

JHS SVENDGAARD LABORATORIES LTD



Regd. Office: Trilokpur Road, Kheri (Kala-Amb), Tehsil - Nahan, Distt. Sirmour,
Himachal Pradesh - 173030, INDIA.

Management Views on Financial Results for the Quarter ended 30th June'2018, FY 18-19

Your company had an aberration in form of Q1 results primarily due to zero off take of one its large clients undergoing its own supply chain issues.

There has been large out flux of top leadership at their end leading to distribution getting effected which lead to further impacting the supplies and order from the contract manufacturing partners to them. 30% of our sales have gone for a dip immediately due to this sudden default or issue at the client's leading to stock build up and distribution channel disruptions.

However, they have assured the same to improve over next few quarters and surpass the earlier numbers which would also help us recover the Q1 losses. The improvement has started showing in July'18 & August'18, although to match the pace as per earlier numbers is still few months away.

Secondly, your Company through internal accruals and along with the promoters contribution also invested and is ready with the new capacities for both toothbrushes and toothpaste business, which will take the consumption growth up to Rs.500-600 Cr. This sales nos. needs no fresh investments from our end, except minor change parts for sizes etc. or Molds / jigs and fixtures.

We are actively developing new toothpaste variants for two large FMCG companies in India which would give us additional business and we should be able to reduce the customer wise dependence and share. Since toothpaste development takes about 1 month to formulate and 6 months for an accelerated stability study we expect the same to be ready for commercial production towards ends of Q3. However with these new products we should be able to get the private label business back on track in line with the earlier quarters.

Branded business "*aquawhite*" - In the proprietary brand business segment, we have our new CEO for the branded business in one of the subsidiaries of your Company, Mr. Harjinder Singh joined us from SC Johnson who is working on revamping the existing distribution channel in line with the current strategy of moving "*aquawhite*" from a discounting brand to leadership position in the kids segment. The category has a line of great products from JHS manufacturing ready to roll and offer innovative and SAFE kids products also leading to greater compliance in brushing amongst kids reducing parental fatigue.

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Thus on a 3-5 year horizon on both private label and own brand business we would see a greater consumption story and sweating of existing assets to lead to 75%~80% capacity utilization with a greater customer base in contract business and leadership position in kids category for own brand.



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CIN - L24230HP2004PLC027558

EXTRACT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED ON 30-06-2018

Particulars	(Rs in lacs)			
	Quarter Ended 30 th June 2018	Quarter Ended 31 st March 2018	Quarter Ended 30 th June 2017	Year Ended 31 st March 2018
	Unaudited	Audited	Unaudited	Audited
Total income from operations	2,132.73	3,998.10	3,049.71	14,762.25
Net Profit / (Loss) for the period (before tax, exceptional item and/or extraordinary items)	(68.83)	421.72	28.81	1,118.11
Net Profit / (Loss) for the period (before tax after exceptional and/or extraordinary items)	(68.83)	421.72	2,756.02	3,842.36
Net Profit / (Loss) for the period (after tax exceptional and/or extraordinary items)	(54.11)	280.55	1,901.65	2,605.45
Total comprehensive income for the period	(53.71)	277.81	1,902.58	2,607.02
Equity Share Capital (Face value of Rs 10 each)	6,090.05	6,090.05	4,456.05	6,090.05
Reserves (Excluding Revaluation Reserves)				11,336.47
Earnings per equity share (of Rs 10 each)				
(a) Basic (Rs)	(0.09)	0.50	3.71	4.61
(b) Diluted (Rs)	(0.09)	0.46	2.80	4.27

Key numbers of Standalone Financial Results

Particulars	Quarter Ended 30 th June 2018	Quarter Ended 31 st March 2018	Quarter Ended 30 th June 2017	Year Ended 31 st March 2018
	Unaudited	Audited	Unaudited	Audited
	Total income from operations	2,036.35	3,934.06	3,049.71
Profit / (Loss) for the period (after extraordinary activities but before tax)	66.77	522.85	2,756.45	4,109.66
Profit / (Loss) for the period (after extraordinary activities and tax)	42.17	365.73	1,902.08	2,805.04
Total comprehensive income for the period	42.57	364.51	1,903.01	2,806.61

Notes : The above is an extract of the detailed format of Quarterly Financial Results filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the Financial Results for the quarter ended 30th June 2018 are available at the website of the BSE (www.bseindia.com) and NSE (www.nseindia.com) and also on company website www.svendgaard.com.

The figures of the quarter ended 31st March 2018 are balancing figures between the audited figures of the full financial year and the reviewed year to date figure upto the third quarter of the financial year.

For and behalf of
JHS Svendgaard Laboratories Limited
 Sd/-
Nikhil Nanda
 Managing Director
 DIN 00051501

Date : 14 August 2018
 Place : New Delhi

12cm X 16cm