**S.R. BATLIBOI & ASSOCIATES LLP**
Chartered Accountants

14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (West)
Mumbai-400 028, India
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## Limited Review Report

Review Report to
The Board of Directors
Jyothy Laboratories Limited

1. We have reviewed the accompanying statement of unaudited financial results of Jyothy Laboratories Limited ('the Company') for the quarter ended September 30, 2013 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Without qualifying our report and as more fully described in Note 5 to the unaudited financial results, we draw attention to managerial remuneration paid / provided by the Company for the year ended March 31, 2013 in excess of the limits prescribed under the Companies Act, 1956. As informed to us, the Company has filed an application with the Central government for approval of such excess remuneration.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S. R. Batliboi & Associates LLP
ICAI Firm registration number: 101049W
Chartered Accountants

per Vikram Mehta
Partner
Membership No.:105938

Place: Mumbai
Date: October 22, 2013

S.R. BATLIBOI & ASSOCIATES LLP MUMBAI CHARTERED ACCOUNTANTS



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## JYOTHY LABORATORIES LIMITED

### UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2013

Amount (Rs in lacs)

| Particulars | Quarter ended | | | Year to date results | | Year Ended |
|---|---|---|---|---|---|---|
| | 30.09.2013 | 30.06.2013 | 30.09.2012 | 30.09.2013 | 30.09.2012 | 31.03.2013 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| **Income from operations** | | | | | | |
| (a) Net Sales | 30,591.80 | 31,818.82 | 22,982.94 | 62,410.61 | 51,104.68 | 1,01,737.67 |
| (b) Other Operating Income | 17.24 | 96.30 | 31.08 | 113.54 | 58.38 | 136.03 |
| **Total Income** | 30,609.04 | 31,915.12 | 23,014.02 | 62,524.15 | 51,163.06 | 1,01,873.70 |
| **Expenditure** | | | | | | |
| (a) Cost of raw material and components consumed | 7,080.59 | 8,890.88 | 6,886.60 | 15,971.47 | 16,216.60 | 32,439.61 |
| (b) Purchase of traded goods | 8,764.79 | 7,362.11 | 7,985.44 | 16,126.90 | 16,941.50 | 30,022.12 |
| (c) (Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods | 404.08 | 557.80 | (2,455.67) | 961.88 | (3,975.66) | (5,694.77) |
| (d) Employee cost | 2,856.27 | 3,049.01 | 2,968.52 | 5,905.28 | 5,727.64 | 11,056.18 |
| (e) Advertisement and Sales Promotion expense | 2,960.17 | 3,867.86 | 2,268.10 | 6,828.02 | 4,557.16 | 8,180.56 |
| (f) Depreciation, amortisation and impairment | 1,544.81 | 1,518.24 | 1,529.23 | 3,063.06 | 3,064.23 | 6,164.52 |
| (g) Other expenditure | 4,277.04 | 3,325.92 | 3,228.01 | 7,602.96 | 6,312.01 | 13,496.05 |
| **Total expenditure** | 27,887.75 | 28,571.82 | 22,410.23 | 56,459.57 | 48,843.48 | 95,664.27 |
| **Profit from Operations before Other Income, Finance cost and Tax** | 2,721.29 | 3,343.30 | 603.79 | 6,064.58 | 2,319.58 | 6,209.43 |
| Other Income | 1,314.60 | 1,286.07 | 1,176.74 | 2,600.68 | 2,361.76 | 4,985.13 |
| **Profit before Finance cost and Tax** | 4,035.89 | 4,629.37 | 1,780.53 | 8,665.26 | 4,681.34 | 11,194.56 |
| Finance Cost | 1,793.28 | 1,665.95 | 1,648.09 | 3,459.23 | 3,138.22 | 6,608.27 |
| **Profit before prior period items, exceptional item and tax** | 2,242.61 | 2,963.42 | 132.44 | 5,206.03 | 1,543.12 | 4,586.29 |
| Prior period item ( Refer Note 3) | - | - | - | - | - | 182.71 |
| Exceptional item ( Refer Note 4) | 136.71 | 93.36 | - | 230.07 | - | - |
| **Profit from ordinary activities before tax** | 2,105.90 | 2,870.06 | 132.44 | 4,975.96 | 1,543.12 | 4,403.58 |
| Tax expense | - | - | - | - | - | - |
| Short provision for tax of earlier year | 18.79 | - | - | 18.79 | - | - |
| **Net Profit for the year / period** | 2,087.11 | 2,870.06 | 132.44 | 4,957.17 | 1,543.12 | 4,403.58 |
| Paid up equity share capital (Face value of Re 1 each) | 1,660.23 | 1,660.23 | 1,612.64 | 1,660.23 | 1,612.64 | 1,612.64 |
| Paid-up Debt Capital | | | | | | |
| Reserves excluding Revaluation Reserves as per the balance sheet of previous accounting year | | | | 51,060.00 | | 48,000.00 |
| Debenture Redemption Reserve (included above) | | | | | | 66,544.26 |
| Basic and diluted earnings per share (Rs) | | | | | | 1,250.00 |
| | 1.26 Not Annualised | 1.73 Not Annualised | 0.08 Not Annualised | 2.99 Not Annualised | 0.93 Not Annualised | 2.65 |
| Debt Equity Ratio | | | | 0.66 | | 0.66 |
| Debt Service Coverage Ratio | | | | 1.70 | | 2.63 |
| Interest Service Coverage Ratio | | | | 3.39 | | 2.63 |

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| PART - II Information for the quarter ended September 30,2013 | | | | | | |
|---|---|---|---|---|---|---|
| A - Particulars of Shareholding | | | | | | |
| Public Shareholding | | | | | | |
| -Number of shares | 6,02,79,378 | 6,02,79,378 | 5,57,62,776 | 6,02,79,378 | 5,57,62,776 | 5,55,19,882 |
| -Percentage of share holding | 36.31% | 36.31% | 34.58% | 36.31% | 34.58% | 34.43% |
| Promoter and Promoter group Shareholding | | | | | | |
| a) Pledged/ Encumbered | | | | | | |
| - Number of Shares | Nil | Nil | Nil | Nil | Nil | Nil |
| - Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | Nil | Nil | Nil | Nil | Nil | Nil |
| - Percentage of Shares (as a % of the total share capital of the Company) | Nil | Nil | Nil | Nil | Nil | Nil |
| b) Non-encumbered | | | | | | |
| - Number of Shares | 10,57,44,118 | 10,57,44,118 | 10,55,01,224 | 10,57,44,118 | 10,55,01,224 | 10,57,44,118 |
| - Percentage of Shares (as a % of the total shareholding of promoter and promoter group) | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% |
| - Percentage of Shares (as a % of the total share capital of the Company) | 63.69% | 63.69% | 65.42% | 63.69% | 65.42% | 65.57% |

| B - Investor Complaints | |
|---|---|
| Particulars | Quarter Ended September 30, 2013 |
| Pending at the beginning of the quarter | NIL |
| Received during the quarter | 35 |
| Disposed of during the quarter | 35 |
| Remaining unresolved at the end of the quarter | NIL |

Notes :

1. The Statutory Auditors have carried out a "Limited Review" of the financial results of the Company. The same were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on October 22, 2013.
2. During the year ended March 31,2013, Jyothy Consumer Products Limited (JCPL) was amalgamated with the Company on approval by Honorable High Court of Bombay with effect from April 1, 2012. Accordingly, the financial results for the quarter ended September 30, 2012 and six months ended September 30, 2012 as previously published did not include the impact of the amalgamation. Therefore, the financial result for the quarter ended September 30, 2012 and six months ended September 30, 2012 have been recast so as to include the financial result of JCPL.
3. Prior period item for the year ended March 31, 2013 relates to provision for leave encashment.
4. Exceptional item relates to additional payment towards retrenchment of employees on closure of the Bhubaneshwar and Chennai manufacturing unit.
5. Employee benefit expenses for the year ended March 31, 2013 include Rs 1,113 lacs paid / payable during the year towards remuneration to its Whole Time Directors. Based on the legal advice received by the Company, management has computed the maximum remuneration payable to its Whole Time Directors amounting to Rs. 1,025 lacs. The Company has filed an application with the Central government and has obtained approval from shareholders for remuneration payable to its Whole Time Directors. Pending receipt of approval from Central Government, the excess remuneration paid to the Directors is held in trust by the said Directors. Further, based on the shareholders approval, an additional commission of Rs. 177 lacs will become payable, which will be provided and paid only once approval of Central Government is obtained.
6. During the quarter, the Honorable High court of Bombay vide its order dated August 18, 2013 approved the scheme of Amalgamation of Akash Cleaners Private Limited, Diamond Fabcare Private Limited (with effect from April 1, 2011) and Fab Clean & Care Private Limited (with effect from June 8, 2011) with Jyothy Fabricare Services Limited (subsidiary Company of Jyothy Laboratories Limited). The scheme become effective on September 13, 2013.
7. Ratios have been computed as follows :-
   Interest Service Coverage Ratio = Earnings before Finance cost, Depreciation and Tax / Interest on debt
   Debt Service Coverage Ratio = Earnings before Finance Cost, Depreciation and Tax / (Interest on debt + Principal repayment)
   Debt comprises long-term borrowings and current maturity of long-term borrowings.
8. The Board of directors at its meeting held on October 22, 2013 have approved the following:-
   (i) Issue of 15,000,000 equity shares of the Company of Re 1 each to the promoter and / or promoter group on preferential basis in terms of Chapter VII of the SEBI (Issue of Capital and Disclosure requirements) Regulations, 2009.
   (ii) Issue of Redeemable non-convertible debentures upto Rs 400 crore.
   (iii) Acquisition of 33,00,000 compulsorily convertible cumulative preference shares of Rs 10 each and 50,000 equity shares of Rs 10 each in Jyothy Fabricare Services Limited (subsidiary of Jyothy Laboratories Limited) from Tara India Fund IV Trust.

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**JYOTHY LABORATORIES LIMITED**
**UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2013**

§ Statement of Assets and Liabilities :-

Amount (Rs in lacs)

| Particulars | As at September 30, 2013 | As at March 31, 2013 |
|---|---|---|
| | Unaudited | Audited |
| **EQUITY AND LIABILITIES** | | |
| **Shareholders' funds** | | |
| Share capital | 1,660.23 | 1,612.64 |
| Share capital suspense account | - | 5,527.92 |
| Reserves and surplus | 75,699.23 | 65,261.73 |
| **Sub-total Shareholder's fund** | 77,359.46 | 72,402.29 |
| **Non-current liabilities** | | |
| Long-term borrowings | 42,460.00 | 41,120.00 |
| Deferred tax liabilities (Net) | - | - |
| Other Long term liabilities | 180.00 | 180.00 |
| Long-term provisions | 832.94 | 917.68 |
| **Sub-total Non-current liabilities** | 43,472.94 | 42,217.68 |
| **Current liabilities** | | |
| Short-term borrowings | 12,376.55 | 12,600.28 |
| Trade payables | 11,051.03 | 11,500.16 |
| Other current liabilities | 12,038.67 | 10,196.04 |
| Short-term provisions | 2,283.44 | 7,050.62 |
| **Sub-total Current liabilities** | 37,749.69 | 41,347.10 |
| **TOTAL EQUITY AND LIABILITIES** | **1,58,582.09** | **1,55,967.07** |
| **ASSETS** | | |
| **Non-current assets** | | |
| Fixed assets | | |
| (i) Tangible assets | 25,838.94 | 26,160.90 |
| (ii) Intangible assets | 38,687.74 | 40,988.45 |
| (iii) Capital work-in-progress | 641.72 | 326.71 |
| Non-current investments | 2,556.29 | 2,470.73 |
| Long-term loans and advances | 54,167.63 | 49,626.42 |
| Other non-current assets | 51.45 | 13.05 |
| **Sub-total Non-current assets** | 1,21,943.77 | 1,19,586.26 |
| **Current assets** | | |
| Inventories | 15,802.56 | 16,744.64 |
| Trade receivables | 13,555.40 | 11,001.76 |
| Cash and cash equivalents | 3,472.41 | 3,813.59 |
| Short-term loans and advances | 3,264.46 | 4,415.74 |
| Other current assets | 543.49 | 405.08 |
| **Sub-total Current assets** | 36,638.32 | 36,380.81 |
| **TOTAL ASSETS** | **1,58,582.09** | **1,55,967.07** |

No. Previous period / year's figures have been regrouped/rearranged wherever necessary.

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MUMBAI

Place: Mumbai
Dated : October 22, 2013

For and on behalf of the board

M.P. Ramachandran
Chairman and Managing Director

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## JYOTHY LABORATORIES LIMITED
## REPORTING OF SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Amount (Rs in lacs)

| Particulars | Standalone | | | | | |
|---|---|---|---|---|---|---|
| | Quarter ended | | | Year to date results | | Year Ended |
| | 30.09.2013 | 30.06.2013 | 30.09.2012 | 30.09.2013 | 30.09.2012 | 31.03.2013 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| **Segment Revenue :** | | | | | | |
| A. Soaps and Detergent | 22,751.99 | 25,345.41 | 16,828.42 | 48,097.40 | 38,577.39 | 75,594.59 |
| B. Home care | 7,760.59 | 5,827.00 | 5,683.15 | 13,587.60 | 11,619.73 | 24,490.86 |
| C. Others | 439.04 | 784.50 | 477.86 | 1,223.53 | 914.05 | 1,658.71 |
| Total | **30,951.62** | **31,956.91** | **22,989.43** | **62,908.53** | **51,111.17** | **1,01,744.16** |
| Less: Inter Segment Revenue | (359.82) | (138.09) | (6.49) | (497.92) | (6.49) | (6.49) |
| **Net Sales** | **30,591.80** | **31,818.82** | **22,982.94** | **62,410.61** | **51,104.68** | **1,01,737.67** |
| **Segment Results:** | | | | | | |
| **Profit / (Loss) before tax and finance cost** | | | | | | |
| A. Soaps and Detergent | 3,210.65 | 3,902.32 | 925.04 | 7,112.97 | 3,238.73 | 7,654.71 |
| B. Home care | 208.29 | 357.49 | 203.56 | 565.78 | 155.98 | 794.13 |
| C. Others | 6.69 | (272.51) | 24.73 | (265.82) | (5.61) | 43.69 |
| Total | **3,425.63** | **3,987.30** | **1,153.33** | **7,412.93** | **3,389.10** | **8,492.53** |
| Less: (i) Finance cost | (1,793.28) | (1,665.95) | (1,648.09) | (3,459.23) | (3,138.22) | (6,608.27) |
| (ii) Other unallocable expenditure | (689.72) | (633.76) | (547.62) | (1,323.48) | (1,073.26) | (2,301.38) |
| Add: Unallocable Income | 1,299.98 | 1,275.83 | 1,174.82 | 2,575.81 | 2,365.50 | 5,003.41 |
| Prior period item | - | - | - | - | - | (182.71) |
| Exceptional item | (136.71) | (93.36) | - | (230.07) | - | - |
| **Profit Before Tax** | **2,105.90** | **2,870.06** | **132.44** | **4,975.96** | **1,543.12** | **4,403.58** |
| **Capital Employed :** | | | | | | |
| (Segment Assets - Segment Liabilities) | | | | | | |
| A. Soaps and Detergent | 59,101.96 | 55,689.51 | 55,913.77 | 59,101.96 | 55,913.77 | 55,633.41 |
| B. Home care | 7,903.54 | 9,570.81 | 8,535.69 | 7,903.54 | 8,535.69 | 8,666.10 |
| C. Others | 3,015.91 | 2,854.46 | 2,821.76 | 3,015.91 | 2,821.76 | 2,828.89 |
| D. Unallocated assets/(liabilities) (net) | 7,338.05 | 7,157.57 | 7,126.54 | 7,338.05 | 7,126.54 | 5,273.89 |
| Total | 77,359.46 | 75,272.35 | 74,397.76 | 77,359.46 | 74,397.76 | 72,402.29 |

Note : Soaps and detergents includes fabric whitener, fabric detergent, dishwash bar and soaps including ayurvedic soaps. Home care products includes incense sticks, scrubber, dhoop and mosquito repellents. Others includes Body care, Tea & coffee .

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MUMBAI

For and on behalf of the board

M.P. Ramachandran
Chairman and Managing Director

Place: Mumbai
Dated : October 22, 2013

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*For immediate release*

Jyothy LABORATORIES LIMITED

## Jyothy Laboratories Ltd Q2FY14 Net Sales up 33% at Rs.305 crore

## Net Profit at Rs 20.8 crore as compared to Rs 1.3 crore last year same period

Editor Synopsis

Q2FY14 v/s Q2FY13

- Net Sales at Rs 305 crore, up 33%
- Net Profit at Rs 20.8 crore, up 1476%
- EBIDTA margin at 13.9% v/s 9.3%
- EPS at Rs 1.26 v/s Rs 0.08

H1FY14 v/s H1FY13

- Net Sales at Rs 624 crore, up 22%
- Net Profit at Rs 49.6 crore, up 221%
- EBIDTA margin at 14.6% v/s 10.5%

***Mumbai, October 22nd, 2013:*** Jyothy Laboratories Ltd (JLL), Indian FMCG Company, today reported Net Sales of Rs 305 crore for the quarter ended September 30th, 2013 as against Rs 230 crore for the corresponding period last year; a rise of 33 %. During the three month period, the company's Net Profit was up 1476 % at Rs 20.8 crore, as against Rs. 1.3 crore, a year ago.

The EBIDTA was at Rs 42.6 crore for the quarter as against Rs 21.3 crore. EBIDTA margin for the quarter was at 13.9% as against 9.3% reported in Q2FY13. The company reported EPS of Rs 1.26 as against Rs 0.08 in the corresponding quarter of last year.

For the six months period, JLL reported net sales of Rs. 624 crore compared to Rs. 511 crore in H1FY13; an increase of 22%. Net profit for the same period stood at Rs. 49.6 crore compared to Rs. 15.4 crore; up by 221% compared to the corresponding period a year ago.

EBIDTA for H1FY14 stood at Rs. 91.2 crore as against Rs. 53.8 crore and EBIDTA margin improved to 14.6 % as against 10.5%. EPS for the six months period was reported at Rs. 2.99 as against Rs .93 in H1FY13.

JYOTHY LABORATORIES LTD. MUMBAI

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**Segmental Performance (Q2FY14 v/s Q2FY13):**

- **Soaps and Detergent business,** which includes brands like **Ujala, Henko, Margo, Mr. White,** stood at Rs 228 crore during the quarter compared to Rs 168 crore on September 30th, 2012; up by 35%. Ujala fabric whitener continues to be the market leader with a market share of 71.4% by value.

- **Home Care,** which includes **mosquito coils, aerosol, Pril, Exo and Exo scrubber,** saw revenues for the quarter at Rs 77 crore as against Rs 57 crore during the same period, up 37 %.

- **Others,** which includes brands like Fa and Neem saw revenue decrease of 8% at Rs 4.39 crore against Rs 4.77 crore on September 30th, 2012.

Commenting on the company's results, **Mr. M P Ramachandran – Chairman & Managing Director, Jyothy Laboratories Ltd** said, ***"In a volatile and uncertain environment, we continue to sustain our growth momentum. We remain committed to our investments in brand building and brand extension exercise. In the coming quarters, we plan to offer innovative products to our consumers and are confident of achieving the target for FY14 through disciplined execution in the market place."***

**Other Initiatives**

RAJNIKANT SABNAVIS joined as Vice President – Sales and Marketing. He has vast experience in categories like Fabric Care, Personal Care and Hair Care at HUL.

Commercial Production started at Bangladesh on August 29, 2013.

**ABOUT JYOTHY LABORATORIES:**

Jyothy Laboratories Ltd, a fast moving consumer goods Company was founded in 1983 by Mr. M P Ramachandran. Over the years the company has evolved from a single product proprietary firm into a multi brand, BSE & NSE listed company involved in the manufacturing and marketing of products in fabric care, mosquito repellant, surface cleaning, personal care and incense sticks.

The company boasts of 10 brands in its kitty including **Ujala, Maxo, Exo, Henko, Pril, Margo, Neem, Fa, Mr. White** and **Chek** that are well-known and established brands in their respective categories.

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The Company is also engeged into service sector in organized laundry to provide "World class laundry at affordable price at your doorstep" through its subsidiary 'Jyothy Fabricare Services Limited'.

**For more information, please contact:**

| | |
|---|---|
| Neetu Kashiramka<br>Asst Vice President- Finance, Jyothy Laboratories Ltd<br>Tel: +91-22- 6689 2800<br>E-mail: neetu@jyothy.com | Parvathi Nair / Rashmi Punjabi<br>Adfactors PR<br>Tel: +91-22-6757 4342 / 6757 4344<br>E-mail: parvathi.nair@adfactorspr.com<br><br>rashmi.punjabi@adfactorspr.com |

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