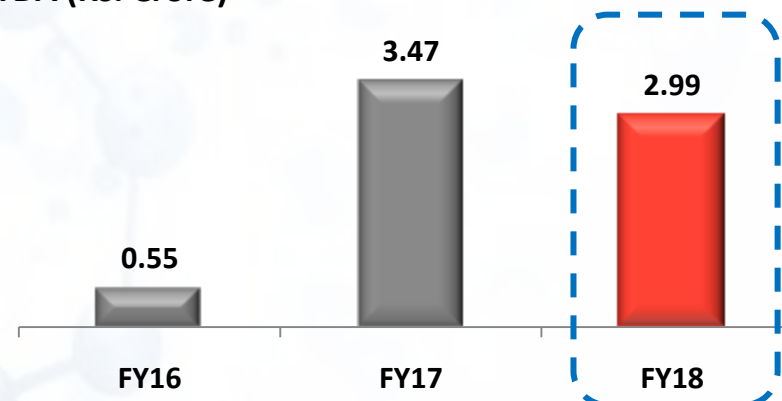
Rs. Crs	H2 FY18	H1 FY18	Sequential % Change
Revenue	45.03	22.89	96.7%
Cost of goods sold	40.27	19.63	
Employee Cost	1.04	1.00	
Other Cost	1.60	1.39	
EBITDA	2.12	0.87	144.5%
EBITDA Margin%	4.71%	3.79%	
Other Income	0.51	0.99	
Depreciation	0.11	0.10	
Interest	1.48	1.45	
Exceptional Item	0.00	0.00	
Profit Before Tax	1.04	0.30	
Tax	0.46	0.09	
PAT	0.58	0.22	168.3%
PAT Margin%	1.29%	0.95%	
EPS in Rs.	0.88	0.46	91.3%

- Revenue growth is on account of entry into newer markets and addition of new products
- EBITDA has grown by 145%, margins grew by 92 bps on account of sale of higher margin new products
- Registered PAT growth of 168.3%

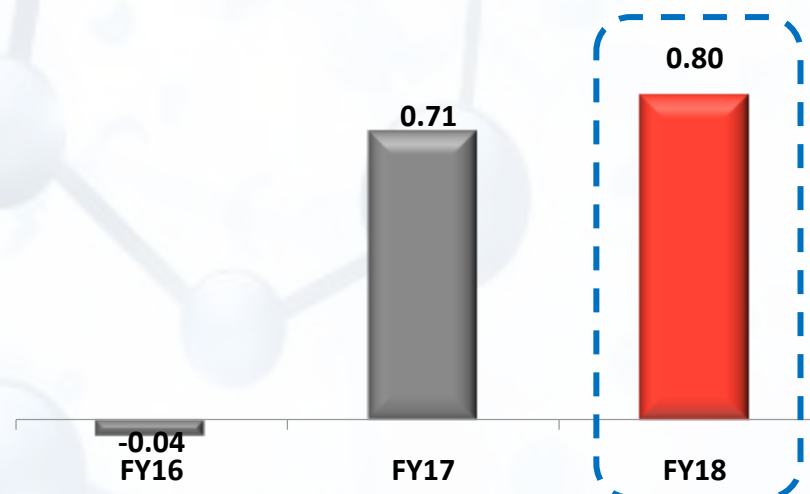
Total Income (Rs. Crore)



EBITDA (Rs. Crore)



PAT (Rs. Crore)



Annual Profit & Loss Highlights

Rs. Crs	FY18	FY17	FY16
Revenue	67.92	63.92	66.71
Cost of goods sold	59.90	56.14	62.03
Employee Cost	2.04	1.59	1.56
Other Cost	3.00	2.77	2.57
EBITDA	2.99	3.47	0.55
EBITDA Margin%	4.40%	5.43%	0.82%
Other Income	1.50	0.93	3.18
Depreciation	0.21	0.28	0.37
Interest	2.93	3.10	3.37
Exceptional Item	0.00	0.00	0.00
Profit Before Tax	1.35	1.03	(0.01)
Tax	0.55	0.32	0.03
PAT	0.80	0.71	(0.04)
PAT Margin%	1.17%	1.11%	(0.06%)

- Revenue increase by 6% on year on year basis on account of addition of value added products
- EBITDA declined to Rs. 2.99 cr, mainly on account of change in product mix, adding new products and seeding new markets

Balance Sheet Highlights- As on 31st Mar'17

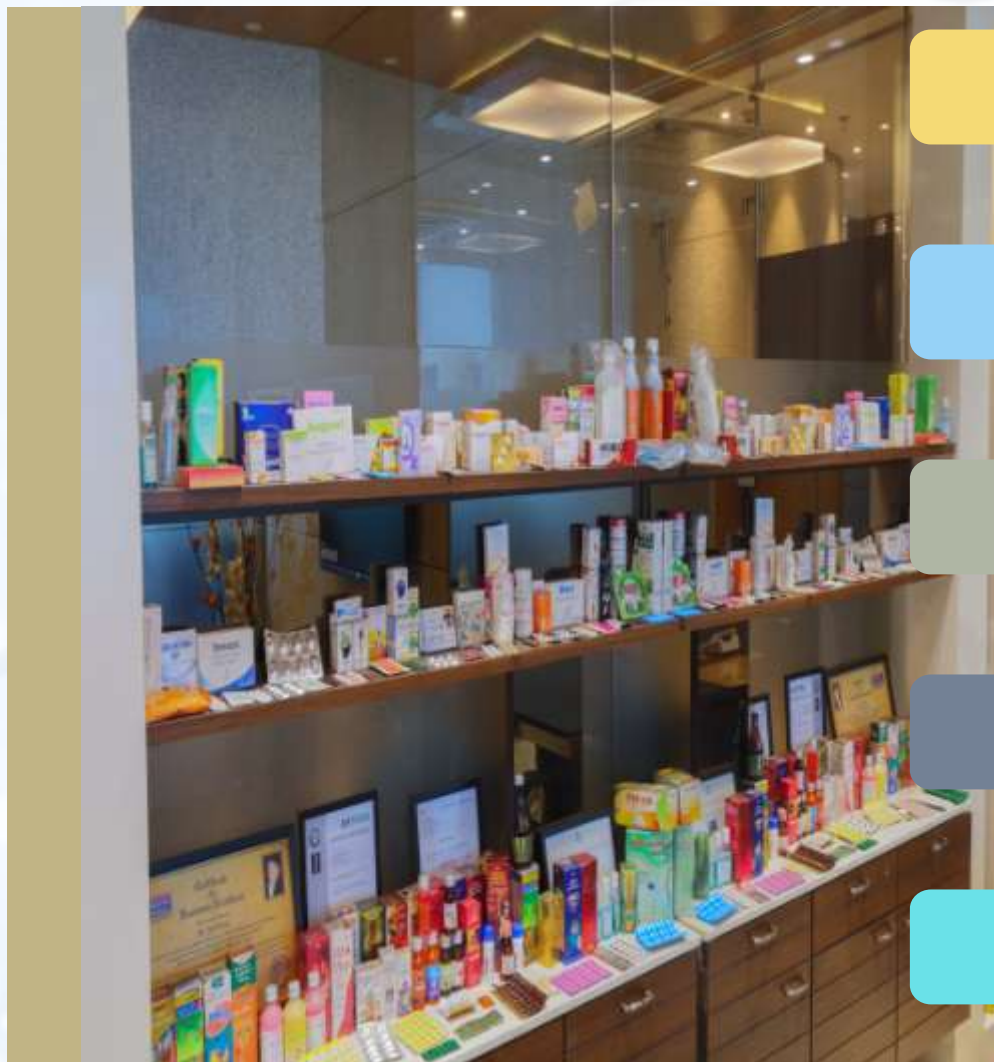
Rs. Crs	As on 31 st Mar-18	As on 31 st Mar-17
Shareholder's Funds	20.60	3.98
Share capital	6.59	3.00
Other Equity	14.01	0.98
Non-current liabilities	2.83	3.57
Long term borrowings	2.65	3.37
Provision	0.18	0.20
Current liabilities	40.89	37.32
Short Term Borrowings	14.91	17.75
Trade Payables	22.38	15.38
Other Financial Liability	2.32	2.77
Provisions	0.01	0.01
Income Tax Liability	0.48	0.38
Other Current liabilities	0.79	1.03
Total Equities & Liabilities	64.32	44.87

Rs. Crs	As on 31 st Mar-18	As on 31 st Mar-17
Non-current assets	5.27	4.96
Property , Plant & Equipment	0.98	1.14
Intangible Assets	0.28	0.15
Intangible Assets under dev.	0.08	0.00
Financial Assets		
Other Investments	0.43	0.38
Other Financial Assets	1.79	1.57
Deferred tax assets (net)	0.12	0.14
Other Tax Assets	0.10	0.19
Other non-current assets	1.49	1.40
Current assets	59.05	39.91
Inventories	1.87	1.15
Financial Assets		
Trade receivables	44.58	37.47
Cash & Cash equivalents	0.21	0.18
Bank Balances	0.07	0.00
Other Financial Assets	9.59	0.44
Other Current Assets	2.74	0.65
Total Assets	64.32	44.87



Company Overview

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Among fastest growing companies in pharmaceutical industry across globe

- Established in 1989
- Incorporated as Private limited company in 2008

Diversified Product Portfolio

- Present dosage forms comprises of: Tablet, Capsule, Liquid Oral, Injections (Dry & Liquid), Dry Syrup in Human / Veterinary; Surgical devices, Oncology, Herbal and Nutraceutical products & API

Experienced Sales & Distribution

- Well established sales & Distribution management system
- Efficient execution & Logistic system backed with FlexiERP software for zero defect quality management & Distribution system
- Strong team of Sales & Marketing Professionals having presence in PAN India

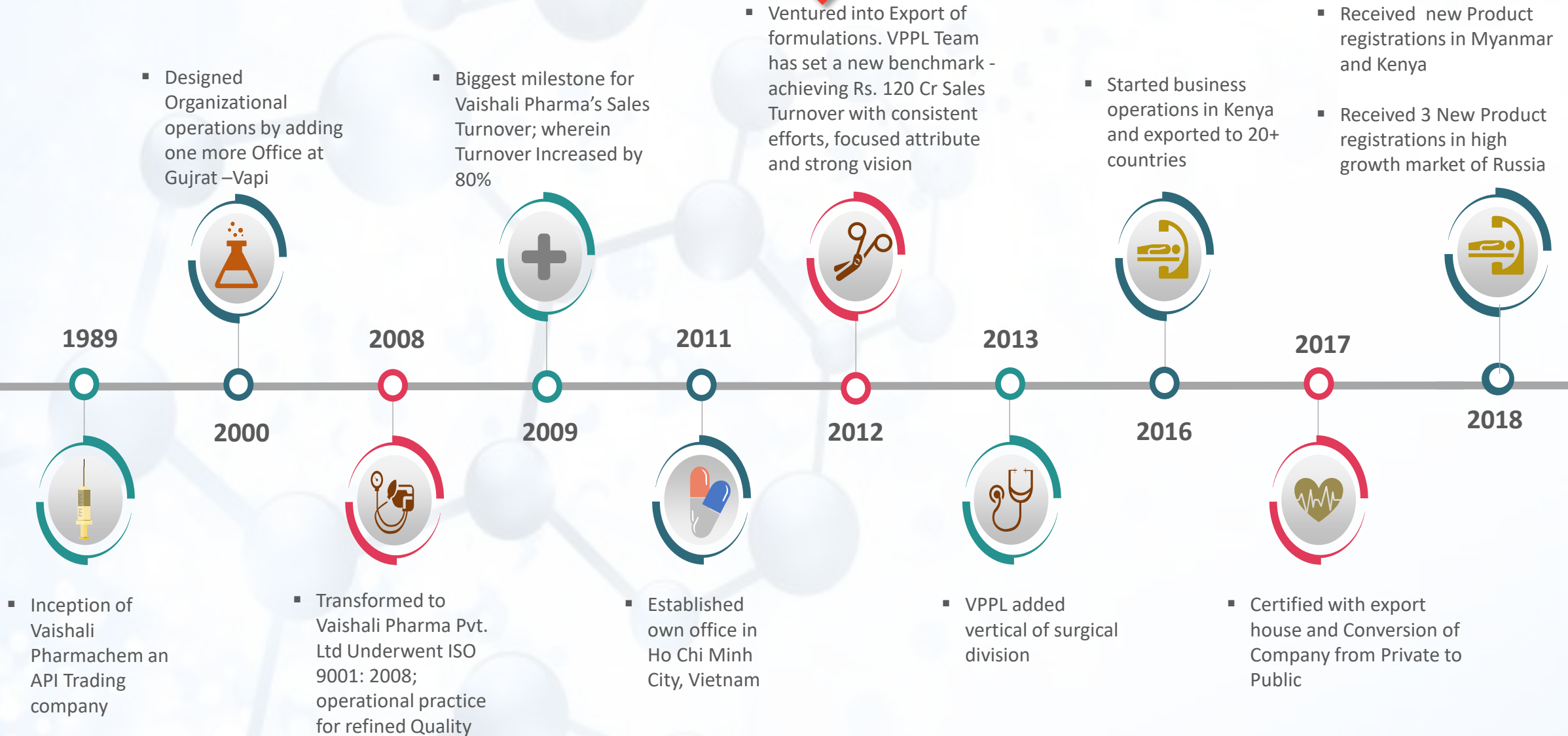
Offices

- Corporate Office : Headquarters located amidst economic hub of India, Mumbai
- Overseas Regional Office : Vietnam
- Warehouse at Bhiwandi, Maharashtra

Certifications

- ISO 9001 : 2008 for quality management from BM Trada UKAS
- ISO 9001 : 2015 from Deutsche Accreditation Board, Germany
- Certified by European Certification Organization and compliance Certificate

Journey So Far



Experienced Management Team

Mr. Atul Vasani Chairman & Managing Director

- Over 29 years of experience in pharmaceutical industry
- A phenomenal personality with strong business acumen. Ethical & perseverant approach towards business and focused visionary personnel
- Good knowledge of Business Economics to form suitable joint ventures, strategic alliances, etc.

Mr. Anil Lakan Chief Executive Officer

- Over 30 years of experience in Pharmaceutical industry
- His responsibilities includes export operations, strategic planning and overall management of Company
- Stong experience in designing, approving & establishing pharmaceutical formulation, manufacturing set up, short term & long term business goals and Quality Management

Mr. Ratnesh Singh Chief Financial Officer

- Over 12 years of rich experience in Finance & Accounts Management
- Responsible for complying statutory requirement pertaining Taxes viz. GST, Income Tax, PF, PT, etc.
- Stong experience in managing finance of Company. Updates management on MIS for analysing financial status of Company

Ms. Priyanka Vasani Chief Operating Officer

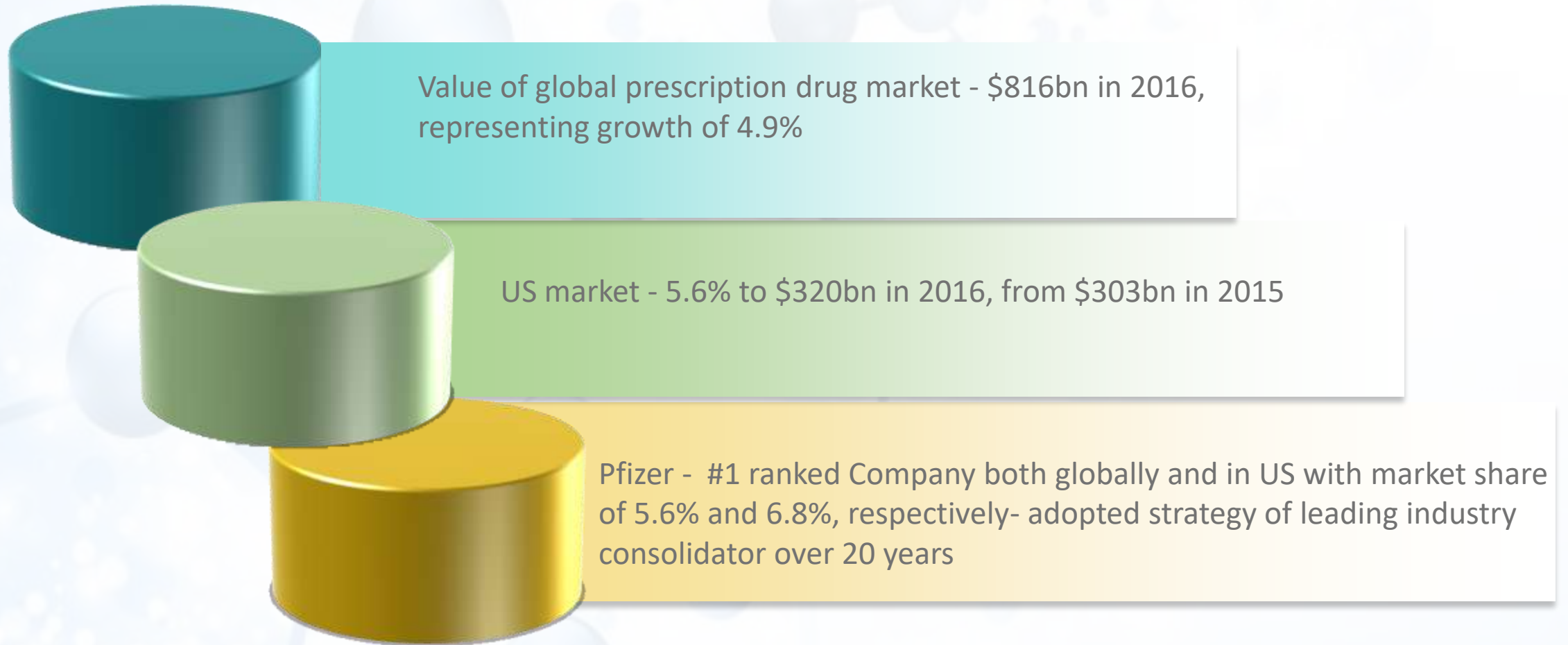
- 5 years of professional experience in business management
- Responsible for country specific export
- Stong experience in Designing MIS reports & its implementation helps to make suitable changes in policy of Company

Mr. Sanjay Matalia GM-Marketing

- Over 22 years of experience in API marketing
- Heading Domestic marketing of API
- Thorough knowledge & experience of API trends in Domestic market and Strong ability to convince clients

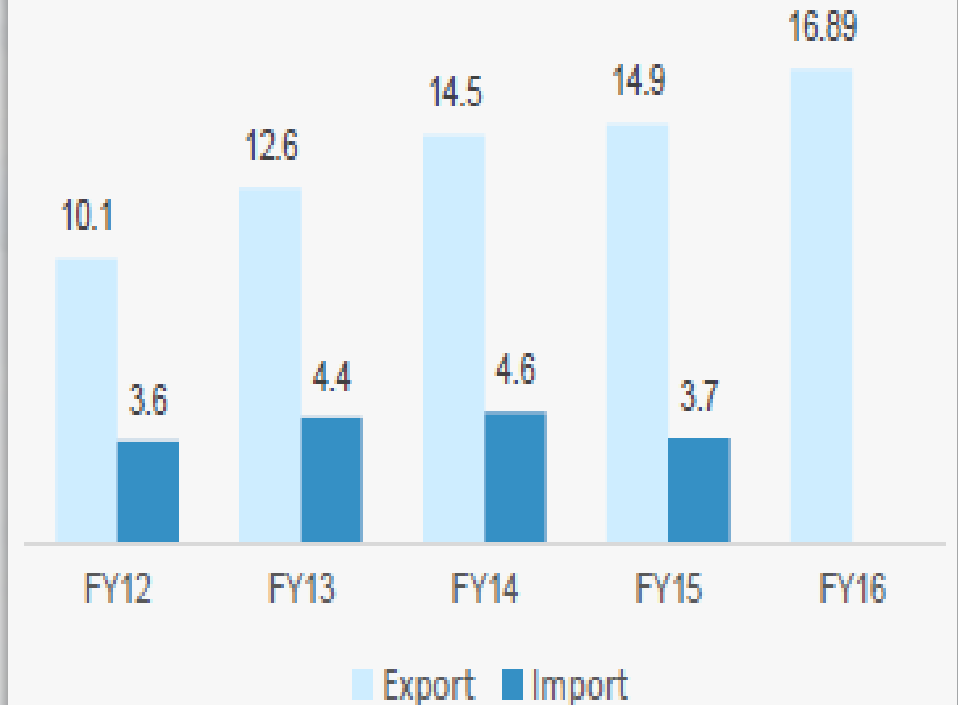


Industry Overview



- Indian pharma companies capitalising on export opportunities in regulated and semi-regulated markets
- In FY16, India exported pharmaceutical products worth \$16.89 billion, with number expected to reach \$40 billion by 2020
- Department of Pharmaceuticals targets to export \$18.02 billion worth of pharmaceuticals in 2016. Indian drugs exported to more than 200 countries in world, with US as key market
- India - world's largest provider of generic medicines; country's generic drugs account for 20% of global generic drug exports (in terms of volumes)
- In terms of value, exports of pharmaceutical products increased at CAGR of 14% during FY12–15
- US - largest export market for India
- During FY12-14, imports of pharmaceutical products grew at CAGR of 13.04% to \$4.6 billion
- During 2015-2016 (April-Dec), pharmaceutical products imports into India stood at \$3.7 billion

Trade data of Indian pharma sector (USD billion)



Leading Pharma producer

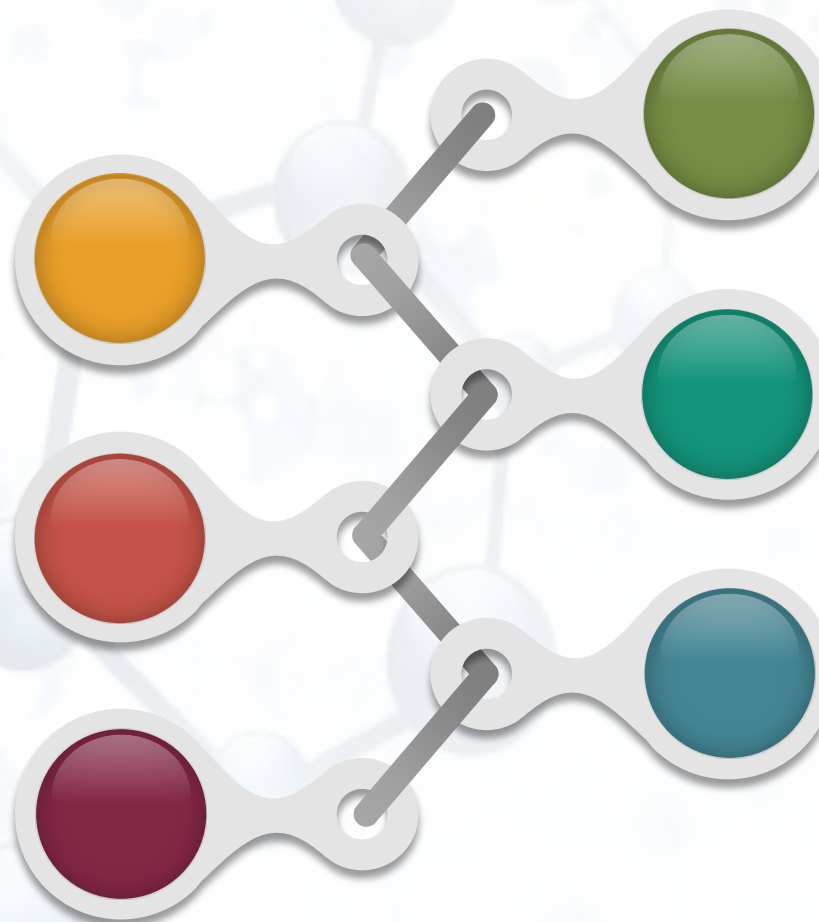
- Indian pharmaceutical sector accounts for about 2.4% of global pharmaceutical industry in value terms and 10% in volume terms

One of highest exports

- India accounts for 20% of global exports in generics. In FY16, India exported pharmaceutical products worth \$16.89 billion, with number expected to reach \$40 billion by 2020

Among fastest growing industries

- Country's pharmaceutical industry expected to expand at a CAGR of 12.89% over 2015–20 to reach \$55 billion



Rapidly growing Healthcare sector

- Indian healthcare sector, one of fastest growing sectors, expected to advance at a CAGR of 17% to reach \$250 billion over 2008–20

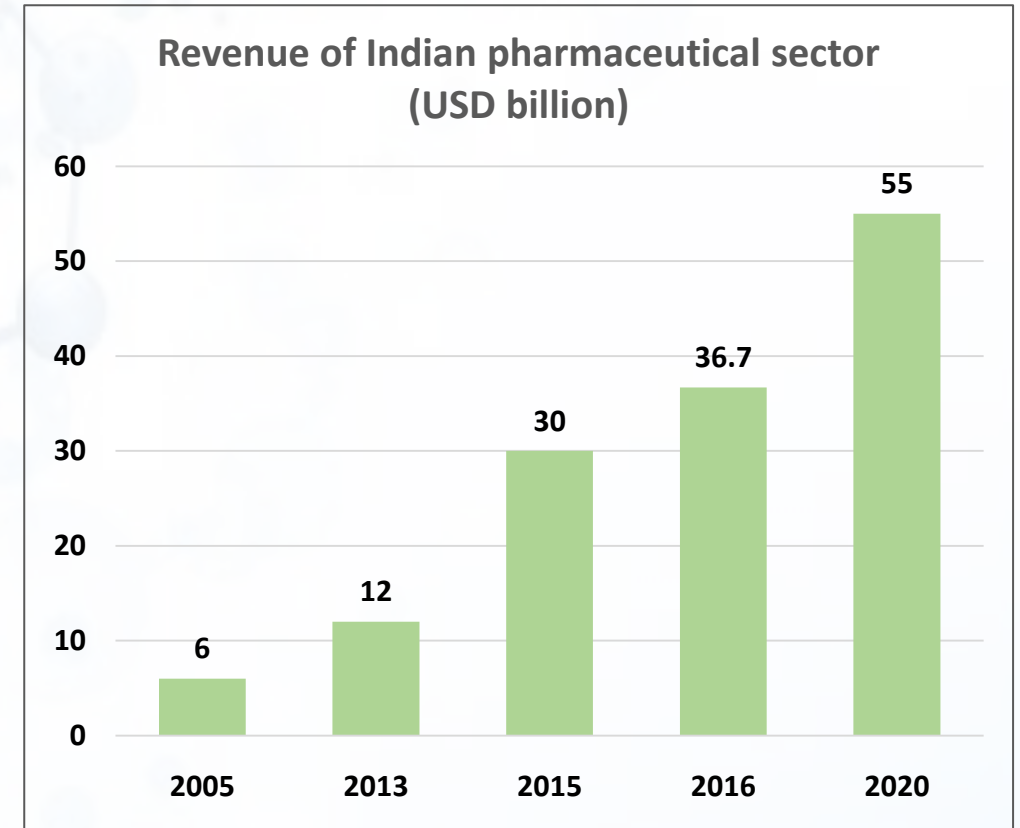
Growing generics market

- Generics market stood at \$26.1 billion in 2016 from \$21 billion in 2015. India's generics market - immense potential for growth

Ranked 5th in attracting FDI

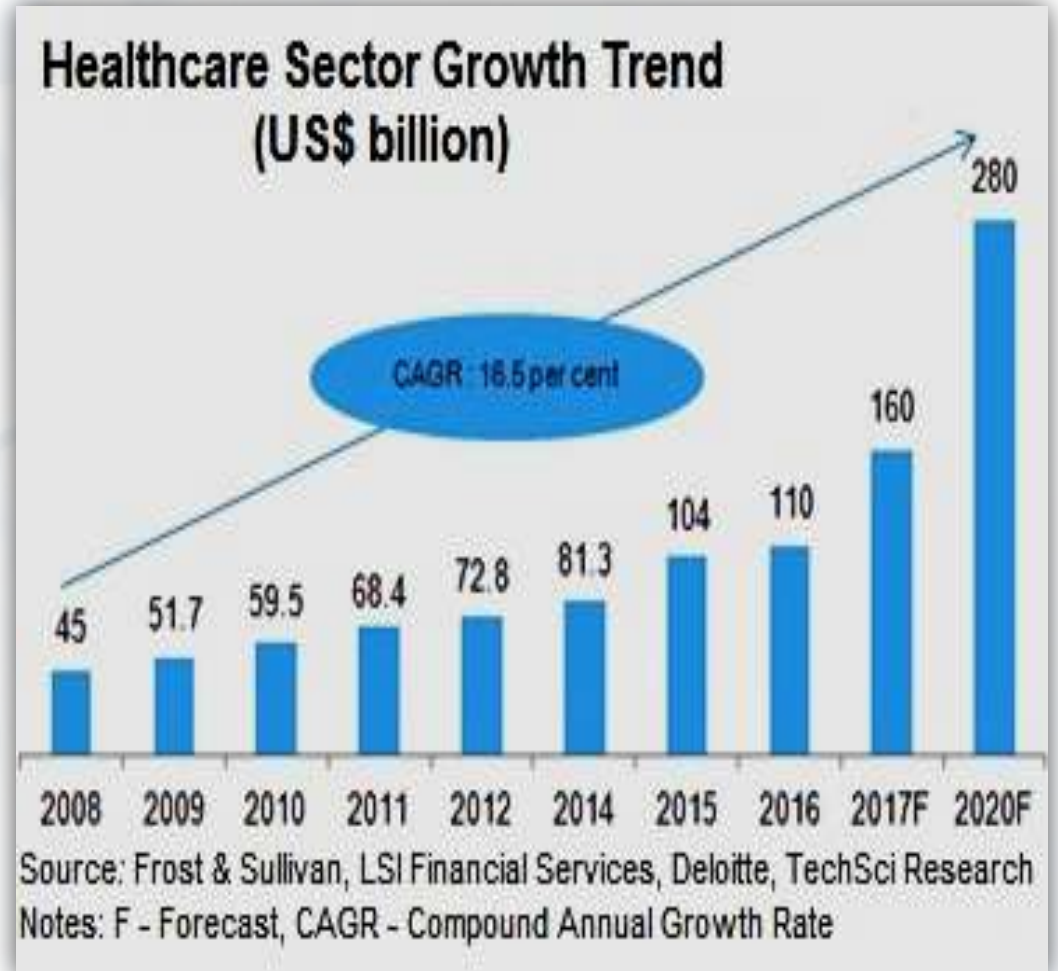
- Pharmaceutical sector in India attracted 5% of total FDIs into India from April 2000 to September 2016
- Cumulative FDI inflows worth \$14.49 billion made during April 2000 to September 2016

- Indian pharmaceuticals market witnessed growth at CAGR of 17.90%, during 2005-16, with market increasing from \$6 billion in 2005 to \$36.7 billion in 2016
- By 2020, India - likely to be among top 3 pharmaceutical markets by incremental growth and 6th largest market globally in absolute size
- India's cost of production significantly lower than that of US and almost half of that of Europe - giving competitive edge to India over others
- Increase in size of middle class households coupled with improvement in medical infrastructure and increase in penetration of health insurance in country to also influence in growth of pharmaceuticals sector



Strong growth in healthcare expenditure:

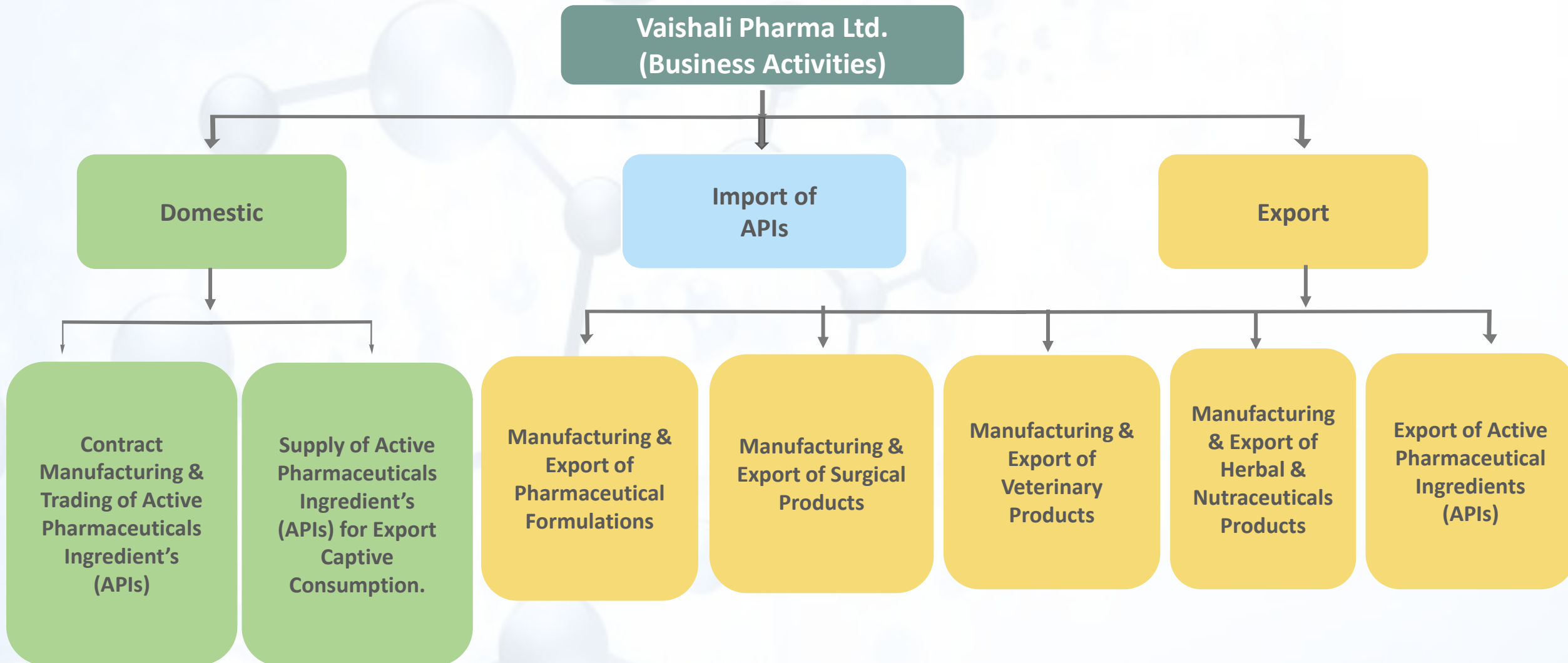
- Healthcare industry - growing at tremendous pace owing to its strengthening coverage, services and increasing expenditure by public as well private players
- Till 2020, market expected to record a CAGR of 16.5%
- According to Ministry of Health, development of 50 technologies targeted in FY16 for treatment of disease like Cancer and TB



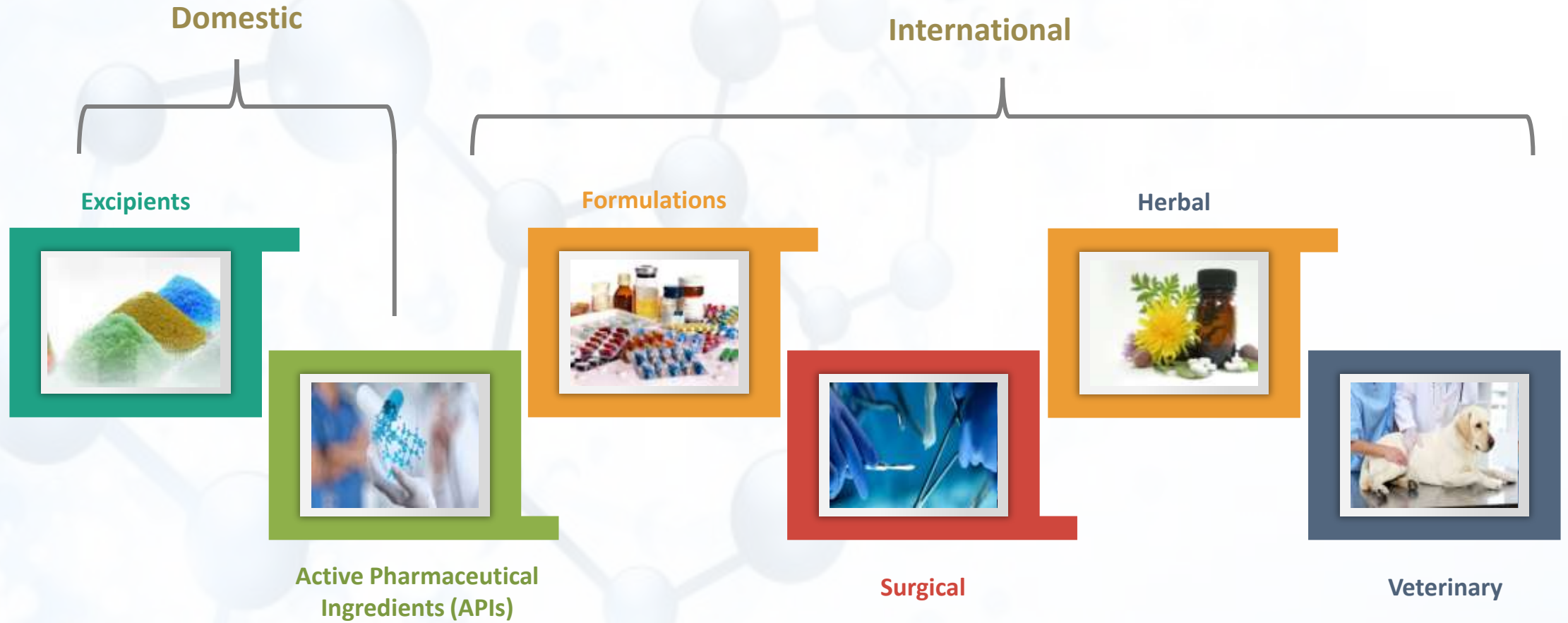


Business Overview









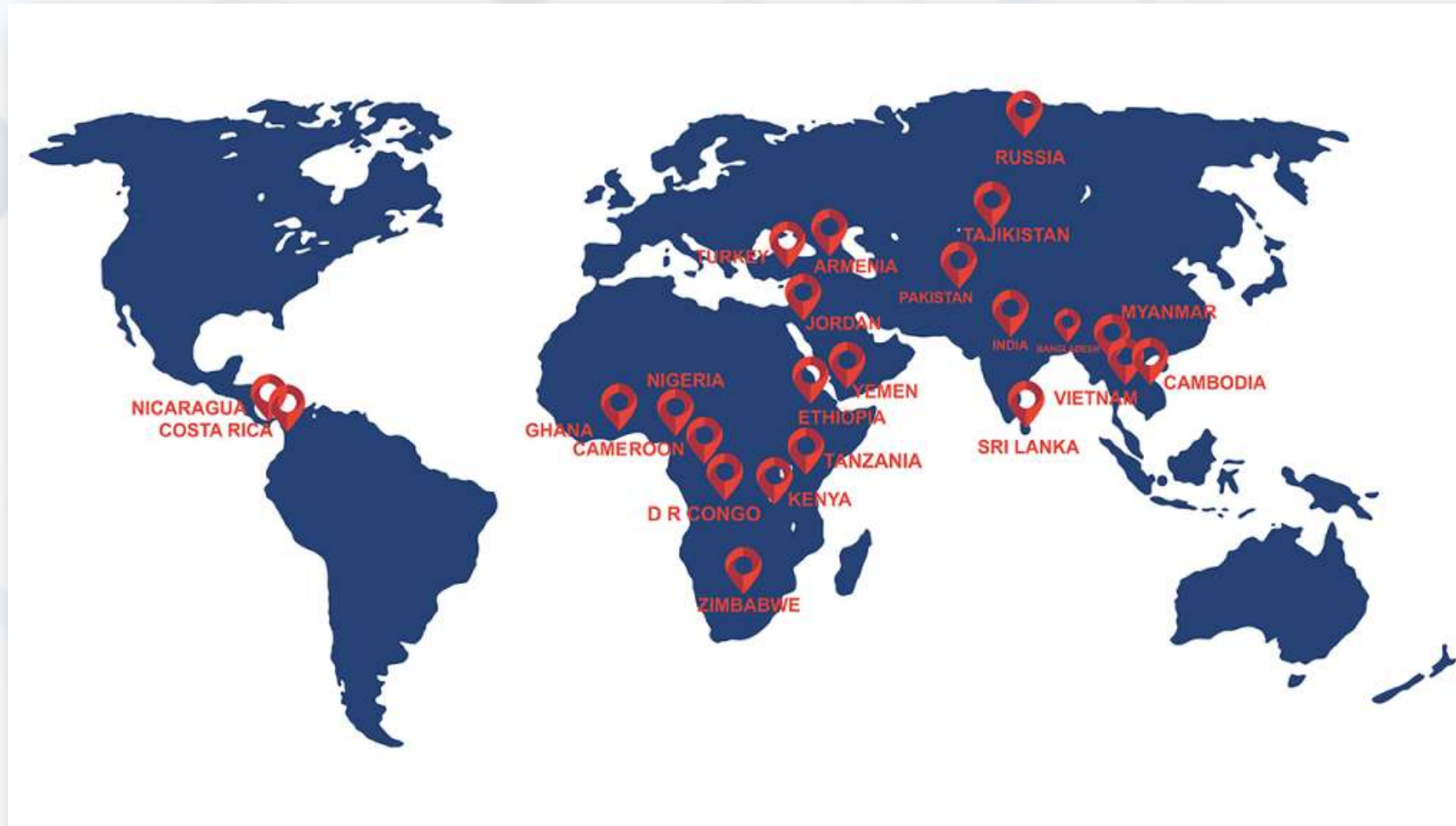
- Offering range from Formulations, Bulk Drugs, APIs, Veterinary Products, Surgical and Neutraceutical Products
- Marketing approximately 400 products in Domestic and has product portfolio of more than 1,000 products for overseas market

- Caters to Asian, African, CIS and Latin American Countries
- Applied for 225 registrations in 25 countries - 71 approvals from 8 countries

- Chairman Mr. Atul Vasani engaged in Pharmaceutical business for more than 2 decades
- Well equipped dedicated Personnel enable to take advantage of both current and future market opportunities



- ISO 9001 : 2008 for quality management from BM Trada UKAS
- ISO 9001 : 2015 from Deutsche Accreditation Board, Germany
- Certified by European Certification Organization and compliance Certificate
- Credit Rating Certification from NSIC CRISIL for 2017-18
- Customer Centric and Order driven business model
- Optimum utilisation of resources assuring quality supply enable to achieve economies of scale
- Development of new market and products by exploring customer needs, marketing expertise by maintaining quality output



Export contributed 24% of Total Revenue in FY18
Presence across over 15 countries

Company Certifications



Star Export House



ISC- Global



NSIC- CRISIL



NSE - EMERGE

Formulation Certifications



Tajikistan



DR Congo



Myanmar



Nicaragua



Zimbabwe



Kenya

Surgical Certifications



Conformite' Europe'ene



ISO 9001 : 2015



MEDICAL

Health Care
Doctor
Hospital
Pharmacist
Nurse
Dentist
First Aid
Surgeon
Emergency



Way Ahead



Increased Global Presence

- Currently have presence in Asian, African, CIS and Latin American Countries
- Revenue from export increased from Rs. 0.52 Crs in FY 2012 – 13, Rs. 1.84 Crs in FY 2013-14, Rs. 0.92 Crs in FY 2014-15, Rs. 8.90 Crs in FY 2015-16 Rs. 17.94 Crs in FY 2016-17
- Applied for 225 registrations in 25 countries for some products, out of which received 71 approvals from 8 countries and remaining in process that will boost export operation



Leveraging Market Skills and relationship

- Continuous focus on leveraging market skills and relationship in organization
- Impart innovative and technical skills in people to give importance to customers



Market Expansion

- Nutraceuticals – Nutraceuticals is newly introduced segment in Pharmaceuticals, and is one of fastest growing vertical in India & Internationals. Nutraceuticals are entirely based on dietary supplements and Nutritional food additives
- To explore potential in DR Congo market, plans to introduce 12 new molecules in 2018
- Also, plans to expand by registering 15 more products in Kenya market



Existing Market Development

- Therapy Extension in Kenya & DR Congo
- Molecule Extension in Kenya & DR Congo

Thank You



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