

# Jyothy LABORATORIES LIMITED

CIN - L24240MH1992PLC128651

'UJALA HOUSE', Ramakrishna Mandir Road, Kondivita, Andheri (East), Mumbai-400 059

☐ Tel : 6689 2800 ☐ Fax : 6689 2805 ☐ e-mail : info@jyothy.com ☐ www.jyothylaboratories.com



UJALA

Date: June 28, 2016

BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 023 Scrip Code: 532926	National Stock Exchange of India Ltd. Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai -400 051 Scrip Code: : JYOTHYLAB
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**Sub: Intimation of Schedule of Analyst Meet/ Conference under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/ Madam,

Pursuant to Regulation 30(6) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the officials of the Company will participate in the conference on "Growth Revisited – Ascent of Rural India" organized by Motilal Oswal Securities Limited on June 30, 2016 in Mumbai.

A copy of the presentation to be shared at the conference is enclosed.

Further, the aforesaid information is also available on the website of the Company at [www.jyothylaboratories.com](http://www.jyothylaboratories.com)

This is for your information and records.

Thanking You.

Yours faithfully,  
For Jyothy Laboratories Limited

Shreyas Trivedi  
Head – Legal & Company Secretary



# Agenda

## Financial Performance

- Results for Q4FY16 & FY16
- EBITDA Analysis
- Sales Analysis
- Other Financial Metrics

## Business Initiatives

- Brand Updates Q4FY16

## What did we achieve 2015-16

### Guidance May 25, 2015

Sales Growth better than industry

Advt. & SP Expense 10% to 12%

EBITDA 14% to 15%

### Delivery May 23, 2016

Sales Growth 9.3%

Advt. & SP Expense 12.3%

EBITDA 14.4%

Financial  
Performance  
Q4 FY16  
&  
FY16



## Highlights for Q4 FY2016 : Consolidated

Sales growth of 12.4% (volume 13.7%)

Power Brand sales grew by 13.6 % (Volume 15.3%)

Advt. & Sales Promo exp. for the qtr is at Rs 51.6 crore, an increase of 6.5%.  
A&P to Sales Ratio is at 11.6%

Gross Margin increased to 50% as compared to 48% in last year same period

Operating EBITDA is at Rs. 60.1 crore (13.5%) as compared to Rs 52.2 crore (13.2%) in last year same period growth of 15.1%

PAT stands at Rs. 35.6 crore as compared to Rs. 27.1 crore in last year same period growth of 31.6%

Cash Profit for the quarter is at Rs. 42.9 crore as compared to Rs. 46 crore in last year same period

## Highlights for FY2016 : Consolidated

**Sales growth of 9.3% (9.3% by volume)**

**Power Brand sales grew by 10.3% (9.5% by volume)**

**Advt.&Sales Promo exp. is at Rs 201.6 crore, an increase of 11.4%.  
A&P to Sales Ratio is at 12.3%**

**Gross Margin increased to 51.4% as compared to 48.4% in last year**

**Operating EBITDA is at Rs. 237.6 crore (14.4%) as compared to Rs 191.7 crore (12.7%) in last year, growth of 24%**

**PAT stands at Rs. 158 crore as compared to Rs. 121.1 crore in last year, growth of 30.4%**

**Cash Profit is at Rs 206.9 crore as compared to Rs. 182.4 crore in last year, growth of 13.4%**

## Results – Consolidated Profit & Loss

In Rs. Lacs

Particulars	Quarter Ended			Year ended	
	31.03.16	31.12.15	31.03.15	31.03.16	31.03.15
Net Sales	44,521	38,479	39,612	1,64,473	1,50,529
Other Income - Operating	19	64	484	183	954
<b>Total Income</b>	<b>44,540</b>	<b>38,543</b>	<b>40,096</b>	<b>1,64,656</b>	<b>1,51,483</b>
Cost of Goods Sold	22,263	18,311	20,582	79,913	77,746
Gross Margin	22,258	20,168	19,030	84,560	72,783
<b>Gross Margin %</b>	<b>50.0%</b>	<b>52.4%</b>	<b>48.0%</b>	<b>51.4%</b>	<b>48.4%</b>
Employee cost	4,249	4,178	3,744	16,610	15,026
Advertisement and Sales Promo	5,162	5,055	4,847	20,156	18,097
Other expenditure	6,861	5,655	5,705	24,218	21,442
<b>OPERATING EBITDA</b>	<b>6,005</b>	<b>5,344</b>	<b>5,219</b>	<b>23,759</b>	<b>19,172</b>
<b>EBITDA % to Net Sales</b>	<b>13.5%</b>	<b>13.9%</b>	<b>13.2%</b>	<b>14.4%</b>	<b>12.7%</b>

## Results – Consolidated Profit & Loss

In Rs. Lacs

Particulars	Quarter Ended			Year ended	
	31.03.16	31.12.15	31.03.15	31.03.16	31.03.15
<b>OPERATING EBITDA</b>	<b>6,005</b>	<b>5,344</b>	<b>5,219</b>	<b>23,759</b>	<b>19,172</b>
Employee stock option / (reversal)	(270)	246	1,089	1,750	2,871
Depreciation and Impairment	998	739	809	3,140	3,255
Finance Cost	52	79	319	603	1,377
Other Income - Non Operating	254	248	254	1,460	992
<b>Profit Before Prior Period Item and tax</b>	<b>5,479</b>	<b>4,528</b>	<b>3,256</b>	<b>19,726</b>	<b>12,661</b>
<b>Prior Period/Exceptional Item</b>	-	-	209	-	209
<b>Profit before Tax</b>	<b>5,479</b>	<b>4,528</b>	<b>3,047</b>	<b>19,726</b>	<b>12,452</b>
Tax	906	625	(65)	2,921	(58)
Tax of earlier years	1,010	-	412	1,010	412
<b>Profit from ordinary activities before minority Interest</b>	<b>3,563</b>	<b>3,903</b>	<b>2,699</b>	<b>15,795</b>	<b>12,098</b>
Minority Interest (share in loss\profit))	(2)	(4)	7	-	14
<b>Profit After Tax</b>	<b>3,561</b>	<b>3,899</b>	<b>2,706</b>	<b>15,795</b>	<b>12,112</b>



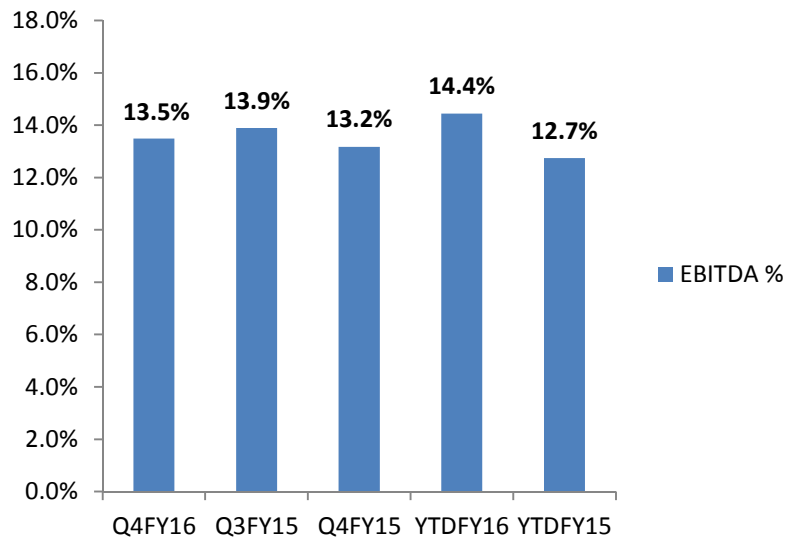
# *EBITDA Analysis*

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## Operating EBITDA Analysis (Consolidated) – Q4FY16

### EBITDA %



- EBITDA in Q4FY16 is 13.5% as compared to 13.2% in last year same period.
- ✓ Movement is mainly due to :
  - ✓ Increase in Gross Margin by 2% due to change in sales mix and decrease in RM/PM prices.
  - ✓ Decrease in Advertisement and sales promotion expenses by 0.6%
  - ✓ Increase in Employee cost by 0.1%
  - ✓ Decrease in other operating Income by 1.2%
  - ✓ Increase in other expenses 1%

## Consolidated EBITDA Movement

In %

Particulars	Q4FY16 vs Q4FY15	YTFY16 vs YTFY15
<b>EBITDA % - Previous period</b>	<b>13.2</b>	<b>12.7</b>
Other Operating Income	(1.2)	(0.5)
Gross Margin	2.0	3.1
Employee Cost	(0.1)	(0.1)
Advertisement & Sales Promotion	0.6	(0.2)
Other Expenditure	(1.0)	(0.5)
<b>EBITDA % - Current period</b>	<b>13.5</b>	<b>14.4</b>

# *Sales Analysis*

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## Sales Analysis

### Segmentwise Sales Growth

In Rs. Lacs

Segment	Quarter Ended			Year Ended		Growth %
	Q4FY16	Q4FY15	Growth %	YTDFY16	YTDFY15	
Soaps & Detergent	28,862	26,209	10.1%	1,19,987	1,11,794	7.3%
Home Care	14,223	11,980	18.7%	38,742	33,230	16.6%
Other Products	310	408	-24.0%	1,618	1,817	-11.0%
<b>Total</b>	<b>43,395</b>	<b>38,598</b>	<b>12.4%</b>	<b>1,60,347</b>	<b>1,46,841</b>	<b>9.2%</b>
Less: Inter Segment Revenue	-4	-38	0.0%	-180	-518	0.0%
<b>Net FMCG Sales</b>	<b>43,391</b>	<b>38,558</b>	<b>12.5%</b>	<b>1,60,167</b>	<b>1,46,323</b>	<b>9.5%</b>
Laundry Services	1,130	1,054	7.3%	4,306	4,206	2.4%
<b>Net Sales</b>	<b>44,521</b>	<b>39,612</b>	<b>12.4%</b>	<b>1,64,473</b>	<b>1,50,529</b>	<b>9.3%</b>

Soaps & Detergents include Fabric Wash, Dish Wash Bar, Beauty Soap.

Home Care includes Household insecticide, Incense sticks & Scrubber.

Others includes Body care.

Laundry services includes dry-cleaning and laundry.

## Category Wise Consolidated Sales

In Rs. Lacs

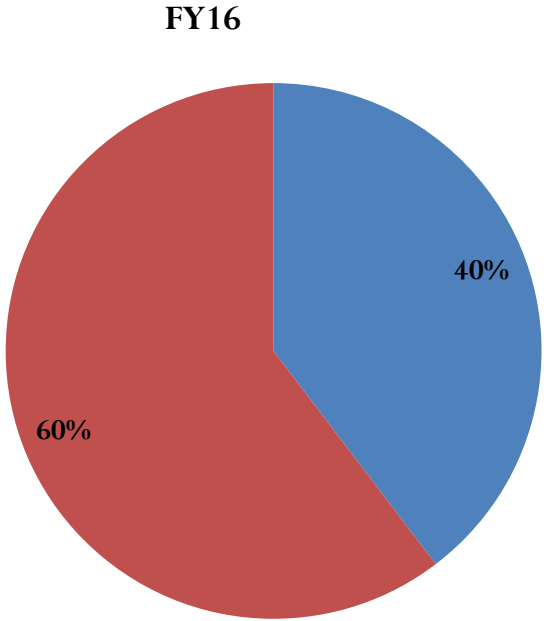
Category	Consolidated					
	Q4FY16	Q4FY15	Growth %	YTDFY16	YTDFY15	Growth %
Fabric Care	17,099	15,181	12.6%	68,833	64,672	6.4%
Dishwashing	11,483	10,290	11.6%	46,602	41,665	11.8%
Mosquito Repellent	11,425	9,689	17.9%	27,271	23,605	15.5%
Personal Care	2,827	2,923	-3.3%	14,831	14,112	5.1%
Other Products	557	476	17.0%	2,629	2,269	15.9%
<b>Total</b>	<b>43,391</b>	<b>38,559</b>	<b>12.5%</b>	<b>1,60,166</b>	<b>1,46,323</b>	<b>9.5%</b>
Laundry Services	1,130	1,054	7.3%	4,306	4,206	2.4%
<b>Grand Total</b>	<b>44,521</b>	<b>39,612</b>	<b>12.4%</b>	<b>1,64,473</b>	<b>1,50,529</b>	<b>9.3%</b>

## Brandwise Consolidated Sales

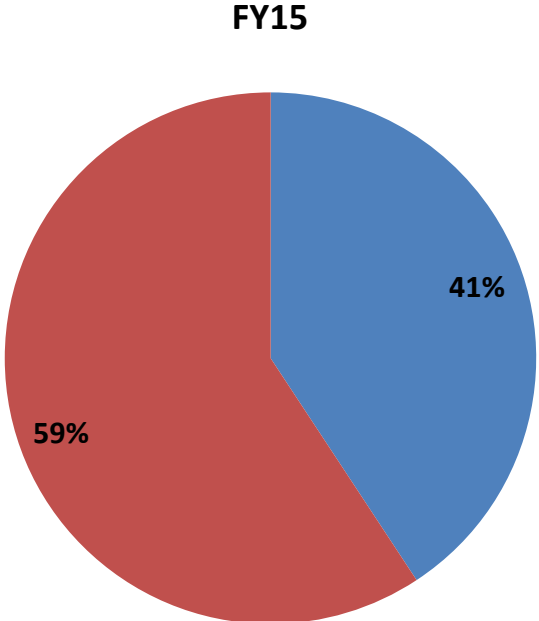
In Rs. Lacs

Brand	Consolidated					
	Q4FY16	Q4FY15	Growth %	YTFY16	YTFY15	Growth %
Ujala	9,276	8,728	6.3%	39,205	37,222	5.3%
Exo	8,629	7,889	9.4%	34,809	31,453	10.7%
Maxo	11,425	9,689	17.9%	27,271	23,605	15.5%
Henko	4,640	3,382	37.2%	16,876	15,164	11.3%
Margo	2,453	2,480	-1.1%	13,091	12,086	8.3%
Pril	2,855	2,400	18.9%	11,793	10,212	15.5%
<b>Total Power Brand</b>	<b>39,277</b>	<b>34,569</b>	<b>13.6%</b>	<b>1,43,045</b>	<b>1,29,741</b>	<b>10.3%</b>
Others	4,114	3,990	3.1%	17,121	16,582	3.2%
<b>Total</b>	<b>43,391</b>	<b>38,559</b>	<b>12.5%</b>	<b>1,60,166</b>	<b>1,46,323</b>	<b>9.5%</b>
Laundry Services	1,130	1,054	7.3%	4,306	4,206	2.4%
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Thrust on Regional Brands becoming National



■ South  
■ Non South



■ South  
■ Non South



## *Other Financial Metrics*

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## Net Debt Status – March 31, 2016

Rs. In cr

Particulars <sup>4</sup>	Maturity	31/03/16	31/03/15
Non Convertible Debenture @ 10.25%	Nov 15	-	50
Non Convertible Debenture @ 9.65%	June 15	-	65
Zero Coupon Non Convertible Debenture @ 11%	Nov 16	400	400
Excess cash/investment in Debt Funds		(117)	(230)
<b>Total</b>		<b>283</b>	<b>285</b>

**Note:- Payment of dividend for FY15**

**Rs 87.15**

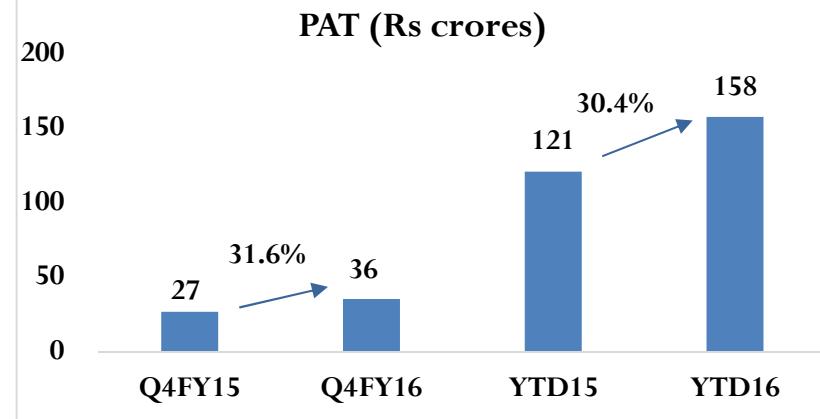
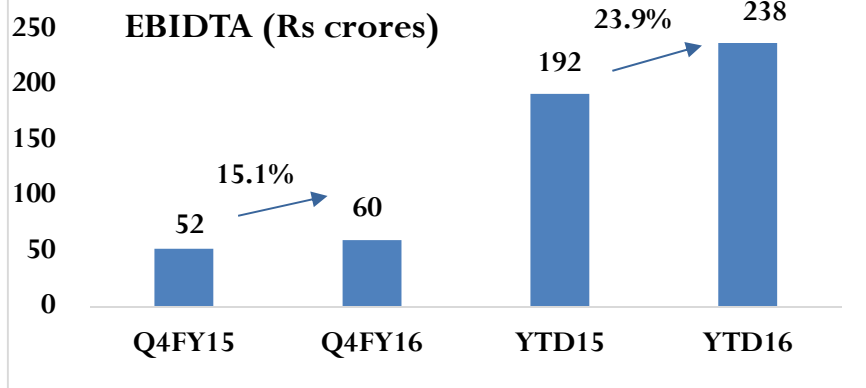
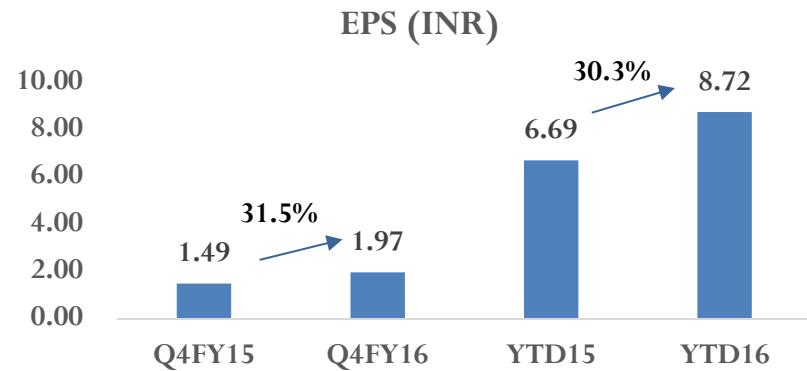
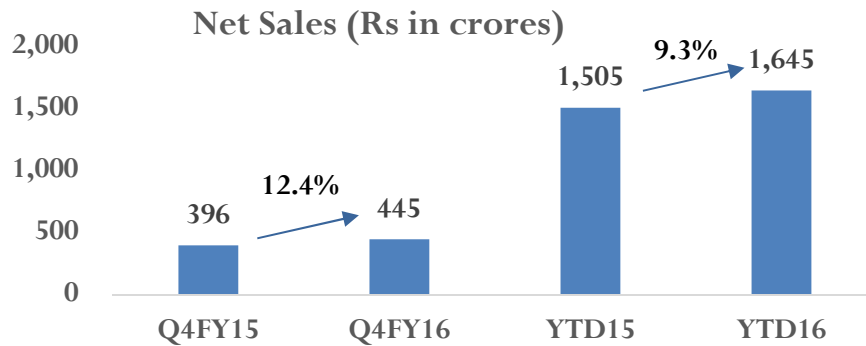
**Payment of interim dividend for FY16**

**Rs 87.20**

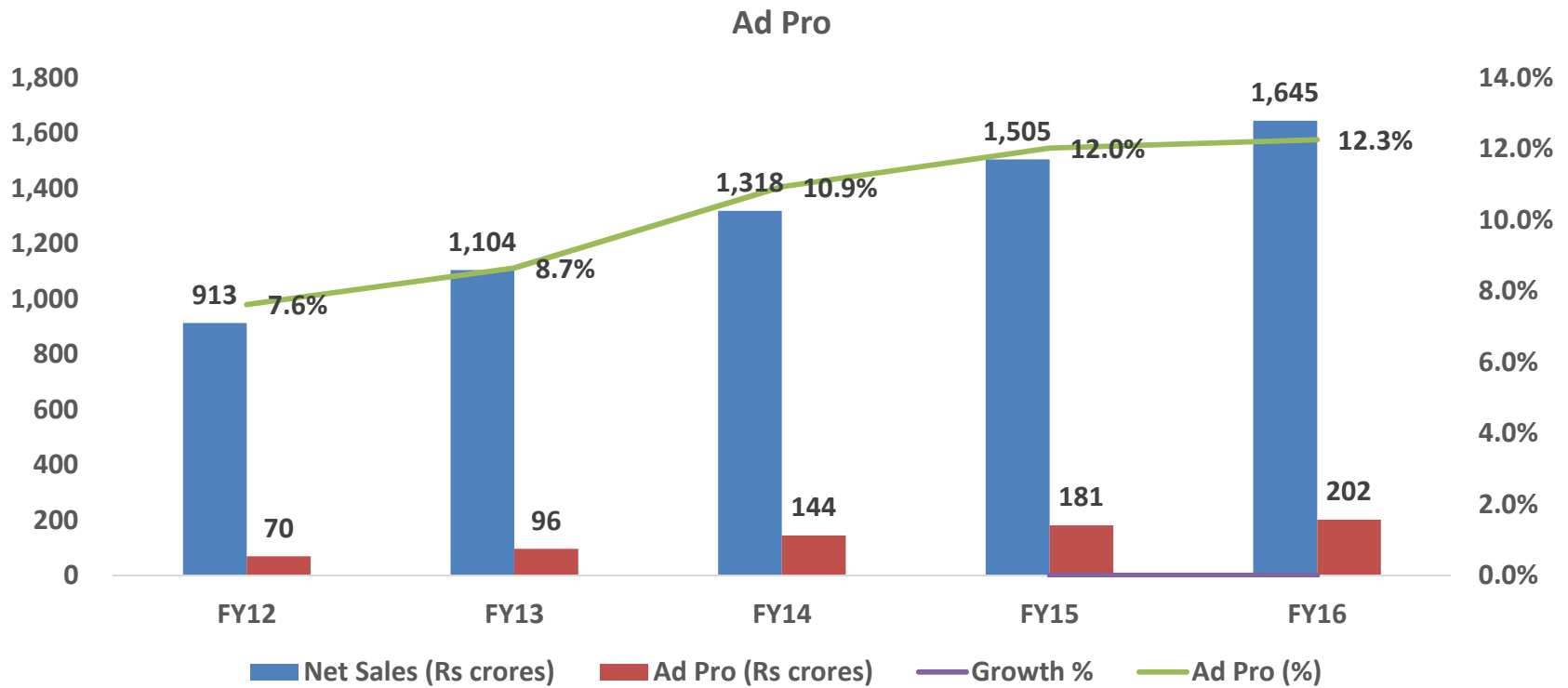
**Total dividend payout including DDT**

**Rs 174.35**

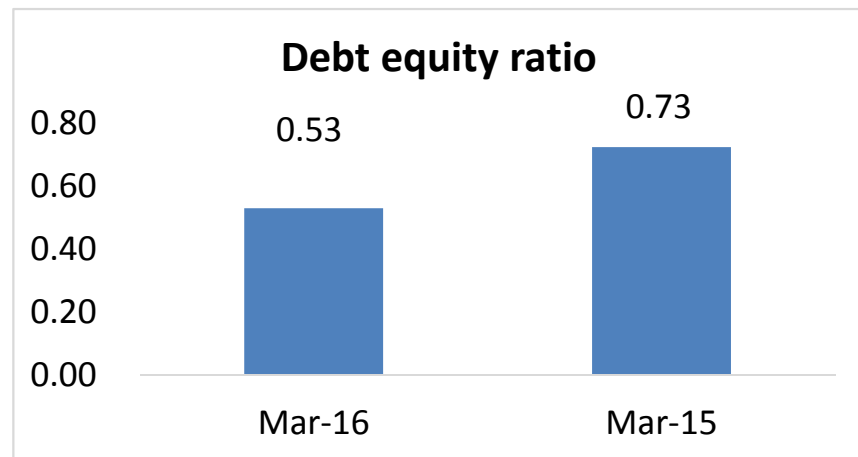
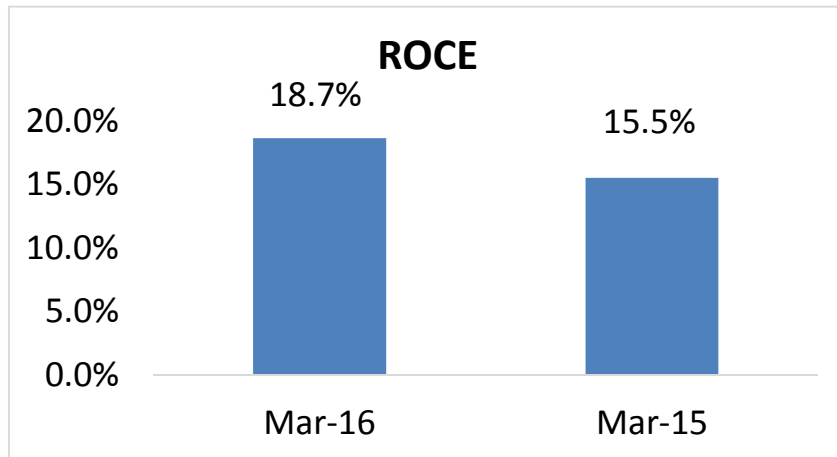
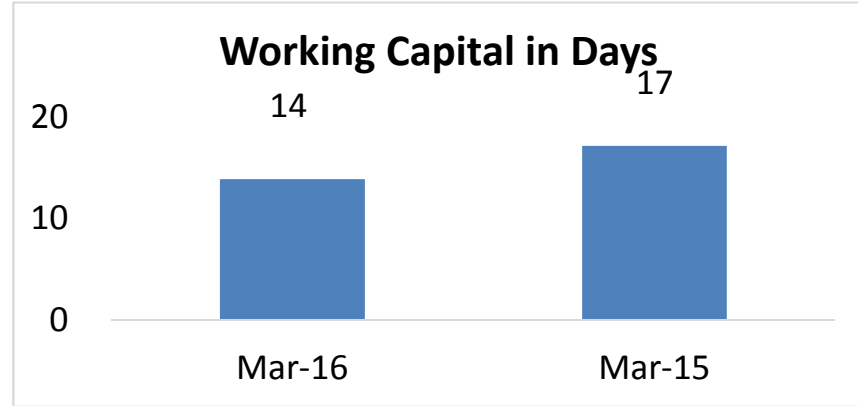
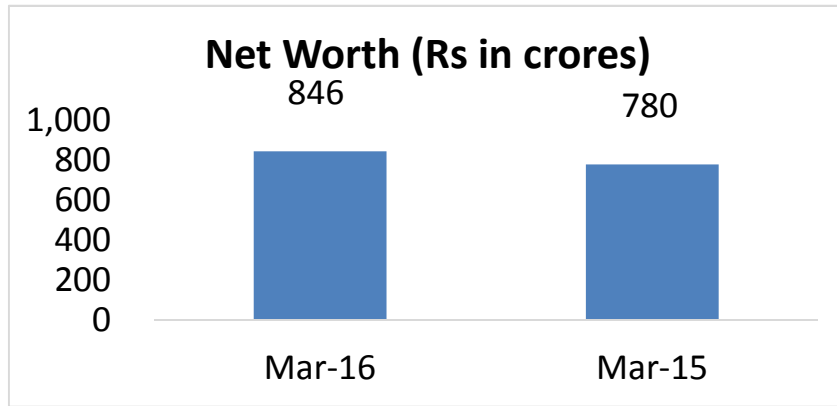
## Financial Highlights Profit & Loss



## Ad pro spends



## Financial Highlights Balance Sheet



**Business  
Initiatives**

Brand Updates



## Purchase & Supply Chain Initiatives

Proactive Planning & better Inventory management resulted in improvement in WC

Introduction of transport module for service level enhancement and better control

Initiated better focus on channel wise service level to ensure minimal stock outs

Achieved savings in RM/PM cost by entering into long term contract

## Manufacturing and R&D

Capacity expansion initiated for key product portfolio

Geared up for the implementation of GST

Appointed National Safety Manager to improve SHEQ across all factories

Invested in R&D facility to support innovations in packaging and product



## Information Technology

Will be live on SAP S4 HANA by April 1, 2017

Connect Phase II to capture Third Party Costing

Rolled out Jconnect – Jyothy Intranet and Employee Self Service Portal

Distribution Management System initiated for rollout across India at all Super Distributors Point

# *Awards*

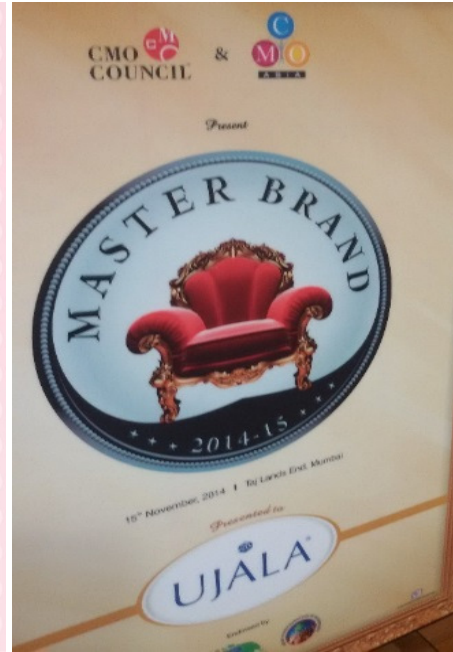
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## Awards



‘Henko LINTelligent’, has been awarded Product of the Year



Master Brand Award for UJALA



Ms. Jyothy, has been voted yet again amongst the ‘50 Most Influential Women in Indian Media, Advertising and Marketing, 2016’ by exchange4media Group



Ms Jyothy M R has been awarded with Emerging Kerala – Women Entrepreneurship Excellence Award

Indian Marketing Awards 2014 - Bronze Medal for Henko



# Structure

- Big Picture : Strategy and Organisational Journey
- FY 16 : Key Activities & Results in Brief
- Category Summary
  - Post Wash
  - Laundry
  - Dish wash
  - Insect Control
  - Personal care
- Capability Journey
- Market scenario & Way Forward

# Big Picture

## Path to Growth : Our Journey

### Voice of the consumer

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- Listen to the consumer to bring in genuine insights

### Process Efficiency

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- Drive End to End Efficiencies across value chain

### Build Organisational capabilities

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- Ongoing, in the market place

Big Picture

Path to Growth

Superior  
Mixes

Superior GTM  
Execution

Profitable play

# Our Category Strategy

## Dish wash

- Leveraging 2 brand portfolio
- Strengthening position

## Household Insecticide

- Increasing footprint
- Winning through Innovations

## Laundry

- Establishing uniqueness
- Building for future

## Personal Care

- Reinvigorating Brand
- Relevant Extensions

## Post Wash

- Extending Dominance

## FY16 : KEY ACTIVITIES

### Superior Mixes-Superior Insights



New communication on Ujala



Relaunch of Exo



Launch of Maxo Magic Card



## FY16 : Results in Brief



11 % Growth on Exo & 15 % growth on Pril .  
JLL Growth Ahead of Market Growth  
Growing # 2 in Indian Dish wash Market



15 % Growth on Brand  
Market Share Gain Ahead of Competition  
Fastest Growing Brand in HHI Market in India



Focus brand Henko Grows 11 %  
JLL growth ahead of Market Growth in Washing Powder



8% Brand Growth  
Margo Growth Ahead of Market



Share Growth of 60 BPS



300 BPS Gross Margin Improvement

Double  
Digit Power  
Brands  
Growth

Dyolby LABORATORIES LIMITED

**UJALA<sup>®</sup>**  
*Supreme*

Safed kapdon se  
peelapan hataaye,  
sirf **Ujala Supreme**  
safedi laaye!

**4**  
drops per Ltr.

**Ultra Radiance Molecules**

**UJALA<sup>®</sup>**  
*Supreme*

**Safedi Ke Aage Ujala**

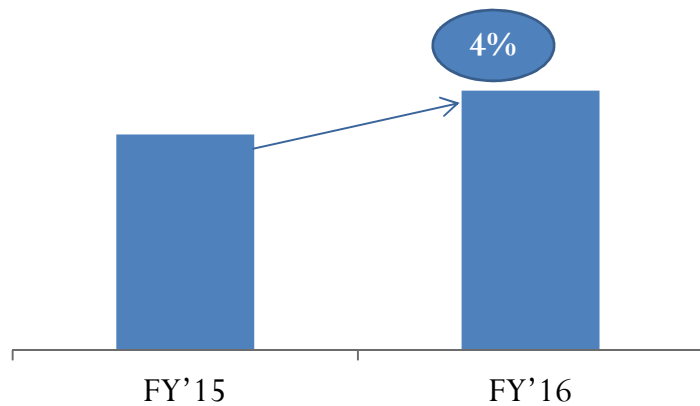
# Post Wash

Strengthening Dominance

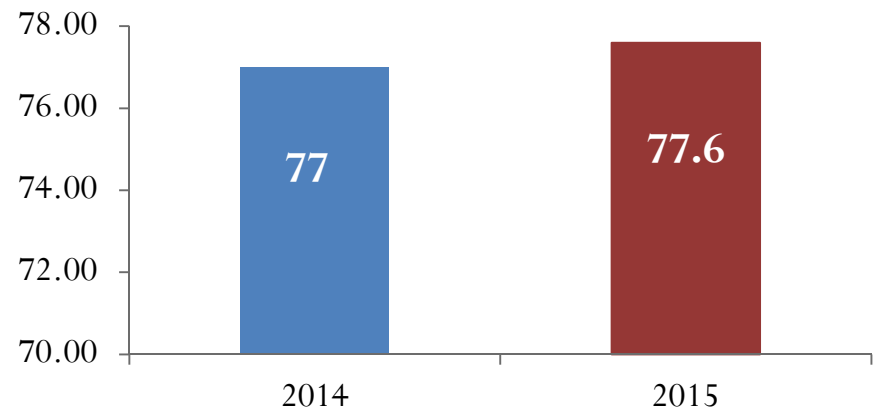
# Ujala FW Performance

Source: AC Nielsen

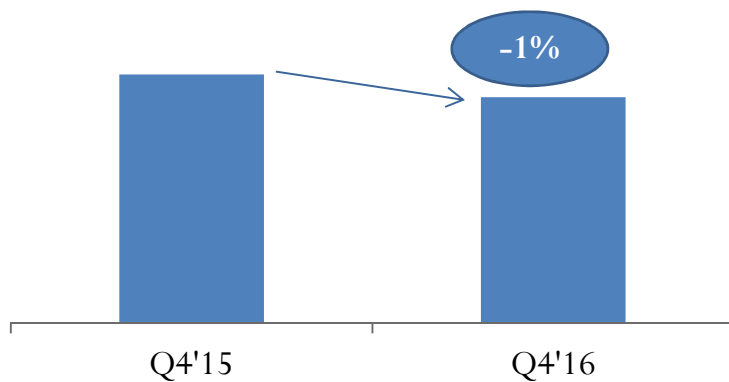
## Net Sales



## All India Val Share Progress



## Net Sales



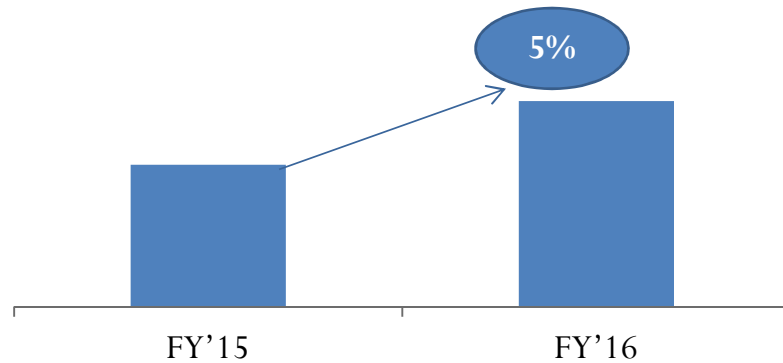
- Ujala increasing shares in a stagnant Fabric Whitener category
- Ujala FY'16 at positive 4% on the back of new communication theme targeting new users



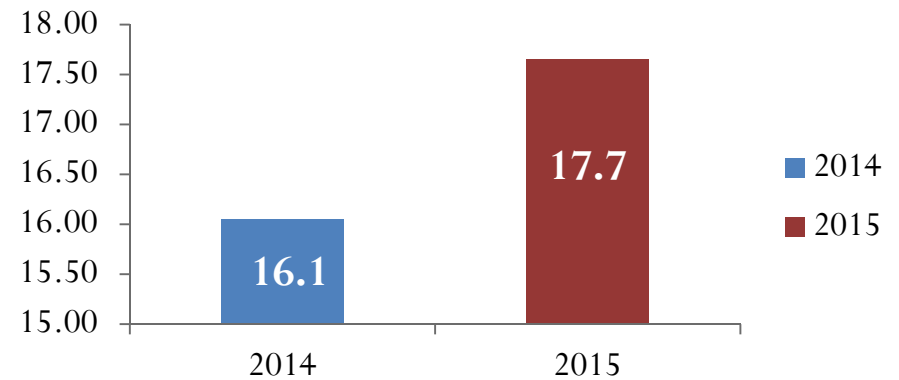
# Ujala Detergent Performance

Source: AC Nielsen

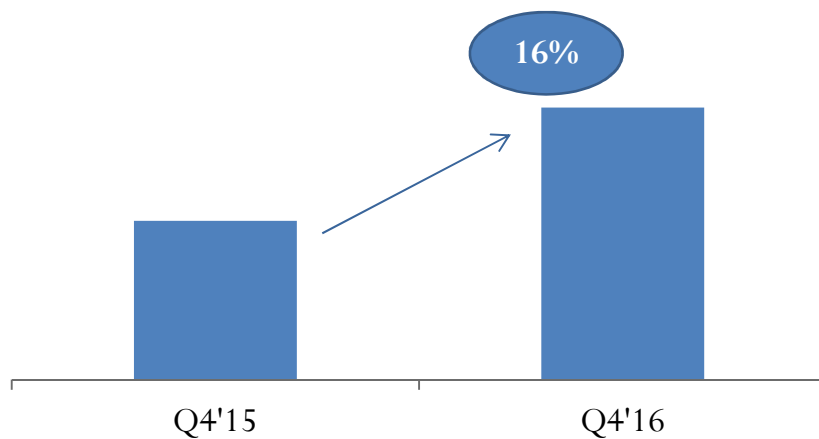
### Net Sales All India



### Kerala Val MS progress



### Net Sales All India



- Brand re-launch with new proposition of “**Effortless Cleaning**” successful in increasing shares & driving internal growth



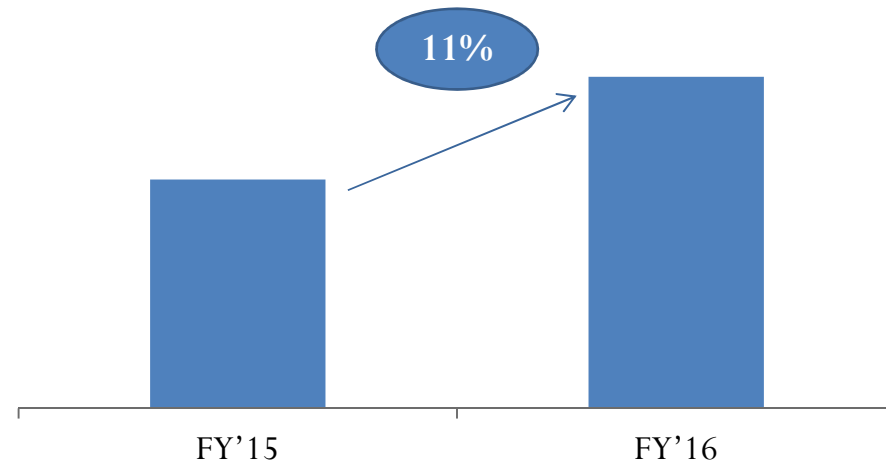
## Ujala Fabric Stiffener Performance

UJALA®  
**CRISP &  
SHINE** With **POLYFX**



**AFTER-WASH FABRIC ENHANCER**

Net Sales FY'16 (KERALA)



- Ujala Crisp & Shine growing at double digits in a mature Kerala market
- Brand extended to TN



## Detergents: Investing at the Top End



# Detergents: Investing at the Top End

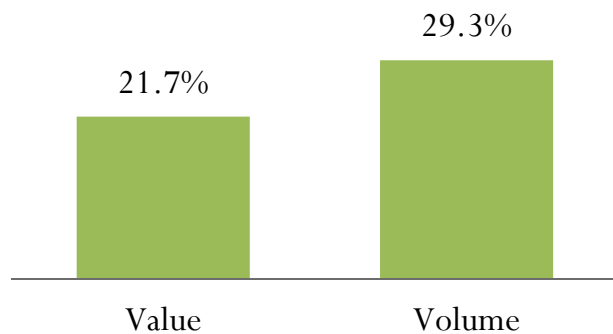
Henko Lintelligent : Breakthrough Innovation

Strong consumer acceptance



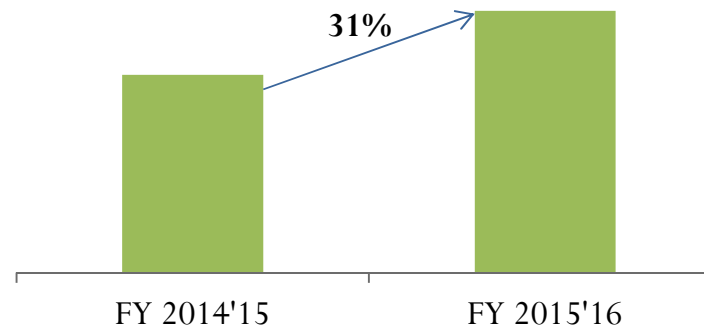
# Laundry FY 16 : Matic Performance

## Category Growth %

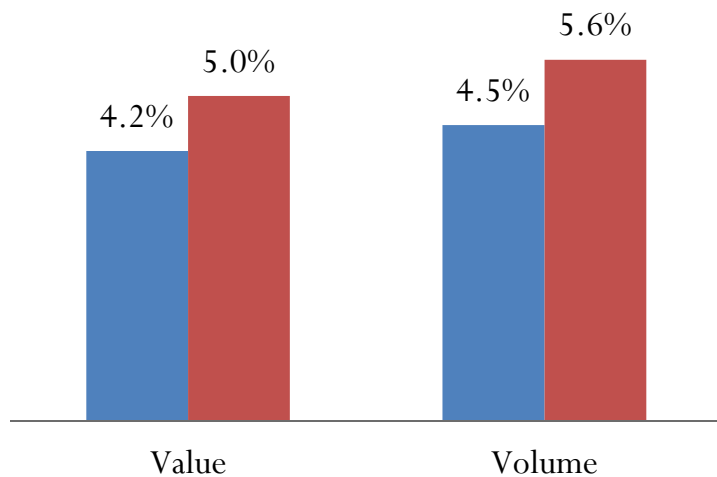


\*Source: AC Nielsen (Jan-Dec15)

## Net Sales - Value

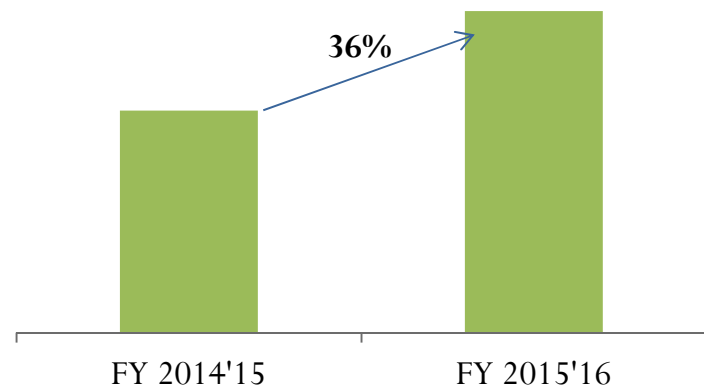


## Henko MS%



■ Yr 2014  
■ Yr 2015

## Volume



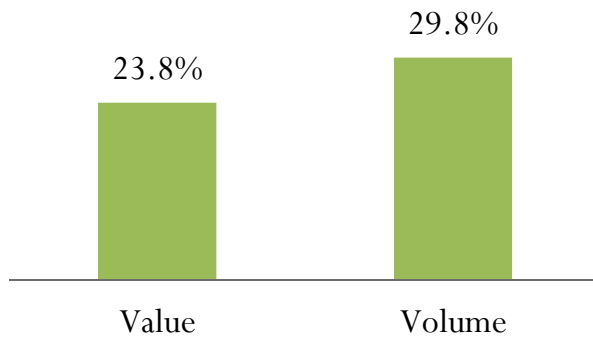
- Henkomatic is growing at 1.5 times the category.

\*Source: AC Nielsen



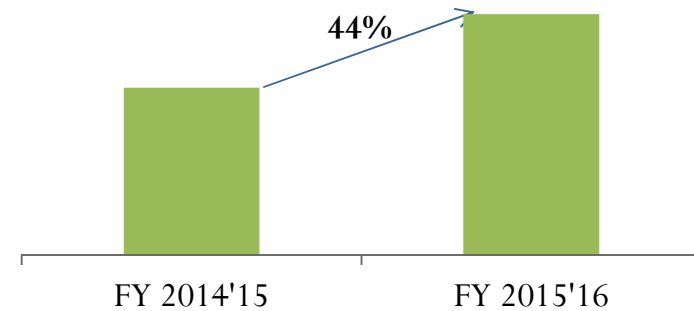
# Laundry MQ 16 : Matic Performance

### Market Growth %

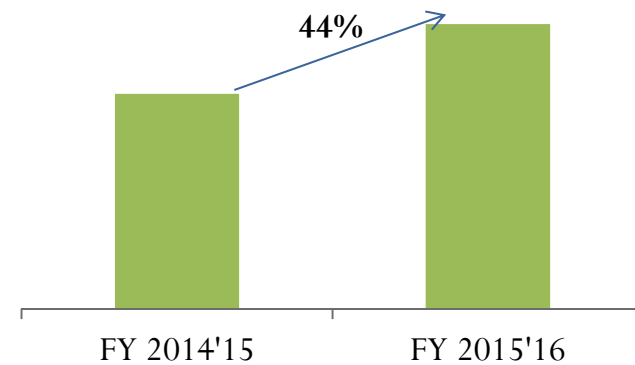


\*Source: AC Nielsen (MQ 16)

### Net Sales - Value



### Volume



- In MQ, Henkomatic is growing at a brisk pace

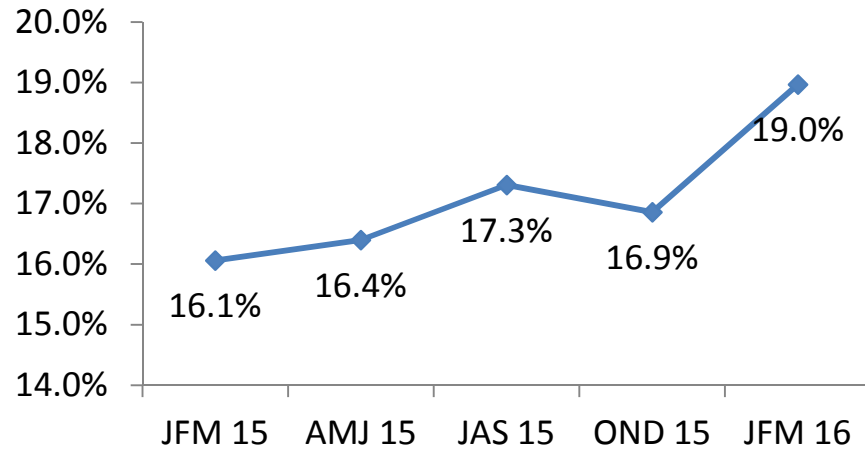
# Dish Wash

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**Path to Growth**  
**Formidable # 2 in category**

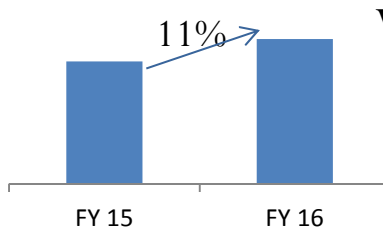


## PRIL : Continuing Strong Growths



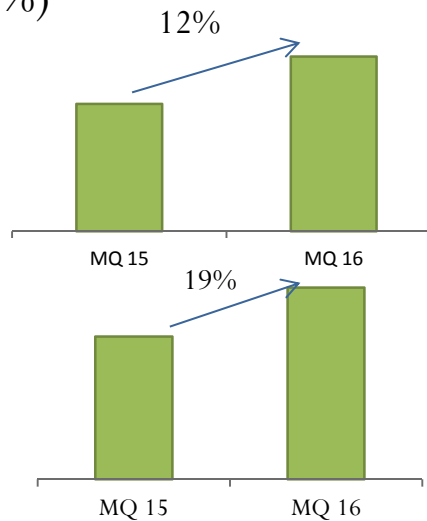
Source: AC Nielsen

FY 15 vs FY 16



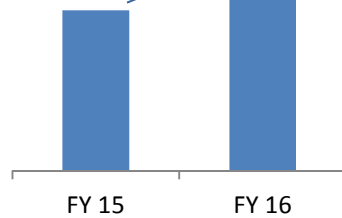
Volume Growth (in %)

MQ 15 vs MQ 16

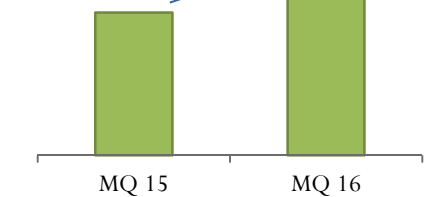


Value Growth (in %)

FY 15 vs FY 16



MQ 15 vs MQ 16



## PRIL Bar: Premium Innovation

FOR THE FIRST TIME IN INDIA  
YOUR FAVOURITE **SUPERIOR DEGREASER**  
'PRIL BAR' WITH THE  
**POWER OF ACTIVE BOOSTERS**

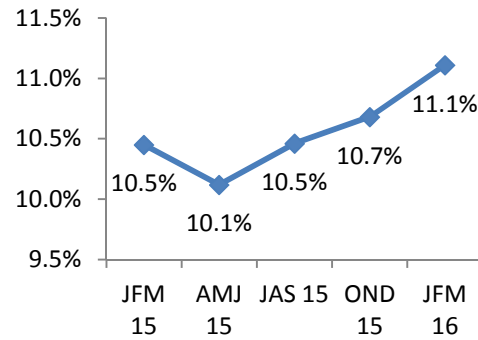
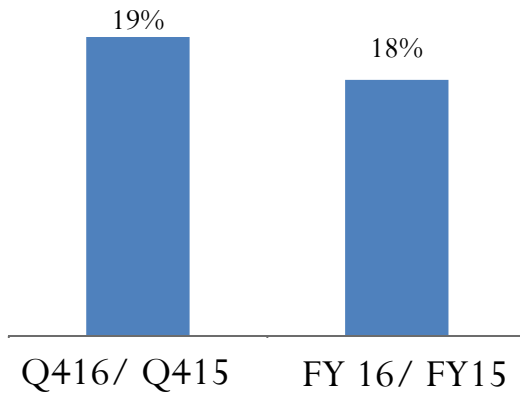


500 GM MONTHLY PACK

- Innovative Tamper proof Monthly Pack
- Superior product – premium pricing

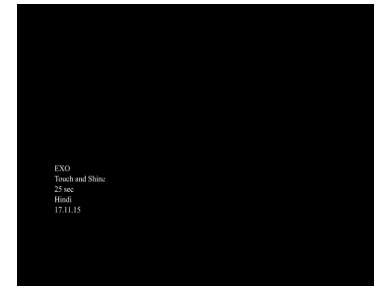
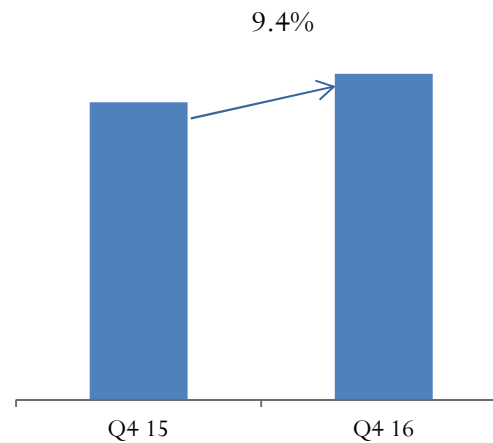
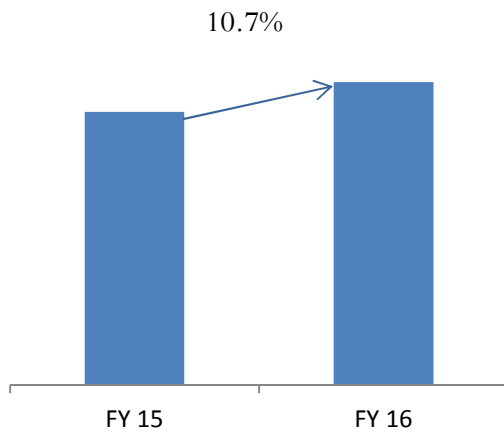
# Exo Dishwash

## Net Sales - Volume



\*Source: AC Nielsen

## Net Sales - Value



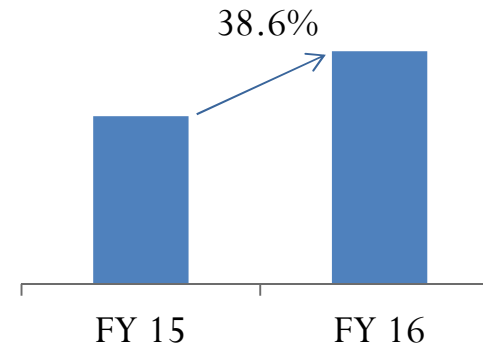
## Exo Dishwash bar



## Exo Scrubber



Net Sales – Value Exo Bactoscrub



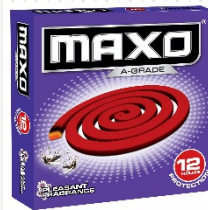
India's first & Only  
Antibacterial scrubber

Offers longer life

Offers malodour protection

# Household insecticide

## Strengthening position in the category

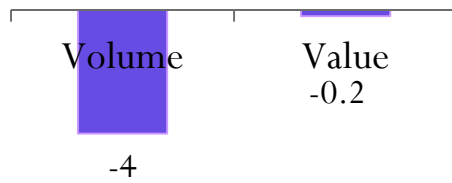




# Maxo Coil FY 16

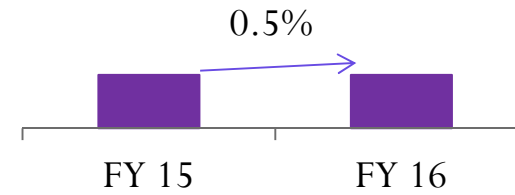
**FY 16: Grew share in 2015 in a declining category**

## Market Growth %



\*Source: AC Nielsen (Jan-Dec15)

## Net Sales - Volume

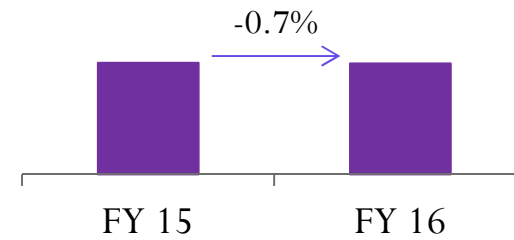


## Value Market Share %

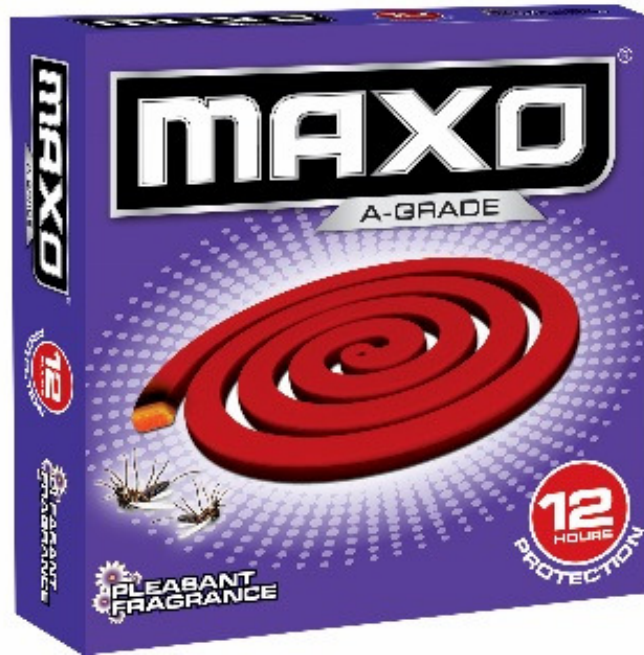


\*Source: AC Nielsen

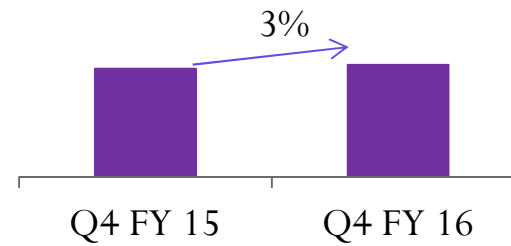
## Net Sales - Value



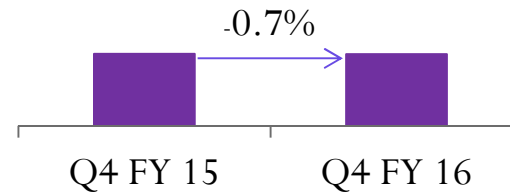
## Maxo Coil Q4 FY 16



Net Sales - Volume



Net Sales - Value

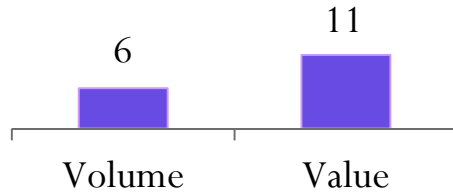


- Market growth remains sluggish

# Maxo LV FY 16

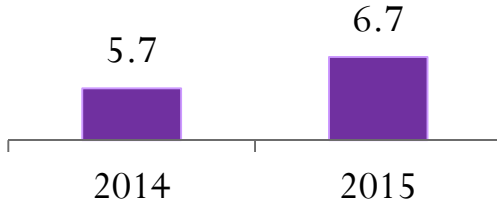
FY 16: Grew share in 2015

## Market Growth %



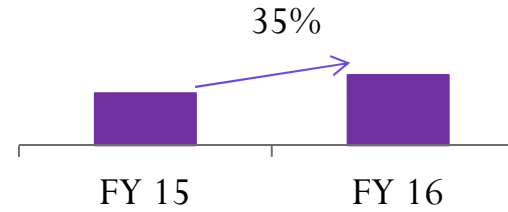
\*Source: AC Nielsen (Jan-Dec15)

## Value Market Share %

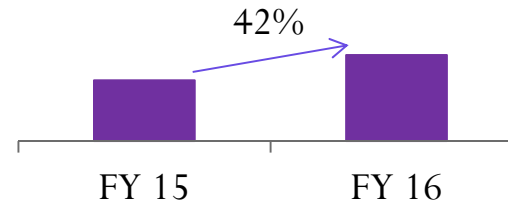


\*Source: AC Nielsen

## Net Sales - Volume



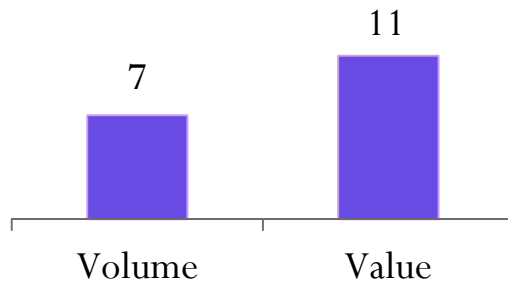
## Net Sales - Value



- Maxo LV growth ahead of category growth

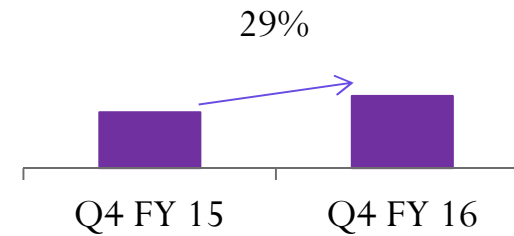
# Maxo LV Q4 FY 16

## Market Growth %

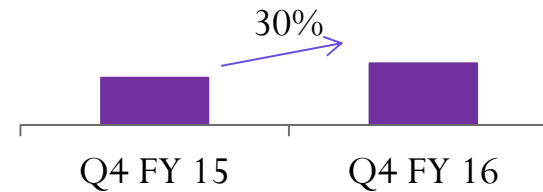


\*Source: AC Nielsen (MQ'16 over MQ'15)

## Volume Growth



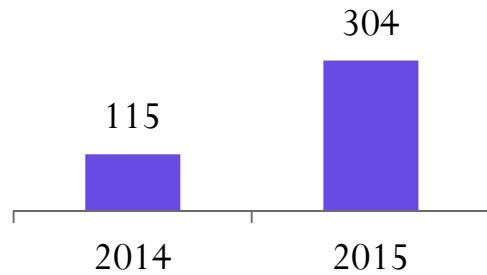
## Value Growth



- Maxo LV growth ahead of category growth
- Thrust on excellence in execution

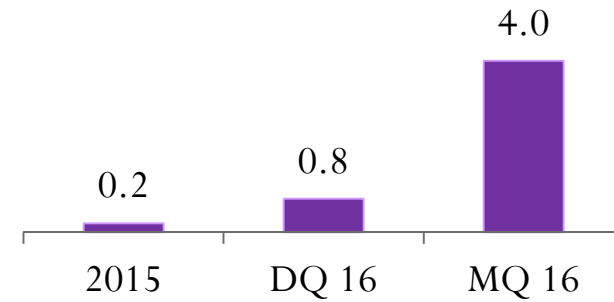
# Maxo Card MQ 16

Market Size Rs. Cr



Source: AC Nielsen (Jan-Dec)

Value Market Share %



## Net Sales – 4 months

FY16	Rs. lakh
Magic Card	1029

- Intensive media spends in key markets
- Supported by on ground activations

- Emerged as no. 2 player in Kerala & Karnataka
- 7%+ share in 5 states

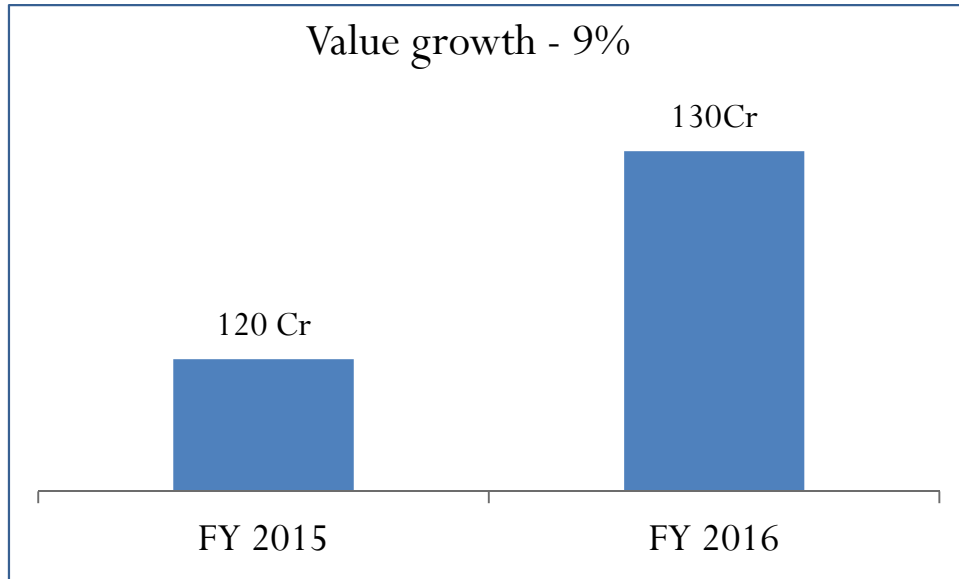
**Our ambition is to be the no. 2 player nationally**



# Personal Care

**UNIQUE POSITION**

# Margo – Sales Performance



- West Zone grew at 21% in the same period.
  - High potential market going forward
- Q4 FY15 Vs Q4 FY 16 growth remained flat



# Margo – Since 1920. Powerful Equity



**Mega Consumer Trend:  
Natural Skin Care**

**Margo to leverage on its natural equity  
'Known for Original/pure Neem'**

**Objective:** To make "*Original Neem*" a part of  
the consumer's skin care regime

## **How?**

- Margo is made with neem oil extracted from fallen neem buds that are freshly collected
- Undiluted form of Neem Oil is used in the soap making
- Process of making is unique and unmatched to any of the other players



# Extending Margo Equity



Margo Glycerine  
Launch

Innovation Future



To leverage equity of 'Original Neem' through  
extensions offering sensorial delight

# Our Go To Market Strategy

## Build Brand Presence in Large Urban Markets

- Win in > 5 Lac towns
- Enhance presence in Open Format Outlets

## Grow aggressively in Modern Trade

- Enhance Presence
- Reconfigure to service better

## Selectively build Small town & Rural reach

- Enhance Reach profitably for channel partners
- Activate feeder towns

## Exploring New Channels

- Mass Market
- HORECA (Institutional)

Significantly enhance our Front Line Field Resources

# SALES CAPABILITIES

## Winning with Shoppers



**Priority Outlets –**  
Shopper Led Activity for Off take generation

### ❖ Channel Specific Plans :

- Focus visibility plans
- Increase in Share of shelf in Priority Outlets
- Strong Market share gains

Total POs	Contribution to Urban Sales	% Growth
~7000	~25%	25%

Assortment increase ~100%

# SALES CAPABILITIES

**Driving Efficiencies through better information guided planning**

## **DMS Package Roll out**

Nearly 259 Super stockiest who cater to 4286 Sub Stockiest.

### ❖ **Merits :**

- **Effective coverage / Stockiest efficiency**
- **Visibility of Scheme Utilisation**
- **Real time Sales Performance Tracking**
- **Claim process simplified**
- **Increase efficiency by reducing admin overhead**

# SALES CAPABILITIES

**Direct Rural footprint increased**



**❖ 42,200 Rural Outlets added in year 2015-16 over 2014-15**

## Market Scenario and Way forward

- **While demand continues to be soft, good monsoon expected to help drive rural sales.**
- **Increased coverage and rural GTM plans expected to sustain growths.**
- **We see no abatement in price competition in laundry and dish wash.**
- **We will be able to sustain our volume growth ahead of industry.**

Thank you