

# CARING FOR YOUR NUTRITION NEEDS

Somerset Indus Capital Partners funded- Hexagon Nutrition aims to keep up with its 50 per cent year-on-year growth rate by penetrating deeper into the domestic and international markets and introducing new products.

## POORNIMA KAVLEKAR

Hexagon Nutrition was set up by siblings, Arun Kelkar and Subhash Kelkar, in 1991 with only four employees, as a company offering innovative solutions tackling the major issue of malnutrition that's prevalent across the globe. "During those days, there was a need for innovative solutions in clinical nutrition. The options were limited then and medical professionals had to do with what was available," says Dr. Nikhil Kelkar, Director. The founder brothers saw a big gap between the need and the availability and decided to use their expertise to create products that can meet the needs of the market. Hence, Pentasure a range of brands for all disease specific segments like critical care, oncology, nephrology, gastroenterology and diabetes was launched.

The company subsequently launched wellness brands like obesigo for weight management and pedia gold for pediatric nutrition.

During the initial years, the company was funded by the promoters to a large extent. Eventually, the need to expand its presence in the domestic and international market led them to look for external investment. In 2016, it raised private equity from healthcare focussed private equity company, Somerset Indus Capital Partners.

### ***Growth journey***

Operating over the last 27 years, the company has taken some long strides and has established its position well in the market. More recently, in the last three years, it



► DR. NIKHIL KELKAR, DIRECTOR, HEXAGON NUTRITION ◀



**We are the only company to manufacture its own products in the clinical nutrition segment**

has grown by 50 per cent on a year-on-year basis with innovation and customer focus as its primary growth drivers.

“We have a large portfolio of brands and most of the brands have seen a double digit growth,” says the director. It has about 15 brands in its portfolio and Pentasure is its umbrella brand which has nine different brand extensions covering all disease specific segments. The company adds more brands based on the market need. “We are doing market driven R&D to find out the needs of the customers and how best we can fill that gap,” states he. With a team size of 12 in its R&D division, in the last three years, the company has launched one new product, each year, based on the market need. Its total employee strength currently is 600, which grew by 20 per cent on a year-on-year basis in the last three years.

During the early days, the company found it challenging to convince customers, both external and internal. “However, we are now pitched by the industry stalwarts who see themselves growing with Hexagon much faster than they would be with anyone else,” says Kelkar. It currently has a presence in almost 72 countries and services all major hospitals in the country. There are two segments that it caters

to – illness, which is prescription based and wellness, which is based on word of mouth. “Majority of the company’s brands are used by doctors and dieticians. Eventually, when it purchased by end consumer it is on word of mouth basis,” says the founder.

It has three manufacturing plants – Nashik, Chennai and Tuticorin. Its plants are GMP certified, HACCP certified. “We are the only company to manufacture its own products in the clinical nutrition segment space,” says he.

Talking about competition, Kelkar says, “The competition is from the MNCs only as there are only a few renowned players in the market.” Hexagon’s USP is its differentiated product like that suit the market needs. It has its own R&D centre and it aims to come out with a new product every year.

#### **Where to from here**

The company aims to continue its growth rate of 50 per cent over the next few years. Out of total revenue, almost 60 per cent of it comes from the international market, remaining contributed by the domestic market. Going forward, the company is planning to step up its presence and increase its growth from both the domestic and international markets. Hexagon also aims to introduce new products with the help of the work done in its R&D unit.

To help it achieve this growth, it plans to increase its manufacturing capacity by improving the utilization from its existing capacity. Explaining further, Kelkar says that the company is planning to upgrade its machines and increase its automation capability. “We will increase the per hour output,” says he, on a concluding note.

## Snapshot - Hexagon Nutrition



### FOUNDERS

Arun Kelkar and Subhash Kelkar



### YEAR

1991



### FUNDING

Raised private equity from healthcare focussed company, Somerset Indus Capital Partners for an undisclosed amount.



### CITY

Mumbai



### BUSINESS PROFILE

Hexagon Nutriion has been dedicated to offering innovative solution tackling the malnutrition issues present in the world. Its products are sold across 72 countries and it has three manufacturing units in India. A research oriented organization by DNA, it has a large portfolio of tested products. It manufactures and markets scientifically formulated brands across the wide spectrum of illness, wellness, and lifestyle disease management