

S.R. BATLIBOI & ASSOCIATES LLP

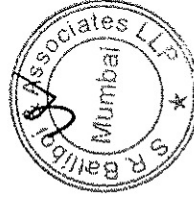
Chartered Accountants

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Auditor's Report On Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Clause 41 of the Listing Agreement

To
Board of Directors of
Jyothy Laboratories Limited

1. We have audited the quarterly financial results of Jyothy Laboratories Limited for the quarter ended March 31, 2013 and the year-to-date results for the period from April 1, 2012 to March 31, 2013, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, 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 audited by us. These quarterly financial results as well as the year-to-date financial results have been prepared on the basis of the interim financial statements and the relevant requirements of Clause 41 of the Listing Agreement, which are the responsibility of the company's management and have been approved by the Board of Directors. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) as per Section 211(3C) of the Companies Act, 1956 and other accounting principles generally accepted in India, and the relevant requirements of Clause 41 of the Listing Agreement.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. Without qualifying our report, we draw attention to Note 3 to the financial results regarding managerial remuneration amounting to Rs 1,113 lacs paid / provided during the year of which Rs 921 lacs is in excess of the limits prescribed under Schedule XIII of the Companies Act, 1956. As informed to us, the Company has filed an application with the Central government and is in the process of obtaining necessary approval from shareholders for approval of such excess remuneration.
4. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:
 - i. are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
 - ii. give a true and fair view of the net profit and other financial information for the quarter ended in March 31, 2013 and net profit for the year to date results for the period from in April 1, 2012 to March 31, 2013.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

5. Further, read with paragraph 1 above, we report that the figures for the quarter ended in March 31, 2013 represent the derived figures between the audited figures in respect of the current full financial year ended in March 31, 2013 and the published year-to-date figures up to in December 31, 2012, being the date of the end of the third quarter of the current financial year, as required under Clause 41(I)(d) of the Listing Agreement.
6. Further, read with paragraph 1 above, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

S R Batliboi & Associates LLP

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI firm registration number: 101049W

Vikram Mehta

per Vikram Mehta
Partner

Membership No.: 105938

Place: Mumbai

Date: May 22, 2013



JYOTHY LABORATORIES LIMITED
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2013



Particulars	Slandalone				Consolidated			
	Quarter ended	Quarter ended	Quarter ended	Year Ended	Year Ended	Year Ended	Year Ended	
	31.03.2013 Audited (refer note 4)	31.12.2012 Unaudited	31.03.2012 Audited (refer note 4)	31.03.2013 Audited	31.03.2012 Audited	31.03.2013 Audited	31.03.2012 Audited	
Income from operations	27,212.18	23,279.58	21,882.98	1,01,737.67	66,278.15	1,10,415.29	91,261.70	
(a) Net Sales and Services	39.70	36.68	52.20	136.03	66.53	180.87	38.40	
(b) Other Operating Income								
Total Income	27,251.88	23,316.26	21,935.18	1,01,873.70	66,344.68	1,10,596.16	91,300.10	
Expenditure								
(a) Cost of raw material and components consumed	8,940.87	6,661.36	8,048.62	32,439.61	22,488.80	33,981.11	26,340.67	
(b) Purchase of traded goods	7,005.72	6,670.30	4,213.17	30,022.12	14,726.18	29,822.14	24,399.98	
(c) (Increase)/decrease in inventories of finished goods, work-in-progress and traded goods	(410.34)	(1,308.76)	981.84	(5,694.77)	43.82	(5,367.66)	(441.85)	
(d) Employee cost	2,299.44	2,867.25	1,546.20	11,056.18	7,802.18	13,048.30	11,366.50	
(e) Advertisement and Sales Promotion expense	2,179.60	1,605.67	1,012.70	8,180.56	4,283.03	9,553.88	6,951.65	
(f) Depreciation, amortisation and impairment	1,576.28	1,524.01	342.52	6,164.52	1,703.19	2,242.86	2,465.36	
(g) Other expenditure	3,838.55	3,187.63	2,442.65	13,496.05	8,686.41	16,591.57	14,273.80	
Total expenditure	25,450.12	21,207.48	18,587.70	95,664.27	59,733.61	99,872.20	85,356.11	
Profit from Operations before Other Income, Interest and Tax	1,801.76	2,108.79	3,347.48	6,209.43	6,611.07	10,723.96	5,943.99	
Other Income	1,313.51	1,289.13	1,473.58	4,985.13	5,633.70	520.16	2,273.42	
Profit before Interest and Tax	3,115.27	3,397.92	4,821.06	11,194.57	12,244.77	11,244.12	8,217.41	
Finance Cost	1,750.75	1,719.31	1,338.36	6,608.27	1,943.25	6,822.25	2,383.14	
Profit before prior period items and tax	1,364.52	1,678.61	3,482.70	4,586.30	10,321.52	4,421.87	5,834.27	
Prior period item (Refer Note 2)	182.71	-	-	182.71	-	4,297.83	-	
Profit from ordinary activities before tax	1,181.81	1,678.61	3,482.70	4,403.58	10,321.52	124.04	5,834.27	
Tax expense	-	-	689.96	-	1,969.96	(1,486.88)	1,993.30	
Profit from ordinary activities before minority interest	1,181.81	1,678.61	2,792.74	4,403.58	8,351.57	1,610.92	3,840.97	
Minority Interest (share in loss)	-	-	-	-	-	353.91	617.22	
Net Profit for the year	1,181.81	1,678.61	2,792.74	4,403.58	8,351.57	1,964.83	4,458.19	
Paid up equity share capital (Face value of Re 1 each)	1,612.64	1,612.64	806.32	1,612.64	806.32	1,612.64	806.32	
Paid-up Debt Capital				48,000.00	43,000.00	49,897.56	44,214.47	
Reserves excluding Revaluation Reserves as per the balance sheet of previous accounting year								
Debiture Redemption Reserve (included above)				66,544.26	64,466.50	61,570.77	62,304.20	
Basic and diluted earnings per share (Rs)	0.71	1.01	1.68	2.65	5.03	1.18	2.69	
Debt Equity Ratio	Not Annualised	Not Annualised	Not Annualised					
Debt Service Coverage Ratio				0.66	-	0.74	-	
Interest Service Coverage Ratio				2.63	-	1.86	-	
				2.63	-	1.98	-	

PART - II Information for the Year ended March 31, 2013

A - Particulars of Shareholding							
Public Shareholding							
- Number of shares	5,55,19,882	5,56,98,045	2,80,15,880	5,55,19,882	2,80,15,880	5,55,19,882	2,80,15,880
- Percentage of share holding	34.43%	34.54%	34.75%	34.43%	34.75%	34.43%	34.75%
Promoter and Promoter group Shareholding							
a) Pledged/ Encumbered							
- Number of Shares	Nil	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	Nil
- Percentage of Shares (as a % of the total share capital of the Company)	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Non-encumbered							
- Number of Shares	10,57,44,118	10,55,65,955	5,26,16,120	10,57,44,118	5,26,16,120	10,57,44,118	5,26,16,120
- 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%	100.00%
- Percentage of Shares (as a % of the total share capital of the Company)	65.57%	65.46%	65.25%	65.57%	65.25%	65.57%	65.25%

B - Investor Complaints

Particulars	Year Ended March 31, 2013
Pending at the beginning of the quarter	Nil
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	Nil

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MUMBAI

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

Particulars	Standalone				Consolidated			
	Quarter ended	Quarter ended	Quarter ended	Year Ended	Year Ended	Year Ended	Year Ended	Year Ended
	31.03.2013	31.12.2012	31.03.2012	31.03.2013	31.03.2012	31.03.2013	31.03.2012	31.03.2012
	Audited (refer note 4)	Unaudited	Audited (refer note 4)	Audited	Audited	Audited	Audited	Audited
Segment Revenue :								
A. Soaps and Detergent	17,234.85	18,834.00	13,715.24	75,594.59	44,554.67	79,674.47	63,733.92	63,733.92
B. Home care	8,393.10	4,478.03	8,217.18	24,490.86	21,785.18	24,492.69	21,801.79	21,801.79
C. Laundry Services	-	-	-	-	-	4,427.95	3,800.70	3,800.70
D. Others	1,584.23	(32.45)	(42.54)	1,658.70	(7.84)	1,826.67	1,979.15	1,979.15
Total	27,212.18	23,279.58	21,889.88	1,01,744.15	66,332.01	1,10,421.78	91,315.56	91,315.56
Less: Inter Segment Revenue	-	-	(6.90)	(6.49)	(53.86)	(6.49)	(53.86)	(53.86)
Net Sales and Services	27,212.18	23,279.58	21,882.98	1,01,737.67	66,278.15	1,10,415.29	91,261.70	91,261.70
Segment Results:								
Profit / (Loss) before tax and interest								
A. Soaps and Detergent	2,105.88	2,344.67	3,531.10	7,654.70	9,085.97	13,168.61	10,145.45	10,145.45
B. Home care	200.45	433.35	(59.79)	794.13	(1,594.59)	791.65	(1,556.97)	(1,556.97)
C. Laundry Services	-	-	-	-	-	(1,292.24)	(1,456.77)	(1,456.77)
D. Others	80.14	(48.40)	(34.66)	43.69	1.22	453.85	(145.41)	(145.41)
Total	2,386.47	2,729.63	3,436.65	8,492.52	7,492.60	13,121.87	6,986.30	6,986.30
Less: (i) Interest	(1,750.75)	(1,719.31)	(1,284.98)	(6,608.27)	(1,943.25)	(6,822.25)	(2,383.14)	(2,383.14)
(ii) Other unallocable expenditure	(622.82)	(584.52)	(190.22)	(2,301.38)	(869.38)	(2,483.86)	(976.50)	(976.50)
Add: Unallocable Income	1,351.62	1,252.81	1,521.25	5,003.41	5,641.55	606.11	2,207.61	2,207.61
Prior period item	(182.71)	-	-	(182.71)	-	(4,297.83)	-	-
Profit Before Tax	1,181.80	1,678.61	3,482.70	4,403.56	10,321.52	124.04	5,834.27	5,834.27
Capital Employed :								
(Segment Assets - Segment Liabilities)								
A. Soaps and Detergent	55,633.40	47,557.32	14,525.17	55,633.40	14,525.19	41,948.22	39,012.65	39,012.65
B. Home care	8,666.10	10,883.85	6,500.69	8,666.10	6,500.69	8,666.09	6,530.65	6,530.65
C. Laundry Services	2,828.89	1,126.04	0.00	2,828.89	-	9,462.91	9,093.38	9,093.38
D. Others	10,129.86	5,236.69	46,324.72	10,129.86	46,324.70	1,940.42	1,770.79	1,770.79
E. Unallocated assets/(liabilities) (net)						7,181.45	5,503.15	5,503.15
Total	77,258.26	64,803.91	67,350.58	77,258.26	67,350.58	69,199.09	61,910.62	61,910.62

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



For and on behalf of the board

M.P. Ramachandran
M.P. Ramachandran

Chairman and Managing Director

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BY

S.R. Batliboi

S. R. BATLIBOI & ASSOCIATES LLP
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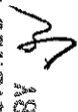
Place: Mumbai

Date: May 22, 2013

JYOTHY LABORATORIES LIMITED
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2013

Notes :

1. The above audited results of the Company were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 22, 2013.
2. The Honorable High Court of Mumbai vide its Order dated April 12, 2013, approved the Scheme of Amalgamation of Jyothy Consumer Products Limited (JCPL, formerly known as Henkel India Limited) with the Company with effect from the Appointed date April 1, 2012. The Scheme became effective on May 13, 2013. The amalgamation has been accounted in accordance with the 'Purchase Method' as described in Accounting Standard-14 "Accounting for Amalgamation" notified by the Companies (Accounting Standard) Rules 2006.
In accordance with the Scheme and as per the approval of the Honorable High Court of Mumbai, all the assets and liabilities of JCPL have been recorded at their fair value as at the Appointed date. The difference of Rs. 14,339 lacs between consideration paid and the fair value of net assets of JCPL transferred to the Company after eliminating investments held in JCPL has been recognised in the Company's financial statement as Goodwill. Further, as per the fair value exercise carried out by the Company, intangible assets amounting to Rs. 30,366 lacs have been recognised. Both intangible assets and goodwill are amortised over 10 years resulting in additional charges of Rs.4,471 lacs in standalone financial result for the year ended March 31 2013 and Rs. 1,118 lacs the quarter ended December 31, 2013.
Pending allotment of equity shares to the shareholders of JCPL pursuant to the scheme of amalgamation and bonus shares on such shares has been disclosed as Share suspense account in the financial results. Consequently, the results for the current quarter and year ended March 31, 2013 include the results of JCPL and are reflected in the business segment 'Soap and Detergent' and 'Others' under the segment reporting.
Pursuant to the amalgamation, the financial results for the quarter ended December 31, 2012 have been recast so as to include the financial results of the amalgamated company and the figures of the current standalone financial statement for the year are not strictly comparable to those of the previous year. There is no impact of this merger on consolidated financial statements of the group since the business was already included in the consolidated financial statement of the previous year. However, some adjustments made to the fair value of the assets acquired from JCPL resulted in writing down these assets or creating additional provisions which were earlier not recorded in the financial statement of JCPL and hence the same has been disclosed as prior period adjustments in consolidated financial results.
3. Employee benefit expenses include Rs 1,114 lacs paid / provided during the year towards directors remuneration of which Rs 921 lacs is in excess of permissible remuneration determined under Schedule XIII of the Companies Act, 1956. The Company has applied to the Central Government and the shareholders for the excess managerial remuneration paid to / provided for Directors' remuneration. Pending receipt of such approval, the amount of Rs 921 lacs paid to the Directors in excess of the limits prescribed under Schedule XIII of the Companies Act, 1956 is held in trust by the said Directors.
4. The figures for the quarter ended March 31, 2013 and March 31, 2012 are the balancing figure between the audited figure in respect of the full financial year and the year to date figures upto the third quarter for the respective year.
5. During the previous year, Company had acquired controlling stake in JCPL. These shares were transferred and control was obtained by the company from August 23, 2011 and hence consolidated from this date. Further, Company also made acquisitions in the laundry business during the previous year. Accordingly, the Consolidated financial statement are not comparable with previous year.
6. At its meeting held on May 22, 2013, the Board of Director have recommended a dividend of Rs. 2.50 per equity share of Re.1/- each for the year ended March 31, 2013. The Payment of dividend is subject to approval of shareholders.
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.

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MUMBAI



8 Statement of Assets and Liabilities :-

Particulars	Amount (Rs in lacs)			
	Standalone		Consolidated	
	As at March 31, 2013	As at March 31, 2012	As at March 31, 2013	As at March 31, 2012
	Audited	Audited	Audited	Audited
<u>EQUITY AND LIABILITIES</u>				
Shareholders' funds				
Share capital	1,612.64	806.32	1,612.64	806.32
Share capital suspense account (Refer Note no. 2)	5,527.92	-	5,527.92	-
Reserves and surplus	65,261.72	66,544.26	56,715.26	60,435.71
Minority interest			487.29	668.59
Sub-total Shareholder's fund	72,402.28	67,350.58	64,343.11	61,910.62
Non-current liabilities				
Long-term borrowings	41,120.00	43,000.00	42,500.42	43,794.47
Deferred tax liabilities (Net)	0.00	1,533.79	91.34	1,610.16
Other Long term liabilities	180.00	270.00	180.00	270.00
Long-term provisions	917.68	631.76	3,197.25	831.18
Sub-total Non-current liabilities	42,217.68	45,435.55	45,969.01	46,505.81
Current liabilities				
Short-term borrowings	12,600.28	12,291.25	12,678.47	12,366.84
Trade payables	11,500.16	6,326.44	12,347.98	15,451.44
Other current liabilities	10,195.97	1,498.57	11,091.16	2,827.42
Short-term provisions	7,050.62	2,789.82	5,494.88	2,871.52
Sub-total Current liabilities	41,347.03	22,906.08	41,612.49	33,517.22
TOTAL EQUITY AND LIABILITIES	1,55,966.99	1,35,692.21	1,51,924.61	1,41,933.65
ASSETS				
Non-current assets				
Fixed assets				
(i) Tangible assets	26,160.89	19,472.20	29,959.72	32,100.55
(ii) Intangible assets	40,988.45	871.38	76,277.33	70,926.92
(iii) Capital work-in-progress	326.72	281.82	729.94	629.76
Non-current investments	2,470.72	34,546.69	149.89	149.89
Long-term loans and advances	48,922.36	55,457.91	9,057.30	5,377.83
Other non-current assets	13.05	23.59	157.15	186.09
Sub-total Non-current assets	1,18,882.19	1,10,653.59	1,16,331.33	1,09,371.04
Current assets				
Current investments	-	3,224.29	-	-
Inventories	16,744.62	7,928.19	17,216.88	11,876.70
Trade receivables	11,001.71	4,251.55	8,078.70	8,072.36
Cash and cash equivalents	3,813.59	5,099.40	4,631.43	6,622.18
Short-term loans and advances	5,119.80	4,314.01	5,174.16	5,562.22
Other current assets	405.08	221.18	492.11	429.15
Sub-total Current assets	37,084.80	25,038.62	35,593.28	32,562.61
TOTAL ASSETS	1,55,966.99	1,35,692.21	1,51,924.61	1,41,933.65

8. Previous year's figures have been regrouped/rearranged wherever necessary.

Place: Mumbai

Date: May 22, 2013



For and on behalf of the board

M.P. Ramachandran

Chairman and Managing Director

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BYS. R. BATLIBOI & ASSOCIATES LLP
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