

DECCAN HEALTH CARE LIMITED

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Deccan Health Care Limited, Hyderabad

Deccan Health Care Limited (Deccan-542248) a leading manufacturer of innovative, research based nutrient food pills and meals (Nutraceutical products) has announced its Financial Results for the half year ended 30-09-2019.

Highlights of H1FY20 Financial Results:

Revenue: The Company's Total Revenue for H1FY20 stood at Rs.2030.08 Lakhs (FY18-19 Rs.4424.79 Lakhs).

PBT (Profit Before Tax): The Profit Before Tax for H1FY20 stood at Rs.662.69 Lakhs (32.64% of Revenue). For FY 18-19 (previous year), the Profit Before Tax stood at 1456.68 Lakhs (32.92% of Revenue).

PAT (Profit After Tax): The Profit After Tax for H1FY20 stood at Rs.495.91 Lakhs (24.43% of Revenue). For FY 18-19 (previous year), the Profit After Tax stood at 1448.05 Lakhs (32.72% of Revenue) due to special tax area exemption available to the Company, which is not available due to the change of terms in the recent finance announcements.

EBIDTA (Earnings Before Interest Depreciation Tax and Amortization): The EBIDTA for H1FY20 stood at Rs. 681.78 Lakhs (33.58% of Revenue). For FY 18-19 (previous year), the EBIDTA stood at 1680.49 Lakhs (37.98% of Revenue).

Management Comments:

The Company's MD, Mr. Minto P Gupta said that maintaining the top and bottom performance trend despite a challenging period for the global economy, with subdued growth high level of volatility undermining consumer confidence and restricted consumer purchases, the Company has maintained its 30%+ pre-tax profit. Although a challenging period, the online growth in revenue has been significant and in-line with the previous period trend mainly attributed due to the operation of the Company in the nutraceutical sector that is experiencing widespread boom and is evolving in India. The share of online business has reached 47.20% of the total revenue of the Company. With sharp focus on maintaining the bottom line performance of the Company, the Company had a Profit Before Tax margin of 32.64% for H1FY20 inspite the increase of input cost of many materials. As we deliver performance with purpose to improve Quality Of Life, we are proud that we have been recognized for our achievements and honored with various rewards and recognitions.

Key highlights and updates:

- We continue our focus on digital growth and continue to invest in technology and data analytics infrastructure to improve consumer experience and our ability to connect with larger number of consumers.
- Further strengthening our mission #beyoungbharat we have reached a larger tier 3&4 areas to break the cycle of nutrient deficiency and hidden hunger.
- We continue to expand our network with social influencers and product information personnel across the geographies we operate in.
- In order to bridge the gap between our hub and consumers thereby reducing servicing time and making products available closer to the consumer, we have added an online 'Home Shoppe' feature where entrepreneurs can startup their own physical store and serve the customer's needs in the designated geographies.
- We, from our basket of innovative research based unique products introduced 6 products in Sept 2019:
 - BE YOUNG™ - Protein+ Delicious Protein with Natural Coffee
 - BE YOUNG™ - Omega-3 Hair Oil Nutrition for Strong, Shiny & Healthy Hair
 - BE YOUNG™ - Revolution Toothpaste Complete Natural Dental Care with Activated Charcoal.
 - BE YOUNG™ - Omega-3 Food Oil
 - BE YOUNG™ - Face Wash with Activated Charcoal & Pure Rose Extract
 - BE YOUNG™ - ColdDecc™ NUTRIENT Tulsi Honey & Herbs Cough Syrup



■ The awards and recognitions that came our way in 2019 are as follows :-

- Zee Business Award to Deccan Health Care for the Fastest Growing Nutraceutical Brand, September 2019
- Deccan Health Care among top brands, Hans News Service, news paper publication, July 2019
- Deccan Health Care in India's 50 Transformational Brands (Wellness Products), House of Lords, British Parliament, London, June 2019.
- Mohita Gupta, Chief Business Officer, Deccan Health Care awarded as the Top 50 leaders who are Transforming India, Top 50 Transformational Business Leader 2019, House of Lords, British Parliament, London, June 2019
- Deccan Health Care amongst Best 50 SME Companies to Invest in 2019, Dalal Street Investment Journal, June 2019
- Mohita Gupta, Chief Business Officer Deccan Health Care awarded The Most Inspiring Women in Business 2019, Business Connect Magazine, Page 28-29, Published on Jun 25, 2019
- Deccan Health Care - Sustainability Solution Provider of the Year 2019, India Sustainability Summit & Awards 2019, April 2019

FINANCIAL PERFORMANCE (RUPEES IN LAKHS)

Particulars	H1FY20	FY19	FY18
Revenue from Operations	2030.08	4424.79	3782.73
Operating Expenses	741.57	1514.00	1571.63
Employee Expenses	240.09	409.22	440.94
Other Expenses	366.65	821.08	737.50
EBIDTA	681.78	1680.49	1405.37
EBIDTA Margin	33.58%	37.98%	37.15%
Other Income	33.83	8.40	206.92
Depreciation	45.33	128.64	128.05
PBIT	670.28	1560.25	1484.24
Interest Expenses	7.59	103.57	149.76
PBT	662.69	1456.68	1334.48
PBT Margin %	32.64%	32.92%	35.28%
Tax	166.79	8.63	(1.50)
PAT	495.91	1448.05	1335.98
PAT Margin %	24.43%	32.73%	35.32%
EPS (in Rs.)	3.16	10.29	10.26

KEY RATIOS

Particulars	H1FY20	FY19	FY18
Debt Service Coverage Ratio	15.57	1.82	9.31
Interest Coverage Ratio	88.31	15.06	9.91
Debt Equity Ratio	0.20	0.25	0.53

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Note:

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