

*Shaily Engineering Plastics Ltd. – Q4 & FY16 INVESTOR RELEASE*

## **Q4 FY16 Revenue Growth At 11.2% YoY, FY16 Revenue Growth At 25.5% YoY**

## **Q4 FY16 EBITDA Growth At 22.1% YoY, FY16 EBITDA Growth At 49.1% YoY**

**18<sup>th</sup> May, 2016, Baroda:** The Board of Directors of Shaily Engineering Plastics Limited (the Company) in their meeting held today have announced Audited Financial results for the quarter/year ended 31<sup>st</sup> March, 2016.

### **Key Financial Highlights:**

<b>Rs. Crs</b>	<b>Q4 FY16</b>	<b>Q4 FY15</b>	<b>YoY%</b>	<b>FY16</b>	<b>FY15</b>	<b>YoY%</b>
<b>Revenue</b>	<b>54.2</b>	<b>48.7</b>	<b>11.2%</b>	<b>225.5</b>	<b>179.7</b>	<b>25.5%</b>
<b>EBITDA</b>	<b>10.9</b>	<b>8.9</b>	<b>22.1%</b>	<b>41.8</b>	<b>28.0</b>	<b>49.1%</b>
<i>EBITDA Margin</i>	<i>20.1%</i>	<i>18.3%</i>	<i>180 bps</i>	<i>18.5%</i>	<i>15.6%</i>	<i>290 bps</i>
<b>PBT</b>	<b>4.3</b>	<b>4.6</b>	<b>(5.8%)</b>	<b>21.4</b>	<b>14.9</b>	<b>43.8%</b>
<i>PBT Margin</i>	<i>8.0%</i>	<i>9.4%</i>	<i>N.A</i>	<i>9.5%</i>	<i>8.3%</i>	<i>120 bps</i>
<b>PAT</b>	<b>4.1</b>	<b>4.7</b>	<b>(12.7%)</b>	<b>15.5</b>	<b>13.0</b>	<b>19.1%</b>
<i>PAT Margin</i>	<i>7.6%</i>	<i>9.7%</i>	<i>N.A</i>	<i>6.9%</i>	<i>7.2%</i>	<i>N.A</i>
<b>*Cash PAT</b>	<b>7.7</b>	<b>6.3</b>	<b>22.4%</b>	<b>25.7</b>	<b>19.4</b>	<b>32.5%</b>
<i>Cash PAT Margin</i>	<i>14.2%</i>	<i>12.9%</i>	<i>130 bps</i>	<i>11.4%</i>	<i>10.8%</i>	<i>60 bps</i>

**\*Cash PAT includes PAT & Depreciation**

### **Performance Highlights:**

Revenues for Q4 FY16 stood at Rs. 54.2. Crs, a growth of 11.2% YoY while the same was Rs. 225.5 Crs for FY16 a growth of 25.5% YoY. This is inspite of reduction in raw material prices in FY16 which translated in lower prices to customers. The growth was led by traction witnessed across segment in Home Furnishing, Pharmaceuticals, FMCG, Automotive and others. In FY16, we have achieved a capacity utilization rate of ~70 % across plants and expect to maintain momentum going forward.

EBIDTA for Q4 FY16 was at Rs. 10.9 Crs, an increase of 22.1% YoY while the same was Rs. 41.8 Crs for FY16 a growth of 49.1% YoY. EBITDA margin expansion was 180 bps and 290 bps for Q4 FY16 and FY16 respectively led by operating leverage witnessed with increase in sales to existing as well as new customers.

Profit After Tax for Q4 FY16 was at Rs. 4.1 Crs, while for FY16 it stood at Rs. 15.5 Crs a growth of 19.1% YoY.

Whereas, Cash PAT for Q4 FY16 was at Rs. 7.7 Crs, an increase of 22.4% YoY, while the same for FY16 was Rs. 25.7 Crs a growth of 32.5% YoY. Cash PAT margin expansion was 130 bps and 60 bps for Q4 FY16 and FY16 respectively.

Company has declared a final dividend of Rs. 4 per equity share (i.e. 40%) for FY16 subject to shareholder approval.

Commenting on the results, Mr. Amit Sanghvi (Managing Director) said “We have reported a good Quarterly as well as Yearly performance with an overall growth of 25.5%. This in a scenario where weak raw material prices led to decrease in customer prices. Increasing business with existing and new clients is a positive step towards our target of \$100mn revenue with a Global footprint by the Year 2020.”

#### **Capex Update:-**

During the year, invested Rs. 32.5 Crs in various fixed assets and expanding capacity in its plants. Capex for FY17 would be based on new orders being confirmed from customers.

#### **Child Resistant Closures Caps (CRC) Business Update**

Company has received approval from 2 major pharmaceutical clients in Q4 FY16. Sales are expected to start in Q1 FY17. We are looking at offering Integrated Solution (in CRC Bottles and Caps) to the pharmaceutical companies and we look forward to the opportunities in the domestic markets. This segment is of high focus area for us and will take us forward in our growth journey.

#### **New Client Addition - CORVI - LED Lights**

During the quarter, we have started manufacturing and supplied components of LED lightning fixtures for CORVI, an innovative LED lightning manufacturer. Earlier CORVI imported these components from China. We at Shaily have been successful to become an import substitute in line with Governments Make in India Initiative. Going further, we expect this segment to do well.

#### **Appointment of Independent Director**

On resignation of Mr. A S Anandkumar, Company appointed Mr. Dilip G Shah a senior professional from Pharmaceutical industry as an Independent Director. Mr. Shah had been on the Board of Pfizer India for over 30 years and currently is CEO of Vision Consulting Group. Graduated from Indian Institute of Management (IIM), Ahmedabad, he has 50 years of varied experience in the Pharmaceutical Industry. Currently, he is the Secretary-General of the Indian Pharmaceutical Alliance and has also served as a member/chairperson of various reputed forums, seminars and industry bodies both in India and abroad. Mr. Dilip Shah is also an Independent Director on the Boards of Fresenius Kabi Oncology Ltd and Anuh Pharma Ltd.

#### **About Shaily Engineering Plastics Ltd**

Shaily Engineering Plastics Ltd. is involved in manufacturing of high precision injection moulded plastic components, assemblies, moulds and dies for OEM (Original Equipment Manufacturer) requirements. Today, the company has 5 facilities at Baroda, Gujarat.

Shaily is one of the few companies in India that can take an idea from concept through engineering drawing, prototype, testing, tool design and manufacturing of final components and assemblies. Only global supplier to successfully accomplish conversion of metal rods into plastic rods (used in BMW Cars). Shaily, is one of very few manufacturers of insulin pens in the world. Company has wide array of products catering to varied industries like Home Furnishings, Medical, Automotive, Appliances, Consumer Goods, Electrical/Switchgears, and Engineering Applications, with marquee clients viz., Sanofi, Wockhardt, Sun Pharma, ABB, Gillete, Siemens, GE, Corvi LED Lights, Emerson Electric, Hitachi.

For more information, please visit the company website [www.shaily.com](http://www.shaily.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.*

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