



Life Shines, When Light Shines.

“

We are dedicated to bringing smiles,
creating joy, and brightening the
lives of our consumers.

The Story

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See this report online at
www.jyothylabs.com



Life Shines, When Light Shines.

**And light is where Jyothy is. Bright and sparkling,
radiating pure joy and extraordinary delight.**

Jyothy – a name which carries within it a legacy of trust,
and is embedded with the promise of love and care.

It is the light that sears through darkness, to bring smiles to
faces and cheer to life.

It is the light that shines with an unmatched assurance of
delivering to today's aspirations and tomorrow's hopes.

It is the light that has been illuminating
the world for the past 40+ years, and will
continue to brighten the lives of many
generations to come.

**Because Jyothy is much more
than a name. It is a beacon
of eternal light – one which
never fades and only gets
brighter with time.**



A shining beacon

It is different and distinctive. It is a brand that bespeaks more than operational excellence and financial growth. A brand that connects with the deepest desires of the most discerning of consumers, who seek much more than bright clothes and clean homes. These are consumers who are striving for a better and brighter future. It is a brand driven by strong passion, and built on inclusive values. A brand that brings smiles to every face, and a shine to the lives it touches.

For more than 40 years now, Jyothy Labs has been enlivening India's homes and lighting the lives of its people. It has been revolutionising the way Indians care for themselves, their families, and their homes. It has been evolving continually into a bigger and better fast-moving consumer goods (FMCG) company, focussed on delivering sustained growth and shared value. It has been innovating quality products that resonate with the changing needs of consumers across the country. It has been partnering India's progress into an 'Atmanirbhar' nation, rising continually on the global landscape as a shining star. It has been living its ethos of creating a brighter future, rooted in the rich heritage of the past.



Our Purpose

We're built with one intent: bettering lives. And it always will be, because progress is real only when shared.

Our Vision

To create with persistence and leave the world a better place while meeting the needs of our consumers.

Founded in 1983 by a first-generation entrepreneur, our 'Chairman Emeritus' Mr. M. P. Ramachandran, Jyothy Labs is primarily serving consumers in the Home Care and Personal Care segments, which constitute 50% of the Indian FMCG industry.



KEY FACTS

₹ 2,757 Crore

Consolidated Revenue
in FY 2023-24

1.2 Mn

Outlets - Direct Reach

9,900+

Channel Partners

2.8 Mn

Outlets - Products Available

23

Plants

8,000+

Employees

Our Power
Brands

UJALA®

MAXO
GENIUS

Margo

Key Market
Rankings

Ujala Supreme

#1

In Fabric Whitener category
since its launch 4 decades agoExo Dishwash Bar and
Pril Liquid

#2

Dishwash (bar and liquid)
category, in value terms

Maxo

#2

Mosquito repellent
coil by volume

Source - NielsenIQ

PRODUCT SEGMENTS

Fabric Care

UJALA

- Ujala Supreme
- Ujala Crisp & Shine
- Ujala Instant Dirt Dissolver (IDD) Detergent
- Ujala IDD Liquid Detergent



HENKO

- Henko Stain Care
- Henko Stain Care Bar
- Henko Matic (Top Load/Front Load)
- Henko Matic Liquid Detergent



Dishwashing

ANTIBACTERIAL EXO

- Exo Dishwash Bar
- Exo Safai Steel Scrubber
- Exo Dishwash Super Gel
- Exo Dishwash Powder
- Exo Bactoscrub



PRIL

- Pril Dishwash Liquid (Tamarind, Lime, and Kraft Mint variants)
- Pril Dishwash Bar



Household Insecticides

MAXO

- Maxo Genius Liquid Vaporiser
- Maxo Genius Machine and Liquid Vaporiser
- Maxo A-Grade Coil



Personal Care

MARGO

- Margo Neem Original
- Margo Neem Naturals
- Margo Glycerine
- Margo Hand Wash



Others

- Maya Agarbatti
- Fabricspa



fabricspa®
DRY CLEANING & LAUNDRY SERVICES



Our goal is to prioritise productivity without compromising on quality. We deploy cutting-edge technologies and process optimisation to achieve maximum productivity while ensuring the highest standards of quality. Flexibility, productivity, safety and adaptability are the cornerstones of our manufacturing approach, enabling us to stay ahead in the competitive industry landscape.



MANUFACTURING PROWESS

To deliver on our consumer promise of a better present and a brighter future, we have built 23 state-of-the-art Manufacturing/Processing facilities. Our facilities are driven by a strong excellence and innovation focus, creating products that are safe and eco-friendly. Through in-house manufacturing, we ensure that our products are first-time-right, with no compromise on quality at any stage. This helps keep product returns and rejections to a

minimal, leading to consumer satisfaction and negligible financial losses on this count. Keeping the plants closer to our markets ensures on-time delivery and de-risking of our business model.

We are continuously upgrading and modernising our plants with advanced technologies, automation, digitalisation and lean engineering, to keep pace with the transforming needs of the new-age consumers.

QUALITY ASSURANCE

Maintaining product affordability with superior and sustainable packaging is a key differentiator of the Jyothy Labs' brand proposition. What makes this proposition truly distinctive is the unwavering quality commitment that is reflected in every product manufactured and sold by Jyothy Labs. For us, the quality of our products is of critical importance for our brands and reputation. We are focussed on continuous improvement in our products and processes, in line with our consumer-centric approach.

- We have in place a comprehensive quality system, which allows us to conduct extensive reliability qualification and monitoring of our products. This enables us to provide global consumer quality and failure analysis support, which we believe is unmatched in the industry. Our objective is to achieve and maintain a level of quality that enhances the Company's reputation with consumers.
- The risk of accidental contamination of raw materials during transit, or of product quality defects arising due to human error, equipment/hardware failure or other factors, cannot be ignored. Product labelling errors can have

potential serious consequences for both consumer safety and brand reputation. To check such risks, we ensure that the labels on our packs provide clear and accurate information about our products, so that the consumers can make informed decisions regarding their purchase.

- Our product quality processes and controls are comprehensive and span the entire value chain, from product development to customer shelf. Our internal quality policies and norms are constantly reviewed to ensure that our product quality requirement meets the most stringent quality standard norms.

Jyothy Labs' has a robust quality inspection process in all its manufacturing units and warehousing locations to avoid and detect product quality issues. Our key raw material suppliers are externally certified, and the quality of the material received at all our manufacturing locations is regularly monitored and inspected to ensure that it meets our rigorous quality standards. We ensure that our on-pack labelling details are compliant with the applicable regulatory and statutory norms as well as the Jyothy Labs' labelling policies, in order to provide clarity and transparency to our consumers.

M. P. Ramachandran

Chairman Emeritus

“Jyothy Labs is more than just an organisation; it embodies a vision that has shaped one of India's most successful consumer care companies. Our focus remains on continually enhancing our product and brand offerings. It is a passion that propels us toward new horizons of growth and value creation. Like a guiding star, Jyothy Labs illuminates the lives of millions of consumers every day, promising a brighter tomorrow. For me and every member of our team, Jyothy Labs represents the realisation of a dream—an outcome of years of dedicated hard work and commitment to consumers. It serves as a stepping stone towards a brighter future for our country and for every individual who calls it home.”

Spreading light through FY 2023-24

MARKET SHARE OF KEY PRODUCTS

84%

Ujala Fabric Whitener
in Calendar Year 2023

22.9%

Ujala IDD (Kerala) in FY 2023-24

13.7%

Exo Dishwash FY 2023-24

13.7%

Pril Liquid in FY 2023-24

23.8%

Maxo Coil in FY 2023-24

8.3%

Maxo Liquid Vaporiser in FY 2023-24

Source - NielsenIQ (FY - Financial Year)

CONSOLIDATED KEY FINANCIAL NUMBERS FOR FY 2023-24

₹ 2,757 Crore

Revenue

₹ 480 Crore

Operating EBITDA

₹ 369 Crore

PAT

17.4%

Operating EBITDA (%)

5 Days

Operating Working Capital

₹ 618 Crore

Cash and Bank Balance
(Including Investments)

DIGITAL ACCELERATION

Expanding the Reach

- New improved DMS launched across 100% distribution network.
- Digitisation of Rural Distribution through Mobile DMS, VAN/Moped sales through SFA.

Operations Excellence

- Launched Multiple Mobile APPs to optimise operational control and focus anytime anywhere, also enabling partner connect for real-time updates.
- KPI-driven dashboards across business functions.

Cloud & Analytics

- Better retail sales using predictive must-sell SKUs.
- Cloud Deployments for higher availability, flexibility, scalability & security.

Message from Chairman Emeritus



M. P. Ramachandran
Chairman Emeritus

Dear Shareholders,

For us at Jyothy Labs, being responsible is not just the philosophy that guides our Corporate Social Responsibility (CSR) agenda. Our sense of responsibility and accountability goes beyond, to touch the lives of millions of people who put their trust in our products and faith in our brands. It is driven by our unmitigated efforts to bring happiness to our consumers and a shine to the lives of every stakeholder who engages with the Company in any way.

The evolution of our brands, over the past 40+ years, manifests the fortification of these efforts, and our unwavering focus on ensuring sustained and sustainable inclusive growth and value creation.

Brand Jyothy today stands out in India's FMCG industry as a name synonymous with quality and goodness. It epitomises the strength of our deep-rooted understanding of the evolving market trends and consumer needs. It reflects the robustness of our credentials as the manufacturer of best-in-class products, designed to match the deepest aspirations of our consumers. It is the outcome of our investments in creating an enviable bouquet of distinctive and differentiated products, each of which boasts of unmatched attributes and personifies total excellence.

Shining light during FY 2023-24

More light, more happiness, more delight and more value. This, in short, sums up the excellence of our journey during the year gone by. In a year of high inflation, reduced consumer spending, competition intensity and rural demand slowdown, Jyothy Labs delivered sustained double-digit growth, with every offering dazzling consumers with the brightness of its unique attributes.

With the single-minded goal of adding a new shine to the life of every consumer, our R&D and manufacturing teams worked harmoniously together throughout the year to create an exceptional portfolio that resonated with consumer expectations. Our distribution and sales force pushed their capacities and capabilities to reach out to the last consumer in the remotest corner of the country. Our brand and marketing teams came out with impactful and engaging campaigns to catalyse consumer interest and boost sales. I would like to take a moment here to thank each one of them for driving the Company's growth during the year.

Complementing these efforts were a host of investments and initiatives designed to further augment the Company's industry and market edge. Technological upgradations, automation and digitisation, geographical expansion, strengthening of the distribution network, operational and cost optimisation, new product launches, people skill development and ESG initiatives were some of the core areas in which we invested strategically for

the realisation of our vision and accomplishment of our goals. I am happy to say that the fruits of these investments are visible on the ground and making a difference to all those whose lives we touch in any way.

Geared to brighten the future

The value proposition that, we, at Jyothy Labs, have built over the years, was strengthened manifold during FY 2023-24. Led by our ethos, expertise and experience, we continued to make inroads into new consumer segments and geographies. Our high decibel ad campaigns, backed by our on-ground activations, sent sparkling waves of excitement across the market. We climbed several notches higher in our growth trajectory, and expanded our product and consumer base to new horizons.

As we move forward, our efforts will be oriented towards strengthening our focus on enhancing experiences and creating memories for the consumers. We shall continue to target new and existing opportunities with our innovations, while raising the technological bar of our operations, systems and processes. New investments in building our human, manufacturing intellectual and natural capital will drive further enhancement of our financial capital, leading to greater value creation for our stakeholders.

We shall also continue to deepen our social and stakeholder relations to propel holistic growth for all of us, and for the nation at large. Connecting with the consumers and their latent desires will remain a key priority for us, and we shall build on the same further through more vibrant branding and marketing efforts. Sustained expansion of our reach and presence will be a major driver of our business strategy, which we will continue to align with the changing business reality.

Concluding remarks

At the core of our long-term growth strategy lies our unyielding focus on lighting up lives and ushering in a brighter future for every Indian. I believe that this focus will get sharper, going forward, with the continued trust and support of all our consumers, employees, partners, vendors and shareholders.

Let us move ahead with greater dedication and commitment to add a bigger and brighter sparkle to every life.

Warm regards,

M. P. Ramachandran

Message from Chairperson and Managing Director



M. R. Jyothy

Chairperson and Managing Director

Dear Shareholders,

Creating value is a critical indicator of business growth for any company. At Jyothy Labs, we also prioritize consumer happiness and stakeholder satisfaction as key metrics of success. To align with these principles, we have designed a business model aimed at enriching the lives of everyone affected by our operations.

We have, over the years, deepened our consumer connect to reach out effectively to the last-mile of this large and diverse country, with our wide and differentiated product portfolio. We have become a part of the homes of millions of Indians, ushering light into their lives every step of the way.

Shining through challenges during FY 2023-24

FY 2023-24 was a challenging year for the FMCG industry, which reeled under the impact of high inflation, decline in consumer spending, and a growing competitive intensity. Rural markets in India were particularly subdued, causing demand to be further affected. As evidenced in the lowering of growth estimates for the FMCG sector - to 4.5%-6.5% in 2024 from the robust 9.3% growth experience in 2023.

Amid this backdrop, Jyothy Labs continued on its path of double-digit revenue growth, backed by an increase in our market share. Our net sales posted value growth of 10.9% and volume growth of 9.0%, with some minor price cuts across the portfolio. The margin growth was an impressive 28.7%, leading to an Operating EBITDA margin of 17.4% for the year. PAT went up 54.0% over FY 2022-23, underscoring the strength of our healthy debt-free balance sheet. I am happy to share that the growth momentum has been spread across brand categories, underlining the strength and success of our overall strategy.

The Board has proposed a final dividend of ₹ 3.50 per equity share face value of ₹ 1 per share showcasing our ability to continuously brighten the lives of our shareholders year-on-year through shared value.

Excelling across categories

- Fabric Care - ₹ 1,189 Crore
- Dishwashing - ₹ 937 Crore
- Personal Care - ₹ 308 Crore
- Household Insecticides - ₹ 212 Crore
- Others - ₹ 111 Crore

Enablers of our sparkling performance

The performance excellence that shone through the adversities of the year was the outcome of our strategic focus on the right levers of growth. Regular investment in all the growth initiatives identified by the Company contributed to the strengthening of our franchise. It gives us the competitive edge needed to stand out amid the continuously evolving industry landscape.

Our investments during the year were directed towards strategic brand building, which remains the key to our business success. The differentiation that we have continuously built into our product portfolio, through technology-led innovations backed by our deep understanding of consumer aspirations, proved once again to be the biggest engine of our sustained growth momentum. Our category approach, supported by the multi-channel presence of our products, aided us in capturing growth through both premiumisation and sales of low-unit packs.

In addition to direct distribution expansion and manufacturing capacity augmentation, we continued to boost our A&P spends to enhance brand visibility and recall. Coupled with focussed execution, this strategy enabled us to stay ahead of the curve in the market and the preferred choice for a growing network of consumers across the country.

Our ability to leverage our expanded distribution platform of direct reach of 1.2 million outlets (and counting) helped us mitigate the slowing consumption environment. Our extensive distribution reach enabled us to drive the sales of our existing product portfolio in newer geographies while helping us to scale up our on-ground activations and BTL activities. It also aided us in focussing on relevant SKUs for each market. Supported by our overall agile business operations, this led to growth in market share across the portfolio.

We believe that we are on the right track of long-term growth and value creation and intend to build further scale by focussing on execution across all business parameters with a healthy balance sheet. Our Cash

We believe that Indian FMCG industry is poised for a multi-decade growth phase. To harness the demand growth sustainably, we shall continue to invest in digital and ESG initiatives. Our focus will be on building a future-ready organisation, geared to capitalise on our brand strength and our product innovations to strengthen our presence in the FMCG industry. This will be enabled through continued investment in our brands, both in terms of distribution and media investment, backed by prudent capital allocation. Our strong credentials, track record of excellence, sustained consumer trust, strong stakeholder relations and responsible growth strategy will remain the pillars on which we will build a shining future for the nation.

& Bank balance including investments of ₹ 618 Crore and net operating working capital of 5 days will enable us to be more agile in our operations, and we will aim for consistent healthy revenue and profitability growth in the future.

Delivering sustainably & responsibly

A vital aspect of our growth strategy is our enhanced focus on sustainability, driven by investments in the key metrics of our ESG performance. While we are proud of our operational and financial performance, we strongly believe that the real parameters of

meaningful growth in today's global business environment are linked with sustainability. We have, accordingly, centred our business strategy around product and process innovation that drives sustainable development by minimising the negative impact of climate change.

Our ESG focus is manifest in our initiatives to reduce the carbon footprint of our operations, enhance our green energy portfolio, and ensure judicious use of natural resources. Besides our environmental focus, we have also embedded social responsibility and ethical governance into our sustainability ethos, and continue to strengthen these pillars through targeted interventions.

Towards a brighter future

At Jyothy Labs, we have progressively strengthened our core to steer our journey towards a better and brighter future. The expertise and experience we have developed over the years has equipped us to raise the bar of our performance in our quest to drive greater growth and value creation. Our efforts, going forward, will be directed towards continued focus on volume-led growth to achieve higher scale of business operations. With rural recovery a key for sustained category growth, we shall continue to invest in expanding our last-mile reach and distribution.

We believe that Indian FMCG industry is poised for a multi-decade growth phase. To harness the demand growth sustainably, we shall continue to invest in digital and ESG initiatives. Our focus will be on building a future-ready organisation, geared to capitalise on our brand strength and our product innovations to strengthen our presence in the FMCG industry. This will be enabled through continued investment in our brands, both in terms of distribution and media investment, backed by prudent capital allocation. Our strong credentials, track record of excellence, sustained consumer trust, strong stakeholder relations and responsible growth strategy will remain the pillars on which we will build a shining future for the nation.

I extend my gratitude to all of them for their unending faith in Jyothy Labs. I deeply appreciate the Board members for their invaluable contributions to our organization's growth. Together, with our collective efforts, we are well-equipped to meet future challenges and thrive.

On a concluding note

The optimism that prevails in the organisation today will continue to be enhanced, going forward, with the sustained support of our stakeholders, including our consumers, distributors, vendors, employees, partners and shareholders. I extend my gratitude to all of them for their unending faith in Jyothy Labs. I deeply appreciate the Board members for their invaluable contributions to our organization's growth. Together, with our collective efforts, we are well-equipped to meet future challenges and thrive.

Warm regards,

M. R. Jyothy



Capitalising on strengths to shine brighter

Jyothy Labs' source of illumination lies in its ability to capitalise on its core strengths. It is powered by our continuing investments in the six Capitals that are driving our sustained and holistic growth and value creation. Cognisant of the importance of these Capitals to our business strategy, we remain committed to continuously measuring, valuing and strengthening them, to light up the lives of all our stakeholders.



FINANCIAL CAPITAL

- Lends us strong cash flows, to give us an industry and market edge by helping us remain a debt-free company with a robust balance sheet.
- Equips us with the ability to invest in our assets and the other capitals that serve as the engine of our continuous business growth, even amid challenging conditions.



MANUFACTURED CAPITAL

- Is being continually augmented through expansion of our manufacturing footprint and prowess.
- Focussed on optimal utilisation and maintenance of our manufacturing assets through effective deployment of our financial and human resources.



HUMAN CAPITAL

- Key asset to facilitate the realisation of our vision and the execution of our business plans & growth strategy.
- Strengthened through strategic investments, facilitating continuous promotion of learning and development of our people in an enabling and empowering workplace environment.



INTELLECTUAL CAPITAL

- Driven by robust research and development (R&D) capabilities, leading to innovation aimed at ensuring consumer delight.
- Powered by consumer understanding and insights, to equip us to meet their aspirational needs.



SOCIAL & RELATIONSHIP CAPITAL

- Focussed on continual strengthening of our relationships with our consumers, vendors, channel partners and employees, and the communities around which we operate.
- Comprises close engagement with all our key stakeholders, including our investors, authorities, media persons, etc.



NATURAL CAPITAL

- Centred around environmental responsibility, to minimise the carbon footprint of our operations.
- Augmented by optimal and prudent use of renewable and natural resources in the manufacture of safer and eco-friendly products.

Value that shines and brightens lives

INPUTS



FINANCIAL CAPITAL

- Net worth – ₹ 1,808 Crore
- Net operating working capital – ₹ 41 Crore (Based on consolidated financials)



MANUFACTURED CAPITAL

- Manufacturing/Processing Facilities – 23
- Capex on capacity expansion and upgradation – ₹ 37 Crore (Based on consolidated financials)



INTELLECTUAL CAPITAL

- R&D capabilities, driving the development of a healthy, hygienic and environment-friendly portfolio
- 3 R&D labs (Mumbai HO, Silvassa, Puducherry)
- 32 depots and warehouses spread across India
- Maximising the e-commerce opportunity
- Use of consumer insights to steer innovation
- Use of digital media to expand reach to new millennials
- Thrust on ensuring sustained availability and accessibility of high-quality products
- Investments in brand building through innovative, marketing and packaging
- Multiple SKUs to target consumers across all segments



HUMAN CAPITAL

- Enhanced focus on diversity and inclusion of women in the organisation
- Enabling safe working conditions for employees



SOCIAL & RELATIONSHIP CAPITAL

- Expanding distribution network with direct outlet reach over 1.2 Million
- Focus on CSR, with spending of ₹ 4.59 Crore



NATURAL CAPITAL

- Sustainable packaging, including reduced plastic usage
- Increasing use of natural and organic products
- Additional funds allocation for Green Initiatives
- Increasing use of green solar energy – 1,226 KW current capacity
- Green belt – 45+ acres
- Trees planted – 16,000+

OUTCOMES

FINANCIAL CAPITAL

- Market capitalisation – ₹ +16,000 Crore
- Revenue from Operations – ₹ 2,757 Crore
- Operating EBITDA – ₹ 480 Crore
- Profit after tax – ₹ 369 Crore
- Net operating working capital – 5 days
- Return on equity (excluding goodwill) – 36.1%
- Dividend payout (proposed) – 34.8% of Profit after tax
- Current Ratio – 2.37
- Strong balance sheet position with enhanced Net Cash and Bank Balance including Investments of ₹ 618 Crore, enabling long-term investments (Based on consolidated financials)

MANUFACTURED CAPITAL

- Extensive use of technology for demand & production planning
- Continuing automation and cost control efforts for mitigation of high input costs

INTELLECTUAL CAPITAL

- > 5.1 Million products sold every day
- Improvement in market share across all categories
- New celebrities taken on board for brand endorsement
- Expanding regional outreach through engagement in local languages
- Major automation to drive productivity enhancement

HUMAN CAPITAL

- Improvement in employee engagement and satisfaction levels
- High performance culture
- 60% of employees with tenure of >5 years and 40% employees engaged for 15 years or more

SOCIAL & RELATIONSHIP CAPITAL

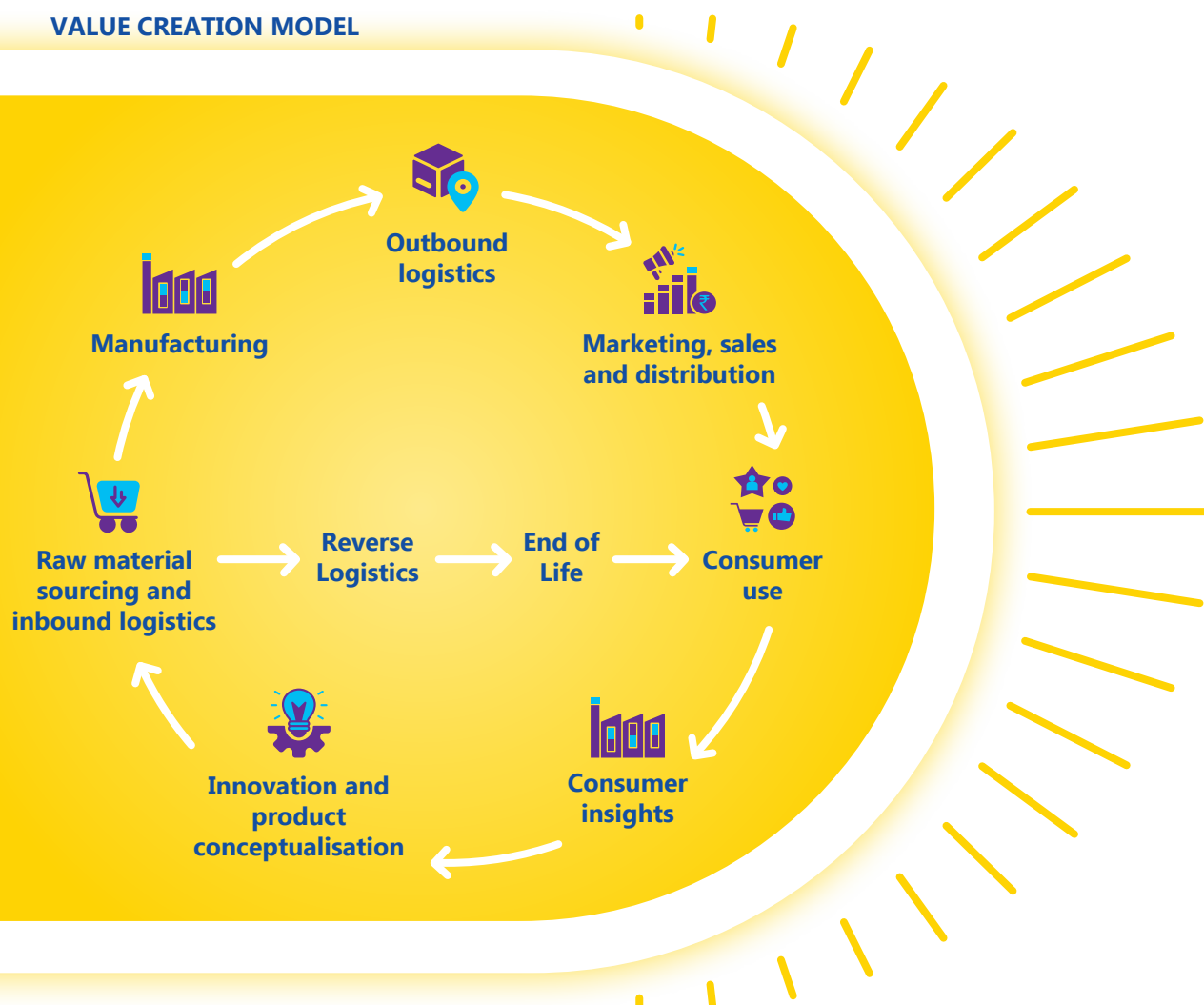
- Use of natural and organic products containing environment-friendly ingredients, to ensure safety of consumers, people and communities
- Improvement in consumer satisfaction
- Sustained value delivery to all stakeholders

NATURAL CAPITAL

- Forward movement towards Net-Zero plastic consumption
- Solar plants installed at factories to reduce carbon footprint and electricity cost
- Total energy consumed from solar power – 17,00,554 kWh

To ensure sustained and sustainable growth and stakeholder value, we have structured our business model around our six Capitals. We make regular investments in these Capitals, to transform the business model in line with the evolving consumer needs and aspirations. Our focus is on brightening the lives of our stakeholders through enhanced value creation.

VALUE CREATION MODEL



OUTPUTS

6 power brands

contributing
83% of revenue

SALES OF KEY SEGMENTS

Fabric Care

₹ 1,189 Crore

Personal Care

₹ 308 Crore

Dishwashing

₹ 937 Crore

Others

₹ 111 Crore

Household Insecticides

₹ 212 Crore

Sustained value creation

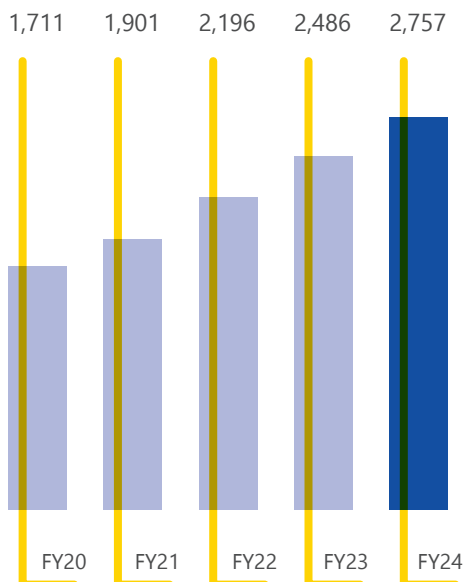
For better lives

Sustained performance excellence continues to impel the value creation journey at Jyothy Labs. Our prudent cost optimisation strategy, aided by our innovation, manufacturing, distribution and marketing strengths, has been a key driver of our year-on-year financial growth. During FY 2023-24, we posted higher numbers on our key financial metrics, with improved market share across our key business segments.

ON CONSOLIDATED FINANCIALS

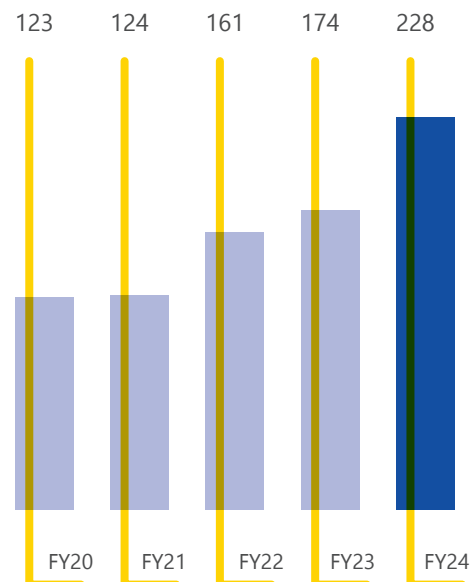
Revenue from Operations

(₹ in Crore)



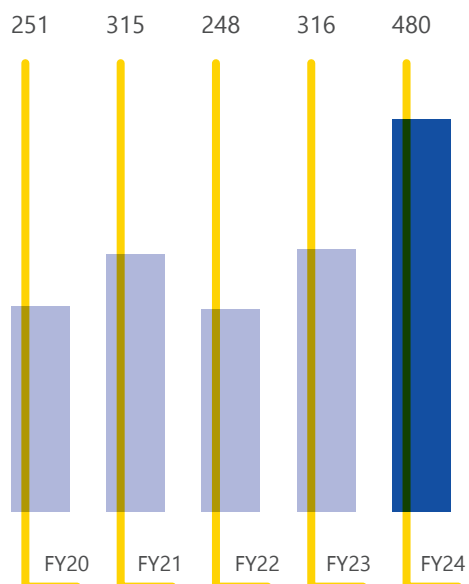
Advertisement & Sales Promotion

(₹ in Crore)

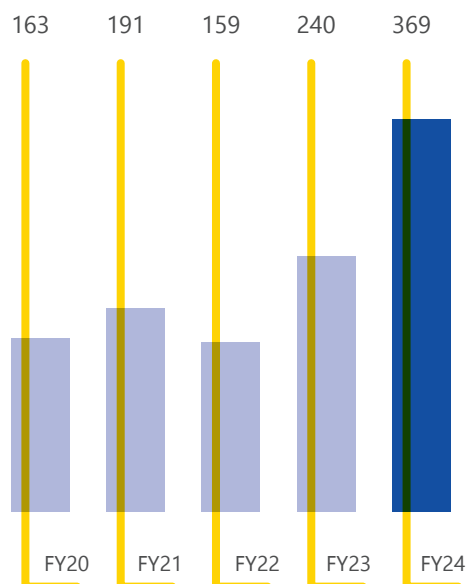


Operating EBITDA

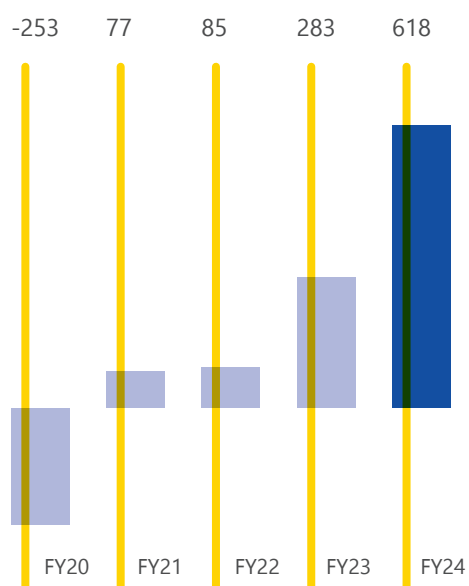
(₹ in Crore)

**PAT**

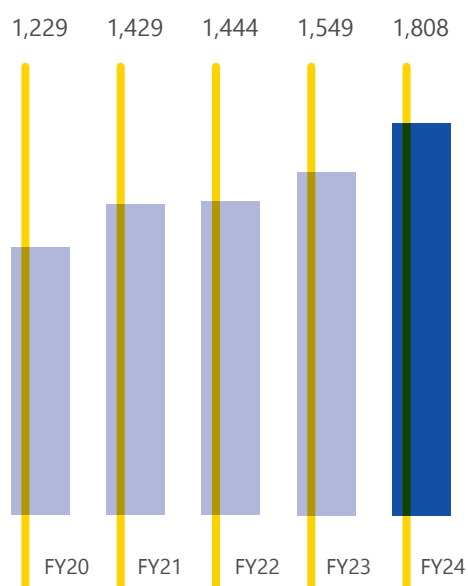
(₹ in Crore)

**Net Cash & Bank Balance including Investment**

(₹ in Crore)

**Net Worth**

(₹ in Crore)



Adding a Sparkle to Lives



Enhancing the brand sheen

Our powerhouse of brands is the engine of our sustained double-digit growth. Our market-leading brands are continuously adding a greater shine to the lives of consumers across the country. And we, in turn, continue to enhance the sheen of these brands through a well-defined strategic approach, targeted investments, celebrity endorsements, and an eclectic mix of above the line (ATL) and below the line (BTL) activities. Our category-wise approach ensures consumer-driven brand promotion. Our brand campaigns are aligned to the unique aspirations of consumers across diverse demographics and geographies, with strong focus on the rural market, which offers a huge untapped potential for growth.

SCALING THE BRANDS

During FY 2023-24, we continued to invest in TV spends, while scaling our brand proposition through digital campaigns, out-of-home media publicity, van operations, print media and various on-ground activations to reach out to the end consumer. Our celebrity brand campaigns were designed to resonate with audiences in both premium and mass consumer segments, and were aligned with the brand-specific consumer and market categorisation. The excellent response to these campaigns added a new sheen to our business, leading to marked expansion in our pan-India reach and presence.

CATEGORY APPROACH

Our strategic focus on aligning our brand approach to the aspirational desires and needs of consumers across categories continued to drive incremental value for Jyothy Labs. We believe this approach is the key to building on the exclusive appeal of each of our brands in the target markets.

Fabric Care

Our efforts in this segment, during the year, were directed towards expanding the main wash category and enter new geographies for our post wash products. Our focus on value offering in detergents and premium portfolio of our liquid detergent remained an important strategic driver in this segment. We are continually striving to build scale across categories in Fabric Care.

Dishwashing

In the Dish Wash category, our investments were aimed at strengthening the equity on brands further. Our strategy is crafted towards helping Jyothy labs become the brand of choice among consumers and gain market share in this segment.

Household Insecticides

We continued to consolidate and innovate in this segment to increase market share across formats. We augmented our focus on innovation to drive brand affinity.

Personal Care

Leveraging the Margo brand equity and entering new formats/categories were the key focus areas in Personal Care. We remained focussed on building scale with a larger bouquet of offerings in the Toilet Soap category.

KEY INITIATIVES & CAMPAIGNS

FY 2023-24 was a year of exciting developments for our brands, which sparked amid a plethora of exhilarating campaigns, massive digital outreach programmes, and a multitude of on-ground activations.

Fabric Care

This segment witnessed double-digit growth, with notable enhancements across all our brands.

Ujala Supreme

- Ujala Supreme continued the Taapsee Pannu led "Ujala Safedi Se No Samjhauta" campaign on national level.
- This was supported by digital and social media promotions on lead platforms.
- We carried out a School Outreach Programme and generated trials and awareness across multimedia touchpoints. The activity span was over a period of two months across four states & 50 cities, reaching out to a large base of schools and students.
- The brand also created a buzz during the peak festive months in order to generate trials and build occasion relevance amongst our target consumers, through festive on-ground associations & visibility in key markets.
- Brand awareness using BTL & Wall Paintings was created in key markets throughout the year.

Ujala Crisp & Shine

- The TV commercial featuring well-known actress Nayanthara continued to be actively promoted on TV, OTT and digital mediums.
- We are also engaged in promotions on social media to educate people on product usage, besides on-ground sampling and trial generation.

Ujala Detergent Powder

- The brand launched a new communication, where superstar Manju Warriar can be seen candidly talking about effortless washing experience by using Ujala Detergent Powder.
- On TV, Ujala Detergent Powder & Liquid associated with high impact shows like Bigg Boss Malayalam which garnered instant eyeballs and visibility amongst the target audience.
- The brand extended its presence by entering West Bengal as part of its footprint expansion plans, supported with sampling of our flagship product Ujala Supreme. We tied up with local influencers and key opinion leaders on social media extensively to promote the brand launch in West Bengal.

- The brand leveraged regional festivals to demonstrate its cultural association with Malayalees across the country.
- Ujala Detergent Powder was relaunched with a new contemporary and modern look to echo the brand's position as the leading mid-priced detergent powder in Kerala.
- Digital medium was extensively leveraged to express the brand's message.

Ujala Liquid Detergent

- Ujala Liquid Detergent, with its USP of Unique IDD Molecules that dissolve the toughest of dirt effortlessly, released a new TV commercial with superstar Manju Warriar. In the film, Manju Warriar can be seen advocating Ujala Liquid Detergent for melting the dirt away, gently.
- The brand's reach and communication exposure was further boosted through the digital medium. Popular platforms like YouTube, Facebook and Instagram were employed for impact.
- Large-scale on-ground event associations and sampling also generated a lot of trials for the brand in key markets, as well as in modern format stores.

Henko Detergent Powder

- It continued with its focussed activities and drives on LUPs by way of displays & POS visibility.
- The brand introduced limited period consumer promos to strengthen the Company's strategic focus on premium detergent powders.

Henko Matic Liquid

- The brand continued with its high decibel TV and digital campaign, featuring lead celebrity Kajal Aggarwal – positioning itself as the lead choice when it comes to Specialist Product for Washing Machines.
- The brand harnessed the power of OOH Media in high footfall shopping malls in key metros, to create impactful awareness during the festive season.

Morelight Detergent Powder

- Continuing consumer promotions and BTL activities are helping the brand find headroom to grow in the largest detergent powder segment across the country.

Dishwashing

Our campaigns in this category boosted growth for both Exo and Pril brands, resulting in sales increase of 8.3%. Exo recorded the market share of 13.7% in FY 2023-24, making further inroads in the dish wash bar category. For both our brands in this category, we invested aggressively across outdoor media and out of home, apart from the conventional medium. These were focussed particularly on the urban markets, to capture eyeballs and expand our reach among new consumers and to strengthen brand equity in rural India, we participated in activities like Mela throughout the year.

Building salience for Pril Tamarind

To boost brand salience for Pril Tamarind, we organised a 'shining relationship moments series' featuring celebrity couple Riteish Deshmukh and Genelia Deshmukh, who talked about how they keep their relationship shining. The impact was enhanced through dissemination on the digital media. The campaign garnered over 4.9 million views on YouTube and 16.5 million on Instagram.

To capture the attention of working women and the trade community, Pril Tamarind invested in out-of-home advertising, including bus shelter branding, cab branding, hoardings and metro branding. Pril Tamarind also did integrations across programmes such as

"Couples Kitchen" and "India's Top 50 Dishes" etc., where the messaging was around what couples could do with the time they save from dish washing by using Pril.

Driving consumer engagements for Exo Dishwash

- We conducted impactful drives in the modern trade channels for Exo Dishwash Bar, and leveraged the brand's equity for promoting Exo Bacto Scrub.
- Engagement-led activations through print media helped to build positive salience for Exo among consumers.
- Brand building activities were conducted in the priority rural markets.



Healthy Tiffin, Healthy Kids

Our new Exo campaign is focussed on children's health and hygiene. The campaign, titled "Healthy Tiffin, Healthy Kids", centres around the risk of bacterial infestation in tiffin boxes, which are often brought back from school unwashed. Exo's endeavour is to make mothers realise that the stench in the box is due to bacterial growth, and that Exo, which not only cleans but also sanitises utensils, is an ideal solution. This message is being spread among mothers through various school activities.



Household Insecticides

This segment, which includes Maxo Liquid and Coil, reported sales that contributed to consistent recovery following a challenging previous year. A highlight of this segment for FY 2023-24 was the launch of a campaign involving a multimedia approach and featuring superstar Kareena Kapoor. The campaign, introduced in key markets, showcases the automatic feature of the machine which is unique in the category.



Kareena adds new shine to Maxo

The Household Insecticide segment gained momentum with the onboarding of a new brand ambassador, superstar Kareena Kapoor, whose immense popularity across the country makes her a brand winner for us. Coupled with the enhanced packaging and innovation around the product, she has already enhanced the sparkle of our Maxo brand since she began endorsing it in Q3 of FY 2023-24.

Maxo Genius – “No Button Automatic”

This new campaign was inspired by the universal insight that “Our reaction to any threat is **AUTOMATIC**”, especially when it comes to protecting our loved ones and ourselves. This campaign, along with our on-ground activities and print ads in key dailies, helped Maxo maintain its presence on TV and digital platforms, quarter on quarter, to increase awareness and recall. The print ad was used to alert consumers about the increasing cases of Dengue in the country. Maxo also boosted its reach among consumers through outdoor media at strategic sites in priority markets.

Personal Care

A marked 21% growth in this segment underlined the success of our ‘good habit’ campaign and enhanced brand investment.



■ We expanded the Margo portfolio to appeal to a younger audience that is constantly seeking natural yet effective products, leading to the birth of **Margo Neem Naturals**. We launched a brand new range of soap bars, combining neem with meticulously chosen natural ingredients such as:

- Neem Honey and Lemon
- Neem Almond Oil and Rose
- Neem Aloe Vera and Jasmine

- We strengthened our **Margo – Ek Achhi Aadat** campaign with popular actress Raashii Khanna, to aid our strategy to build the Margo brand into a larger portfolio.
- The sales activities were supported by a pan-India coverage promoting Margo Original Neem and the newly launched, Margo Neem Naturals, on prime and non-prime time channels.
- The brand campaign was digitally amplified through multiple reach & frequency, remarketing campaigns with TVC and related posts on social media, to support the ATL campaign and reach the younger audience further.



Playing the big league

Margo collaborated with Delhi Capitals women's team during WPL in Q4 FY 2023-24, to garner brand visibility, and drive the message of Ek Achhi Aadat. It resonated with the importance of habits that make sportswomen who they are, and underlines how a good consistent routine gives them positive results, just like in the case of practices for healthy skin, as highlighted through Margo's brand campaign. The campaign witnessed multiple videos and posts, made along with the DC team players, and posted on social media channels of DC and Margo. It gave the brand linear association and promotion in terms of views and engagement.

- To drive and penetrate the campaign deeper, outdoor activation was carried out in the priority markets through ~200 sites panning across 60+ days. The sites included billboards, digital sites, buses, bus shelters and Metro pillars.
- To drive the campaign message and reach the younger audience, the brand successfully implemented influencer activity through multiple micro and macro influencers on Instagram. The campaign garnered engagements of 1,600K+ Views, 71K+ Likes, 700+ Comments.

On-ground activations

As part of our on-ground activations across our brands, we:

- Reached out directly to 10.5 lakh consumers through 15 Melas and 10 sponsorships.
- Covered approx. 2.16 lakh sq. feet area and 100+ towns across the rural belt.
- Put up around 31,000 dealer boards at strategic locations.
- Undertook in-store branding across 5,000 outlets, covering more than 1,200 sq. feet space.
- Participated in 100+ regional festival events.



Creating joy through innovation

Keeping pace with the evolving consumer trends is a powerful growth driver for us, at Jyothy Labs. It enables us to focus on innovations designed to meet their transforming needs and aspirations. It helps us spread joy and cheer among consumers through our exciting portfolio of distinctive and differentiated products. During FY 2023-24, we made strategic, digital and technological investments in steering innovation excellence at our R&D centres to deliver new products crafted to resonate with consumer desires, across demographics and geographies.



NEW UNDERSTANDING, NEW CATEGORIES, NEW BENEFITS

Led by our deep understanding of new and emerging consumer needs, we focus our innovation efforts around creating new categories to meet the demands of the various consumer segments. Going beyond market understanding, we invest in the development of new product features that are aimed at benefiting and delighting consumers.

Our endeavour, through our innovations, is on enhancing the consumer experience and adding a new shine to their lives. With our finger on their pulse, and a quick grasp of the way the consumers think and feel, we are not just tapping into the high-growth categories but are continually exploring new ones too. Our investments in upgrading and strengthening our R&D centres are aimed at transforming the dreams of the new-age consumers into tangible offerings.

Recent years have witnessed the launch of several ingenious products, armed with unique features such as antibacterial properties of soaps, detergents, dishwashers etc.

- Our new products are safe and more eco-friendly, in line with the growing consumer awareness on health and hygiene.
- The focus at our R&D centres is on the development of substitutes to reduce the cost of transportation, while aligning the new products to the evolving consumer and market trends.
- To capture the growing demand for premium products that are natural and organic, particularly in the personal care segment, we have increased our focus on premiumisation, while continuing to deliver to the needs of the value segment.
- Enhanced packaging, with more sustainable and environment-friendly features, is further helping us brighten the lives of consumers with a large variety of SKUs.

Maxo dons a new look

During FY 2023-24, Maxo underwent an overhaul of its identity, to emerge with a new modern, contemporary looking logo and packaging. The new packaging has elements that enhances the shelf throw, manifest dynamic effectiveness, and bring out an advanced tech and automatic persona. The brand retained its "Purple" colour to continue signifying depth in innovation.

A pioneer in realising the consumer pain points, Maxo re-launched its refill in a new avatar that "Fits All Mosquito Repellent Machines". This gives consumers the choice of a value product without the inconvenience of having to remember the name of their mosquito repellent machine.

RECENT PRODUCTS LAUNCHED



In the Fabric Care category, we launched Ujala Liquid Detergent Front Load variant to strengthen our portfolio.

The Henko liquid launch saw a promising market response.



Our newly introduced SKUs in scrubber portfolio - Exo Bactoscrub and Exo 2 in 1 steel sponge are getting excellent response from the market.

Introduction of a new variant – Citrus Fresh, and a larger pack relevant for modern trade-enabled Exo Super Gel to make significant in-roads in the dish wash category in Kerala.



The recently launched ₹ 50 pouch pack of Maya Sarvasugandhi has gained a lot of traction.

POWERING INNOVATION THROUGH AUTOMATION

Our agility to embrace the fast-paced changes on the technology, digitalisation and automation fronts is a key propeller of our innovation strength and capability. During the year, we initiated several new measures to bring greater automation into our systems and build further on our technological prowess. Some of the new initiatives include enhancement of security and cloud infrastructure, as well as deployment of hyperconverged infrastructure for the data centre. Consolidation of multiple servers into one ecosystem is helping save energy and space.

Spreading smiles among consumers

The value proposition at Jyothy Labs is a measure of its ability to reach out to consumers in every nook and corner, across the country. Our end-to-end services, backed by our last-mile distribution network, have made us the preferred choice of a growing network of consumers pan India. Our distribution networks is supported by stockists, retail outlets and e-commerce presence, enabling easy access to our distinctive products for consumers across India.



As in the case of our branding and marketing approach, our distribution strategy is also segmented across key consumer target groups. In the Fabric Care category, our expanded distribution has helped in accelerating sales of detergent powder brands on a pan India basis. In the Dish Wash segment, we are leveraging the rural growth in the Bars category. We are also focussing on consumers seeking larger packs in the Dish Wash Liquid category to tap into the significant growth potential. Rural distribution is a key focus area for us and a major agenda to drive our pan-India growth.

Our consumer-focussed initiatives during FY 2023-24 spanned all product categories, and we continue to make targeted investments to reach out to more consumers pan India.

Fabric Care

- Our distribution strategy has led to an increasing presence for Ujala detergent powder outside Kerala. The brand continued to drive focussed visibility on LUPs to generate trials and acquire new consumers.
- Understanding consumer usage habits, Ujala Liquid detergent bifurcated its offering into Front Load and Top Load variants, and also spread its footprint into other Southern States considering the growing liquid detergents category there.
- For Henko, the focus was on large packs in institutional channels, though drives on the ₹ 10 trial packs continued in select markets. We introduced a new 2 kg pack in an attractive container in the North East Market for better consumer preference and adoption.
- In the case of Henko Matic, extensive sampling & trial generation activities continued to help in consumer adoption. New SKUs in the form of refill pouches and sachets helped in providing the consumers a wide range to choose. Use of influencer and key opinion leaders on the digital platform is helping create awareness for the brand.
- With its unique USP of ULTIMATE WHITENESS, NO BLEACH, Mr. White brand continued to shine in the mid/mass priced detergent category, on the back of consumer promotions and distribution push. We launched a new 10 kg offering in the Bulk Pack segment for online consumers.
- For Morelight Detergent Powder, our focus remained on premiumisation at affordable prices and we harnessed the opportunity in the mass segment at the back of the brand's unique Power Stain Removal property.

Dishwashing

- In the dish wash category, both Exo and Pril saw higher saliency towards LUPs. The coverage of the ₹ 10 pack of Exo Dish Wash increased by more than 50% at the back of our focussed distribution strategy.
- The strategy for dish wash liquid in MT Channel was directed towards consumers seeking larger packs. We introduced Pril 1.8 L pouch pack in MT/e-commerce channels, where it finds salience, enabling faster growth of the brand. Pril Tamarind, in particular, is growing more in MT/e-commerce channels indicating better salience among cutting-edge consumer.
- The premium variant of Pril, Pril Tamarind Shine Specialist, is gaining better traction and higher salience in MT/e-commerce channels. This is helping to drive the lead innovation player imagery of the brand in the category.
- The scrubber portfolio of Exo, comprising Exo Safai Steel and Anti Bacterial Exo Bacto Scrub, recorded a significant growth at the back of our sustained distribution drive. The strategy has led to Exo Bacto Scrub becoming a formidable player in the southern markets while being the all India market leader in the steel scrubbers portfolio.
- Exo recorded the market share of 13.7% in FY 2023-24, and continues to make in-roads in the dishwash bar category. Exo continues to enjoy high market share in the larger pack (700g+ segment), making brand to be the favourite among heavy bar users.
- Focussed Exo drive on LUPs is helping bring the brand at arm's-length reach.
- With the introduction of new variant - Citrus Fresh, and a larger pack relevant for Modern Trade, Exo Super Gel was able to make significant in-roads in dishwash liquid category in Kerala.

Household Insecticides

For insecticides, the focus remained on driving combi packs to build penetration and adoption of LV refills.

- Maxo continued to delight its consumers through attractive consumer promotion – ‘₹ 10 Exo Bar Free with 45ml Refill SKU’.
- Maxo is engaging new consumers, educating them about the advanced automatic feature of Maxo Genius mosquito repellent machine, thereby bringing new consumers into the fold.

- To penetrate the mosquito liquid vaporiser market in small pockets, Maxo has launched “Maxo chota combi pack” and “Maxo chota refill 25ml liquid vaporiser”.

Personal Care

With the aim of building the Margo brand into a larger portfolio, its variants were launched PAN India, supported with visibility drives in key markets.

Others

The newly launched ₹ 50 pouch pack of Maya Sarvasugandhi has gained a lot of traction.

Boosting Distribution Efficiency

Distribution being a vital engine for our growth strategy, we have been making regular investments in expanding our distribution network. We have strengthened our direct distribution through technology, and have adopted a disciplined distribution approach to boost productivity and efficiency. The rollout of a Sales Force Automation (SFA) has enabled functionality on handheld terminals for the sales force, which is further benefiting from the adoption of Distributor Management Platform across distributors. An indigenously developed Logiconnect platform is in place for handling truck requests and transport management, leading to smoother distribution of our products. Our distribution efficiency has gone up in terms of number of SKUs sold per retail outlet, as well as productive calls, and we are constantly striving for a higher scale of distribution.



1.2 Million

Outlets - Direct reach

2.8 Million

Outlets - Products available

**MAXO®**
GENIUS

MAXO GENIUS

No Button. Automatic.^

**AUTO ATTACK**
For Instant Vapour Blast.**AUTO PROTECT**
For Sustained Protection.**Maximum Protection Against Mosquitoes.**

A photograph of a forest scene with sunlight streaming through the trees, creating a warm, golden glow. The sun is positioned on the left side, and its rays fan out across the frame. The trees are silhouetted against the bright light, and the foreground is filled with green grass and foliage.

Shining through our Environmental, Social & Governance Initiatives

A series of yellow lines of varying lengths and orientations, arranged in a fan-like pattern on the right side of the page, extending from the top right towards the bottom right.

Life shines with sustainable growth

At Jyothy Labs, ESG is embedded in our business philosophy as a guiding star. We are committed to bringing a glitter to the lives we touch through our sharp focus on propelling sustainable development of our stakeholder community, the environment and the society at large. We pursue ethical and transparent governance practices, with integrity ingrained in our value system. Promotion of diversity and inclusion is a key priority of our ESG agenda. We have in place well-articulated principles, systems and processes to drive our ESG commitment and goals.

Environmental



We have identified environment conservation as an important focus area for our ESG initiatives. Cognisant of the impact of climate change on our business and the lives of our stakeholders, we make significant investments in reducing the carbon footprint of our operations. Our initiatives are geared towards promoting the key metrics of environmental sustenance. Environmental compliances are embedded across the value chain of our operations, from raw material management to packaging of the final product.

KEY ENVIRONMENTAL FOCUS AREAS

Energy consumption optimisation

- Target of Net Operating Carbon Neutrality by the year 2040, and moving towards decarbonisation and reducing Scope 1, 2 and 3 emissions.
- Use of energy-efficient technology and advanced equipment; automation of systems & processes at plants.
- Adopted an Energy and Carbon Policy to drive energy management initiatives.
- Green energy transition
 - Increase in renewable energy by 72.7% in FY 2023-24 over FY 2022-23.
 - Increase in solar usage.

Climate change management

- Committed to taking steps to positively address climate change.
- Reducing direct and indirect GHG emissions by investing in state-of-the-art equipment and automation initiatives at our plants for optimal energy consumption & increased RE usage.

- Replacing traditional lights with LEDs across majority of our plants.
- Educating employees and workers about negative impacts of climate change and mitigation measures.

Water reduction

- Taken adequate steps to reduce and conserve water across our plant and office locations.
- Installation of efficient water recycling and wastewater treatment systems at our plants.
- Focus on reducing freshwater abstraction and treating the wastewater internally using sewage treatment plants; treated water is recycled and used for landscaping and irrigation purposes.
- Aim to implement zero liquid discharge facilities at all plants in the near future.
- Have adopted Water Stewardship Policy to promote water conservation.

Packaging materials management

- Transforming our packaging, making it more sustainable and eco-friendly.
- Fully compliant with Extended Producer Responsibility (ERP) rules and regulations.
- Working on solutions to reduce usage of virgin plastics.
- Increasing the use of recycled and recyclable plastic materials in our packaging.
- Saved approx. 87 MT of plastic in FY 2023-24 over FY 2022-23.

Sustainable sourcing

- Sustainable Procurement Policy in place, to ensure reduction of our environmental impact.
- Approx. 74% inputs currently sourced from sustainable vendors/channel partners.
- Researching eco-friendly alternatives, formulations and processes that optimise water and other resource consumption.

Waste recycle

- Target of 'Zero Plastic' waste by 2027.
- Promoting reduction of waste generation through efficient collection and recycling of plastic.
- Focussing on raw material and packaging material waste reduction in our factories.
- Promoting usage of recycled material in our packaging.
- Successfully reduced use of plastic in Exo Bar by 6.25%, Super Check Bar by 7.99%, More Light Bar by 6.90%, Ujala Bar by 6.58%, Henko Stain Care Packing by 12.07%, Maya Agarbatti Pack by 38.89% in FY 2023-24.

Carbon sink

- Green belt with of 45+ acre, 16,000+ trees planted acting as a carbon sink.

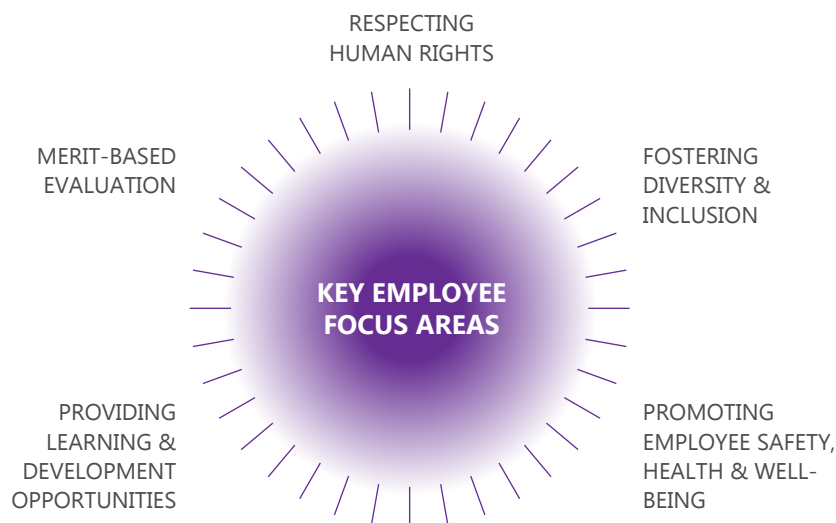
For details on the environmental initiatives of FY 2023-24, please refer to **Pg 123** of BRSR.



Social

EMPLOYEES

As a people-friendly organisation, we are continually scaling our employee proposition through focussed welfare and well-being initiatives. To facilitate their career progression, we provide our people with various learning, development and training opportunities. We ensure the highest levels of respect for human rights in our operations and supply chains. Diversity and inclusion are integral to our policies nurturing the human capital.



People-centric initiatives

During FY 2023-24:

- E-recruitment and E-onboarding processes
- SAP SuccessFactors for improving employee access
- Launched E-claim expenses and travel management platform to reduce turnaround time of employee expenses reimbursements from 30+ days to 6 days
- Introduced SAP Concur to make invoice processing seamless

Introduction of digital initiatives, such as e-recruitment and HR analytics, enabled further strengthening of the Human Resource (HR) systems and nurturance of empowered employees.

At the core of our manufacturing ethos at Jyothy Labs lies flexibility, embodying our commitment to excellence amid evolving market dynamics. Our manufacturing vision stands as a testament to this dedication. We empower our team to swiftly adapt to new challenges and opportunities through configurable production lines and quick changeovers, maintaining agility in a fast-paced market environment. Safety remains our foremost priority in all operations. We prioritise our workers' health, ensuring a safe and productive environment through state-of-the-art machinery and comprehensive training initiatives.

Keeping employees engaged

Our merit-based evaluation initiatives help in keeping the employees motivated and inspired to deliver their best.

- This is in alignment with the Company's vision and mission, and promotes employee loyalty and retention.
- We have in place a transparent performance review mechanism, based on KPI parameters set based on Company's objectives.

Meaningful discussions were held during the year to keep the employees apprised on the various new initiatives undertaken across functions, such as IT, Sales, Brand Campaigns, among others. Employee engagement initiatives like Play Sports were also organised during the year.

Promoting Diversity & Inclusion

During the year:

- We strengthened our focus on diversity and inclusion, including maintaining a good women ratio across functions.
- We made a conscious effort to recruit female employees in sales and also initiated campus connect to recruit freshers, including women.
- With the aim to provide a conducive and safe workplace environment to our women employees, we stringently implemented anti-sexual harassment policies.
- We provide flexibility to the female workforce returning after maternity breaks.

8,000+
Employees strength

The Company places high value on employee tenure and prioritises their well-being. A substantial number of employees have been with the Company for over 5, 10, or 15 years.

60%

**Employees engaged
for 5 years or more**

40%

**Employees engaged
for 15 years or more**

(As on March 31, 2024)

Prioritising employee health & safety

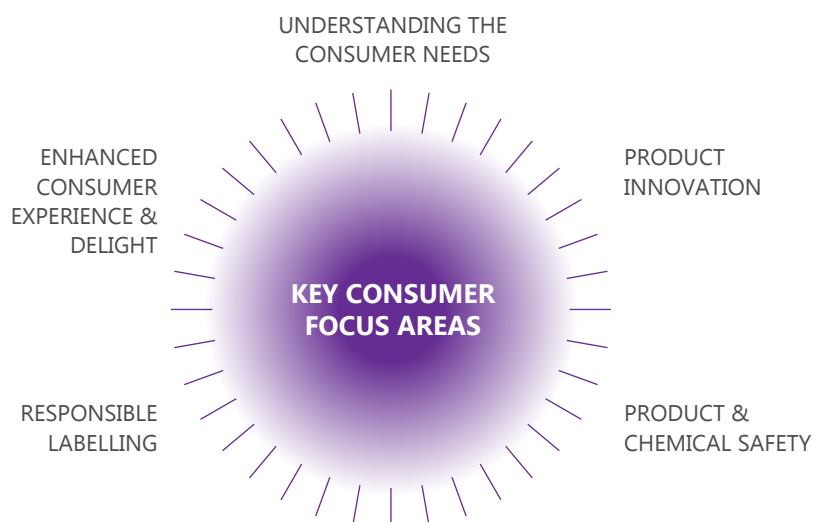
Our top priority, in all we do, is safety.

- We put our workers' health first in order to provide a safe and productive environment, by deploying cutting-edge machinery to undertaking extensive safety training initiatives.
- We provide medical insurance and voluntary cover for parents with flexible benefits. Employees can make changes to the plan basis his/her life, also allows employees to increase the sum assured.
- During FY 2023-24, we conducted employee health check-up camps and well-being sessions to ensure the welfare of our people.

For details on the employee initiatives of FY 2023-24, please refer to **Pg 115** of BRSR.

CONSUMERS

We believe our unyielding consumer focus to be the force behind our sustained performance excellence and growth. Consumers are central to our business strategy, and the central pillar of our value proposition. It is our continuous endeavour to spread cheer among our consumers through differentiated products designed to not just fulfil but to exceed their expectations.



During FY 2023-24:

- We strengthened our systems to manage customer interactions and relationships more effectively.
- We created internal platforms to drive the consumer brand campaign activations, such as consumer coupons, to enable a stronger direct consumer reach.

For details on the consumer initiatives of FY 2023-24, please refer to **Pg 110** of BSR.



Governance

At Jyothy Labs, we believe that good governance takes both a top-down and bottom-up approach, and we demonstrate the same in various aspects of our ESG approach. We have put several mechanisms in place to ensure our sustainability strategy is integrated across the organisation, and our progress is transparently reported and properly measured. Our sound business principles and commitment to ethical behaviour, accountability and transparency foster an innovative and collaborative culture. The focus of our governance framework and policies is on maintaining the Company's reputation and delivering accretive value to all the stakeholders. Strict compliance with all the relevant regulatory and legal requirements is ensured consistently, at every stage of the business operations.

POLICY FRAMEWORK DRIVING ETHICAL GOVERNANCE

To foster a healthy work environment and protect the interests of our stakeholders, we have articulated and adopted various governance policies at Jyothy Labs. These include the Code of Conduct, Corporate Governance Code, Whistle Blower Policy, along with Zero-Tolerance and other Company policies.

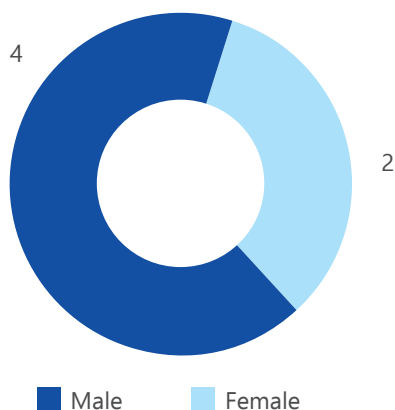
For details, refer to **Pg 104** of BRSR.

BOARD DIVERSITY ENABLING SUSTAINED SUCCESS

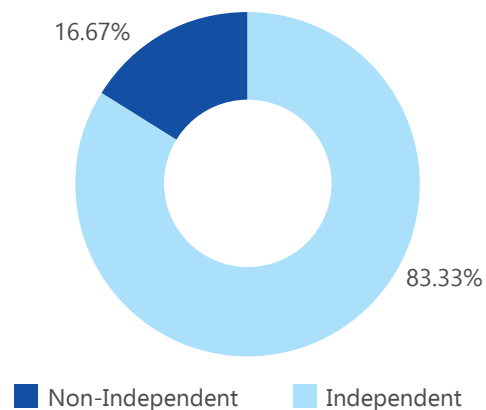
We have a diverse and experienced Board whose responsibility is to promote sustainable development practices and create long-term value for all stakeholders. We ensure Board diversity through an elaborate Board diversity policy to enable accountable and responsible dealings with the Company.

For details, refer to **Pg 81** of Directors' Report.

Diversity by gender



Independence



ENSURING ESG INTEGRATION IN BUSINESS OPERATIONS

Our Board constituted an ESG Committee on March 3, 2023, to discharge its responsibility to oversee the governance of ESG practices and ESG risks at the Board level. The move was aimed at ensuring that the Company's ESG agenda gets requisite management attention and resources.

During FY 2023-24:

- We formulated various ESG-led policies to provide a roadmap and actionables to be adopted over a period of time. The policies can be accessed on our website www.jyothylabs.com

The Company has in place a robust risk governance structure and Risk Management Committee to ensure effective monitoring and mitigation of risks.

- We developed a Sustainability web page, highlighting the commitments and sustainability goals of the Company, and enabling the stakeholders to track the Company's activities towards ESG.
- MSCI ESG rating - BBB.
- Sustainalytics ESG Ratings - Jyothy Labs industry rank stood at 59 out of 111 peers.

We periodically impart training to our employees on various topics related to good governance.

For details, refer to **Pg 107** of BRSR.

We have implemented a Compliance Tool software mechanism 'Legatrix' for tracking and ensuring compliance of all the applicable laws across the organisation. The reports of the same are reviewed by the senior management on a monthly basis. The tool is also regularly reviewed by our Internal Auditor.

Board of Directors



M. P. Ramachandran

Chairman Emeritus

M.P. Ramachandran is the founder of Jyothy Labs Limited. With a humble beginning in 1983, guided by his astute vision and relentless pursuit to better human lives and contribute in nation building, he built the company that is trusted by millions across India.



Ananth Rao T

Director-Operations & Commercial
(w.e.f. April 1, 2024)

Mr. Ananth Rao T has been spearheading the Operations & Commercial function of the Company since 2007. He played a pivotal role in streamlining and integrating the operations of the Company. He undertook several initiatives for improving the procurement process, third party manufacturing, logistics and supply chain resulting in cost efficiencies. He improved process of inventory management which contributed to efficiency and reduction in working capital requirement. Under his leadership, the Company has implemented a management system that manages the interrelated parts of its business to achieve its objectives for product quality, operational efficiency, environmental performance and health and safety at workplace. The Company has successfully undertaken several expansion plans during his association. Mr. Ananth Rao T holds a Bachelor of Business Management degree. He has also completed Owner President Management Course from Harvard Business School.



M. R. Jyothy

Chairperson and Managing Director

Ms. M. R. Jyothy has been associated with the Company since 2004. She has shown an exemplary leadership in steering and guiding the Company from strength to strength. Her role encompasses driving the performance of the Company and is actively involved in shaping the strategy of the business. She has won several industry awards and recognition including 'Woman Entrepreneur of the year' award from Zee Business, voted amongst 50 most influential women in Indian Media and also named in the Forbes Asia's Power Businesswomen list-2023. She has been the principal architect behind all the product innovations from Jyothy Labs. Ms. M. R. Jyothy is a post graduate in Management with an additional diploma in Family Managed Business Administration. She has also done the Owner / President Management Program from Harvard University, USA.



Bhumika Batra

Independent Director

A member of Professional Associations like the Bar Council of Maharashtra & Goa and the Institute of Company Secretaries of India (ICSI), Ms. Bhumika Batra brings with her over 20 years of experience in the field of Corporate Laws and has spearheaded several transactions and advisory matters in corporate law. She is also a recipient of Executive Program in Management from Cornell University, USA and has also assisted in several Publications of Journal Publications viz. India Business Law Journal – 2019, Company Law Ready Reckoner – 2014, Transfer and Transmission of Shares – A treatise – 2005 and Asia Business Law Journal – 2007. She is an Independent Director in several companies and is currently associated with M/s. Crawford Bayley & Co. as Partner.



Ravi Razdan

Director - IT & HR
(w.e.f. April 1, 2024)

Mr. Ravi Razdan has been spearheading the Information Technology and Human Resource function of the Company since 2010 and 2013 respectively. He played a significant role in setting up an advanced and robust Information Technology function in the Company also streamlining and automating various HR processes and systems. Under his guidance, the Company had a successful and smooth transition from Indigenous ERP to SAP for which the Company was awarded "I.C.O.N.I.C. IDC Insights Award" and listed as a Global Case Study in SAP. He has received various industry accolades and also featured in "The CIO Power List 2019 & 2023" by Core Media and Eminent CIOs of India by Varindia in 2020 & 2023. He has also received Citation for "100 Most Talented Global HR Leaders" and Most Influential HR Leaders in India, by CHRO Asia. Under his guidance, the Company was also awarded with Top Organisations with Innovative HR Practices by Asia Pacific HRM Congress. Mr. Ravi Razdan's expertise and skills have contributed effectively to the growth of the Company over the years. Mr. Ravi Razdan holds a degree of Bachelor of Engineering (B.E.) in Information Technology and Masters of Management Studies (M.M.S) in Systems.



Suresh Balakrishna

Independent Director
(w.e.f. April 1, 2024)

Mr. Suresh Balakrishna is an accomplished media and advertising veteran with over three decades of experience in the media and advertising industry. Currently, he is the Chief Revenue Officer of The Hindu Group. He has been a key influencer in the group's continued growth trajectory. He started his career in January 1987 and has been a part of the leadership team of many media and advertising organisations like Initiative Media (LMG), Hindustan Times, Zee Network, India Today Group, Bennet Coleman & Co. Mr. Balakrishna is a highly sought-after speaker at industry events and serves on juries regularly. Mr. Balakrishna has done B.Sc. (Chemistry) from Mumbai University and Diploma in Advertising and Marketing.



Aditya Sapru

Independent Director

Mr. Aditya Sapru is the Founder and Managing Director of Neumck Strategy & Advisory, a strategy advisory firm based out of Bangalore focussed on helping clients address their business expansion aspirations and preparing their organisations to achieve these objectives. With a strong focus on execution, Mr. Sapru helps companies articulate strategic opportunities and develop enabling frameworks that drive long-term value creation for all stakeholder. He also works with emerging companies with disruptive business models in the Food-tech and Climate-tech domains. Mr. Sapru has an MBA from Santa Clara University, with specialisation in Finance and Operations Research and an MS from Cornell University. Mr. Sapru is keenly involved in education as means of enablement, and sits on the governing board of a university in Odisha. He started his professional career as an Associate at a Silicon Valley based private equity firm with focus on tech in Asia Pacific & the United States, followed by a stint with a consulting firm as a Global partner and Head of corporate strategy for a large diversified family group.



Narayanan Subramaniam

Independent Director

Mr. Narayanan Subramaniam is a postgraduate from IIM Ahmedabad and fellow member of the Institute of Chartered Accountants of India, the Institute of Company Secretaries of India and Grad. CMA from the Institute of Cost Accountants of India. He is one of the pioneers of private equity in India since 1997. He is a Finance Leader and has an impressive history of 30 plus years of being a business builder across technology, start-up companies. He has extensive experience in private equity, investment management, banking accounting & finance. He possesses expertise in asset management, risk management, system implementation, corporate governance and strategy. Mr. Subramaniam is currently retired and serves as Independent Non Executive Director on listed companies across Banking, Sustainability, Technology, Asset Reconstruction besides mentoring young entrepreneurs.



Nilesh Mehta

Independent Director
(up to March 31, 2024)

Mr. Nilesh Mehta is a qualified Chartered Accountant and a postgraduate from the Indian Institute of Management (IIM), Ahmedabad. He is the Co-founder and Managing Partner of Access India Fund which invests in mid-market, unlisted opportunities in India. He was the Managing Partner of Aureos Capital from 2005 to 2010. A veteran in private equity and mergers and acquisitions of mid-cap Indian companies, his experience spans various fields in finance, including investment banking, private equity, and fund-related activities.



R. Lakshminarayanan

Chairman and Independent Director
(up to March 31, 2024)

Mr. R. Lakshminarayanan is a Master of Science in Industrial Chemistry from the Indian Institute of Technology, Delhi, and a Management Post Graduate (Marketing Specialisation) from Indian Institute of Management, Bangalore. In his professional career of over 40 years, he worked with leading FMCG companies across product categories and held eminent positions with reputed advertising & media companies in India. He has a keen interest in business strategy, brand equity, media plural communications and brand portfolio management.



Awards & Accolades



Ms. M. R. Jyothy was honoured at Forbes Asia Best Under A Billion Forum and Awards Dinner



Ms. M. R. Jyothy was honoured as one of Asia's most powerful businesswomen by Forbes Asia

Achievements for Packaging Division

- SIES SOP Star Award 2023 – Exo Dish Wash Round – In Mould Label
- SIES SOP Star Award 2023 – Exo Dish Wash Super Gel Citrus
- First-time winner at WorldStar 2023 for UJALA LIQUID DETERGENT. We have incorporated In-Mould Labeling (IML) into our product packaging, pioneering this technique within the liquid detergent segment across FMCG categories. This cutting-edge design enhances user convenience and reduces environmental impact.



Mr. Ravi Razdan (Director IT and HR) won the award for "IT Leader of the year - Home care (Mid size) - 2023" at "Rise with SAP CXO forum" by Alden Technology Awards in Mumbai.



Mr. Shreyas Trivedi, Head-Legal & Company Secretary, won the General Counsel of the Year award at the 2024 Corporate Legal Counsel Summit & Awards by Inventicon Business Intelligence. The award recognises his advisory, legal services, and resource management expertise which has helped in streamlining processes, reduction of liabilities and implementation of management protocols.



World Safety Organisation India (State level) OHS&E Award Bronze Trophy for Karaikal plant



Puducherry Best Sustainable Organisation Award Winner



Best Possible Safest Work Place Awarded to Jyothy Labs Pithampur Plant



World Safety Organisation India (State level) OHS&E Award Silver Trophy for Roorkee Plant



World Safety Organisation India (State level) OHS&E Award Gold Trophy for Puducherry Plant

Management Discussion & Analysis

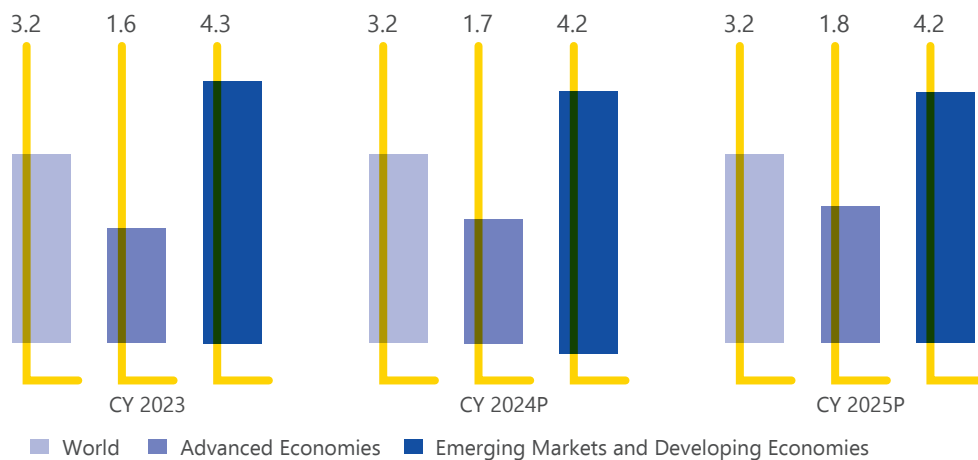
ECONOMY OVERVIEW

Global Economy

The global economy showed strong resilience in CY 2023 despite central banks raising interest rates to fight inflation. The economic activity remained robust, and the economy adapted well to changing financial conditions, leading to consistent job growth, strong consumer demand due to rising incomes, increased government spending, and higher labour force participation.

Global inflation is expected to gradually decrease from 6.8% in CY 2023 to 5.9% in CY 2024, and further to 4.5% in CY 2025. The world economy grew significantly as families in major developed countries spent their pandemic savings, even with central banks increasing interest rates to control inflation. The global economy is estimated to grow by 3.2% in CY 2023, with this growth rate likely to continue through CY 2024 and CY 2025. However, several factors, including high borrowing costs, reduced fiscal support, geopolitical tensions, and slow productivity growth, pose risks to the overall global economic outlook.

World Economic Growth (%)



Source: International Monetary Fund (IMF) April 2024 report P: Projected



Performance of Advanced Economies During CY 2023 The USA, EA and EU

Advanced economies are expected to meet their inflation targets sooner than emerging market and developing economies. While overall inflation is predicted to gradually decrease, several structural challenges remain. These include inadequate infrastructure, limited access to quality education and healthcare, and insufficient investment in technological innovation, which impact the movement of capital and labour and slow progress toward higher living standards, especially in middle- and lower-income countries. In 2024, advanced economies are projected to grow by 1.7%, with a slight increase to 1.8% in CY 2025, compared to 1.6% growth in CY 2023.

Performance of Emerging Markets and Developing Economies During CY 2023 Emerging economies

Emerging markets and developing economies are expected to grow by 4.2% in both CY 2024 and CY 2025, slightly down from 4.3% growth in CY 2023. The global economic outlook is anticipated to remain stable, but there are concerns about potential increases in input costs due to geopolitical tensions, slowing inflation rates in major economies, and high government debt. The global economy aims to navigate these uncertainties and achieve sustained growth and prosperity for all

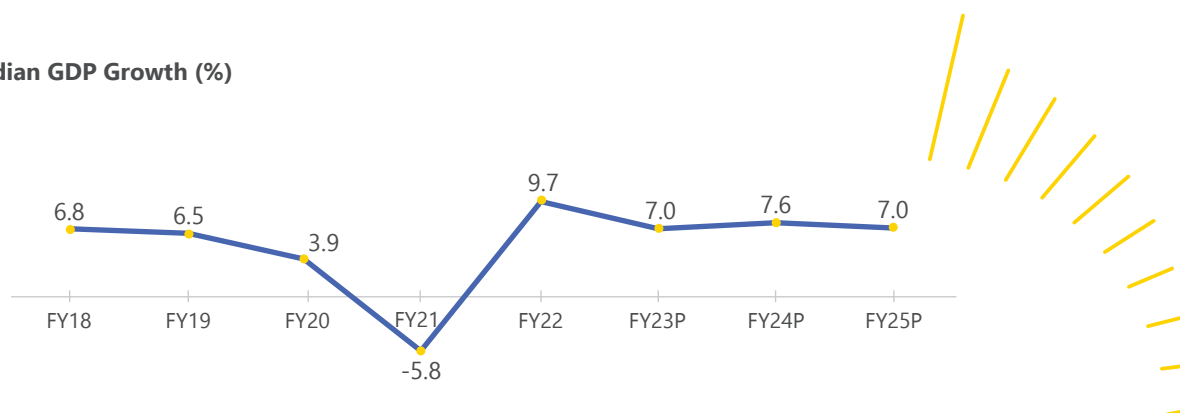
by addressing these challenges through strategic and collaborative measures.

Indian Economy

In FY 2023-24, the Indian economy has gained significant momentum, driven by positive macroeconomic indicators, improved labour market conditions, heightened urban demand, and increased government focus on capital expenditure. The National Statistics Organisation (NSO) in India has projected a robust growth of 7.6% for the Indian economy in FY 2023-24, exceeding the 7.0% growth witnessed in the previous FY 2022-23. Moreover, the Interim Budget for FY 2024-25 announced by the government indicates a move towards a self-reliant India, diminishing dependence on imports and fostering growth in domestic industries. By maintaining the status quo on both direct and indirect taxes, it ensures stability and simplicity for consumers.

According to the Short-Term Energy Outlook (STEO) April 2024 report, crude oil prices are expected to decline, reaching around US\$ 90 per barrel for the rest of CY 2024 and averaging US\$ 85 per barrel in CY 2025 as global oil production increases. This, along with the declining palm oil prices projected to moderate in CY 2023, will likely impact the Indian economy favourably.

Indian GDP Growth (%)



Source: NSO second advanced estimates dated 29th February 2024, RBI (Reserve Bank of India) MPC (Monetary Policy Committee) report dated 5th April 2024

Performance of the Indian Economy During FY 2023-24

India's economy has shown strong growth, driven by robust domestic demand and expansion across multiple sectors. Gross Value Addition (GVA) growth is expected to reach 6.9% in FY 2023-24, up from 6.7% in FY 2022-23, due to improvements across various sectors. Significant contributors to GDP growth in FY24 include

the construction sector, with a growth rate of 10.7%, and the manufacturing sector, projected to grow by 8.5% after a 2.2% contraction the previous year. The agriculture sector is estimated to have grown by 0.7% in FY 2023-24, down from 4.7% in FY 2022-23, due to a challenging Kharif harvest and a slow start to the Rabi sowing season. The services sector is expected to expand by 7.5% in FY 2023-24, compared to 9.4% in FY 2022-23.

Rising Rural Focus

The Interim Budget for FY 2024-25 has unveiled positive impacts from different government schemes. As of February 1, 2024, the Pradhan Mantri Kisan Sampada Yojana has benefited 38 Lakh farmers, creating employment for 10 Lakh individuals. Additionally, the Pradhan Mantri Formalisation of Micro Food Processing Enterprises Yojana has supported 2.4 Lakh Self-Help Groups (SHGs) and 60,000 individuals through credit linkages. The government's goal of providing three crore houses under PM Awas Yojana (Grameen) is expected to be achieved soon, with plans for an additional two crore houses in the next five years. In FY 2023-24, robust consumption and investment propelled the economic growth rate. Urban consumption played a pivotal role in driving the country's economic growth, while there has also been a strong focus on rural to kickstart growth. The rural consumption has potential to increase with rise in actual rural wages, coupled with a decrease in inflation. Additionally, increased kharif production and a higher Minimum Support Price (MSP) have further boosted rural income, reinforcing the trend in rural consumption.

Steps Taken by the Government to Support Economic Growth

RBI's Monetary Policy

The MPC of the RBI has maintained the policy repo rate at 6.5% throughout FY 2023-24 and continued its 'withdrawal of accommodation' stance. The RBI reiterated its commitment to maintaining headline inflation at 4%. The RBI has estimated an inflation rate of 5.4% for FY 2023-24.

“Urban consumption played a pivotal role in driving the country's economic growth, while there has also been a strong focus on rural to kickstart growth. The rural consumption has potential to increase with rise in actual rural wages, coupled with a decrease in inflation. Additionally, increased kharif production and a higher Minimum Support Price (MSP) have further boosted rural income, reinforcing the trend in rural consumption.”

Smooth Access to Credit

Easy access to credit has been facilitated through various policies instituted by the Indian government, including initiatives to simplify loan application procedures, promote digital lending platforms, and create a conducive environment for financial institutions to extend credit. These measures align with the government's broader agenda of fostering financial inclusion, empowering diverse sectors, and driving economic growth through accessible and affordable credit avenues. The Pradhan Mantri Jan Dhan Yojana (PMJDY) stands as a key financial inclusion initiative in India, designed to achieve widespread banking access, enhance financial literacy, and empower the previously unbanked. As of May 15, 2024, a total of 52.25 Crore PMJDY accounts have been opened, accumulating a combined deposit balance of ₹ 2,29,799 Crore.

Strong Infra-Capex Growth

The increased government capital expenditure would stimulate economic growth, leading to higher consumer spending and improved infrastructure across the country. This, in turn, would positively influence the economy by boosting demand, enhancing supply chains, and expanding market opportunities. In FY 2024-25, the government's capital expenditure spending is projected to rise to ₹ 11.1 Lakh Crore as compared to the ₹ 10 Lakh Crore announced for FY 2023-24.

Robust Digital Drive

In India, the adoption of technology-driven solutions has notably improved e-commerce growth. The growth across various e-commerce platforms is achieved through the implementation of innovative digital payment methods, such as the unified payments interface (UPI). The digital payment transaction volume has witnessed substantial expansion, escalating from ₹ 2,071 Crore in FY 2017-18 to ₹ 13,462 Crore in FY 2022-23, reflecting a robust Compound Annual Growth Rate (CAGR) of 45%. As of December 11, 2023, digital payment transactions have already surpassed ₹ 11,660 Crore for FY 2023-24, emphasising the ongoing momentum in the adoption of digital payments. The surge in digital transactions has established an environment that enables various businesses to engage in cross-selling products and attract new clients.

OUTLOOK

While the global economic recovery exhibits variations and uncertainties, the Indian economy stands resilient and robust. Recent reforms, coupled with the economy's strength and resilience, establish a sturdy groundwork for sustained long-term growth. According to the RBI, Indian GDP is expected to grow by 7% in FY 2024-25. The ongoing decrease in India's fiscal deficit, supported by



robust tax collections, is reinforcing the foundations of the government's financial position. Key high-frequency indicators, such as automobile sales and Goods and Services Tax (GST) revenues, consistently demonstrate significant progress, fostering an optimistic outlook for the overall economy.

Challenges Ahead

India's growth has been connected to both domestic factors and global changes. As the world moves away from hyper-globalisation, there's a growing trend of strengthening alliances and shifting operations within the country. This is reshaping the global trade scenario. The Indian economy is susceptible to global economic trends, and uncertainties in the global market can affect trade, investment, and overall economic stability. However, the Indian economy has demonstrated strength and resilience in the face of previous global trade challenges, positioning itself to continue being the fastest-growing economy in the future. The challenge of balancing energy security and economic growth in the transition to cleaner energy sources necessitates strategic decision-making across various dimensions like geopolitical, technological, fiscal, economic, and social.

The emergence of Artificial Intelligence (AI) poses a global challenge, especially regarding employment in the services sector, with an IMF paper underscoring that 40% of global employment is vulnerable to AI's impact. Developing economies, including India, are encouraged to make strategic investments in infrastructure and foster a digitally skilled workforce to harness AI's potential.

INDUSTRY OVERVIEW

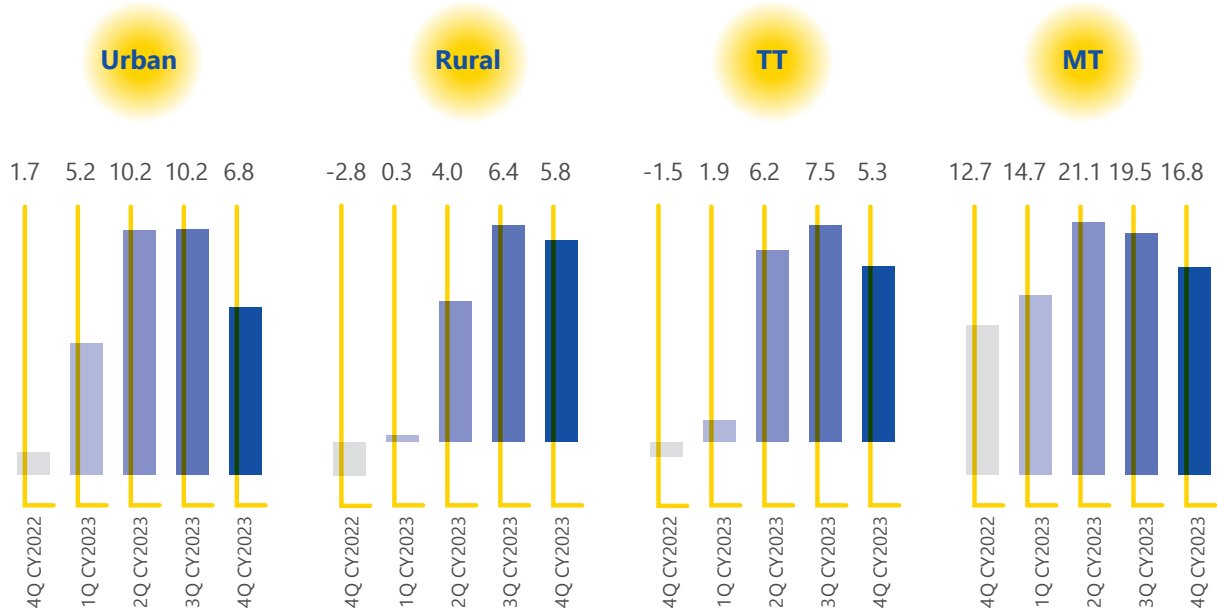
The FMCG industry stands as a pivotal contributor to the Indian economy. The growth of the FMCG sector can be attributed to various factors, including rising

income levels, evolving lifestyles, heightened awareness, and improved accessibility. Additionally, the inclination towards sustainable products is shaping consumer preferences. The Indian FMCG market continued to show resilience and has been expected to witness growth rate of 4.5% to 6.5% in FY 2023-24, according to Nielsen report. The FMCG industry has experienced a 6% increase in value, driven by a 6.4% rise in volume during 4Q CY 2023.

In 2023, the narrowing of consumption gaps between urban and rural markets was observed for the first time. During 4Q CY 2023, the urban market saw a volume growth of 6.8%, while the rural markets experienced a growth of 5.8% in the same period. This trend was particularly notable in the north and west regions of the country. The favourable interim Union Budget 2024-25, which supported several economic boosters for the rural sector, positively impacted companies with a rural strategy. Although experiencing a decline compared to the previous quarter, the rural recovery story progressed steadily throughout the year. In 4Q CY 2023, there was a noticeable increase in consumption, mainly fuelled by habit-forming categories such as food and essential home products. Despite seeing little to no price growth or even a decrease, these categories remained robust, demonstrating resilience and ongoing demand.

In the retail sector, Modern Trade (MT) continued its robust growth, maintaining a high double-digit increase of 16.8%, which reflected its resilience and steady demand. Meanwhile, Traditional Trade (TT) faced a downturn, with consumption dropping to 5.3% in 4Q CY 2023 from 7.5% in the preceding quarter. Despite these challenges, the upward trajectory of Modern Trade offered a promising outlook for the overall market landscape.

Volume growth across urban and rural markets, as well as within Modern Trade and Traditional Trade, observed during the fourth quarter of CY 2023.

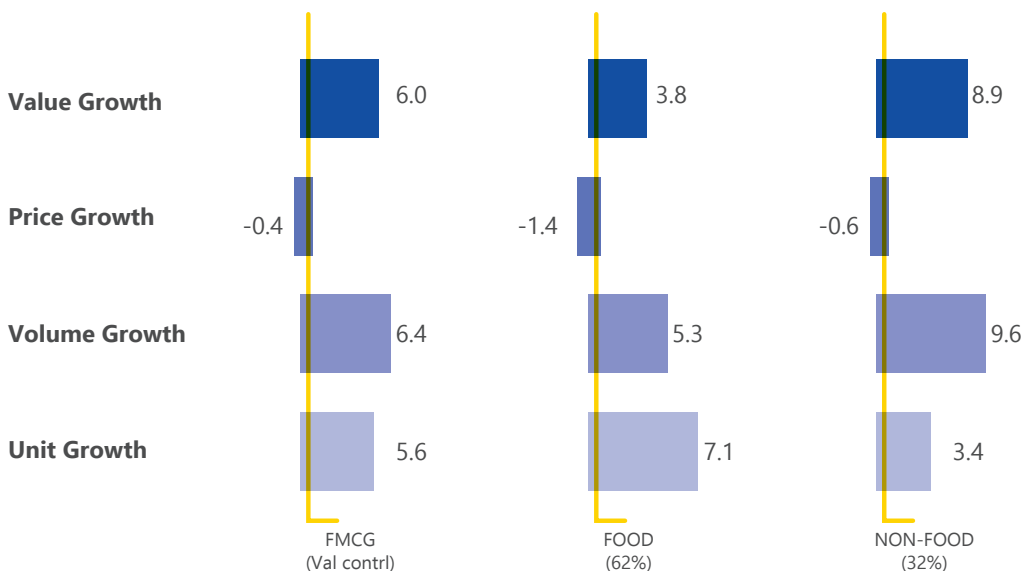


Source: Nielsen March 2024 Report

Within the FMCG industry, the non-food categories surpassed the food categories in consumption growth, reflecting an increase of 8.7%. The food category experienced a growth of 3.8%, indicating a slowdown compared to the previous quarter. However, the habit-forming categories within the food sector demonstrated resilience, thriving despite flat to negative price growth, which suggests sustained demand. On the other

hand, the non-food sector experienced a significant resurgence, with volume growth reaching 9.6% in 4Q CY 2023 compared to the previous year. Rural areas were pivotal contributors to this growth, with a growth rate of 9.8% in 4Q CY 2023. Home Care and Personal Care categories in rural areas had particularly driven the growth of non-food consumption.

Volume, Value, Price Growth across the food and non-food FMCG categories - 4Q CY 2023



Source: Nielsen March 2024 Report

KEY TRENDS IN THE INDIAN FMCG INDUSTRY

The digital space, e-commerce, and green initiatives are reshaping the FMCG industry, along with trends like direct-to-consumer channels, analytics integration, and strategic investments. The FMCG sector is poised for substantial growth, emphasising adaptability, innovation, and understanding of consumer trends in the evolving Indian market.

Growing Adoption of Technology: FMCG companies are leveraging big data to innovate and gain a competitive edge. Analysing consumer data from online shopping enables brands to build stronger relationships, understand customer preferences, and personalise experiences. The integration of big data solutions and analytics in the FMCG sector optimises communication strategies, fostering enhanced engagement in the dynamic industry landscape.

The household and personal care segments have propelled India's FMCG industry as a significant force driving economic growth. Over the past few years, this sector is experiencing transformative shifts influenced by changing consumer behaviours, technological advancements, and global trends.

Increasing Marketing Activities through Social Media Influencers

In the FMCG industry, influencer marketing is a powerful trend driven by the widespread influence of social media. Brands are increasingly collaborating with trusted influencers to promote products, spanning beauty, skincare, food, and lifestyle. Influencers connect with large audiences, effectively conveying the benefits of FMCG items. Their authentic content builds trust and relatability, meeting the consumer demand for personalised connections with brands. This trend highlights the industry's acknowledgement of social media influencers as crucial players in shaping the contemporary consumer landscape.

Shift towards Economic Packaging: Advertising emerges as a crucial determinant in the reach of a product or brand, directly influencing consumer spending. Rising inflation has led to tangible shifts in consumer purchasing behaviour, prompting FMCG companies to adjust product prices due to increased raw material costs. This adjustment is not limited to retail prices but also includes "grammage reduction", particularly targeting low-unit price items.

Consumers, affected by price inflation, are adjusting to reduced spending by opting for smaller food and beverage packs without compromising quality. In CY 2024, success for brands involves prioritising

packaging innovations and delivering personalised promotions to align with the changing preferences of cost-conscious consumers. These consumers are also adopting resourceful strategies to minimise product wastage.

Surging Rural Penetration

Although the urban sector remains a substantial contributor to the FMCG market, the past decade has witnessed notable growth in semi-urban and rural sectors. Enhanced penetration, upgraded infrastructure, and targeted marketing efforts have driven this expansion. Going forward, FMCG companies are anticipated to amplify their efforts to comprehend and address the distinctive needs of consumers in these growing markets.

Rising E-commerce Growth

The digital transformation is significantly impacting the FMCG sector, with e-commerce playing a crucial role in reshaping consumer experiences. In 2024, there is a notable surge in online sales driven by the convenience and accessibility provided by digital platforms. The FMCG industry heavily relies on insights, consumer behaviour, preferences, and market trends. Digitalisation has facilitated retailers in securely placing orders, checking order fulfilment status, and integrating suppliers, inventory, and distributors into a unified ecosystem. FMCG companies are utilising technology not just for sales but also for data analytics, supply chain management, and personalised marketing strategies. The integration of artificial intelligence and machine learning is playing a key role in enhancing efficiency and optimising decision-making processes.

The FMCG industry in India is poised for a dynamic and promising future characterised by sustainability, digital transformation, and inclusive growth. As consumer preferences evolve, FMCG companies need to stay adaptable, adjusting their strategies to meet the demands of a constantly changing market.

OUTLOOK

Looking ahead, the FMCG industry expects to see growth driven by higher sales volumes in FY 2024-25. This growth will be supported by increased consumer spending, owing to the factors such as stable prices, predictions of good monsoon rains, and optimistic forecasts for crop yields. Notably, rural areas are showing more positive attitudes towards spending, with people there increasingly buying premium packaged goods. This trend is fuelled by improved household incomes and better support prices for crops. The non-food items are seeing stronger demand compared to food items across the FMCG sector. The recent adjustments

in pricing and product offerings are expected to help FMCG firms increase their revenues significantly over the next couple of fiscal years. The positive outlook is further boosted by optimistic monsoon forecasts, which are expected to keep rural sentiment high and drive even more sales growth for FMCG products.

COMPANY OVERVIEW

Jyothy Labs Limited (hereafter referred to as 'Jyothy Labs' or 'Your Company'), has undergone a substantial transformation from a promoter-driven, south-centric, single-product entity to a professionally managed, and multi-product Company operating nationwide. Your Company was founded in 1983 in Thrissur, Kerala by Mr. M. P. Ramachandran, with a single brand, 'Ujala' and has since evolved into a multi-brand, BSE Limited (Bombay Stock Exchange), and National Stock Exchange of India Limited - listed Company.

Jyothy Labs holds a significant presence in the Home Care and Personal Care segments, contributing to an impressive 50% share in the Indian FMCG industry. Your Company maintains a strong national presence and operates 23 state-of-the-art plants. Jyothy Labs specialises in the manufacturing of a diverse range of products including fabric care, household insecticides, personal care, and dishwashing items, catering to the needs of consumers seeking cleaning and hygiene solutions.

Your Company takes pride in its portfolio of power brands, which include Ujala, Maxo, Exo, Henko, Pril, and Margo. These brands are highly esteemed and firmly established within their respective categories. Over the years, our Company has introduced numerous innovative products with unique ingredients and features that significantly enhance consumer satisfaction. Notably, our flagship brand Ujala Supreme has maintained a dominant position in the fabric whitener category since its inception, commanding an impressive 84% market share. Exo and Pril dishwashing products have secured the second position in the market by value, while Maxo mosquito repellent coils have achieved the second position by volume in FY 2023-24.

With a robust presence in India, your Company's products are widely accessible through an extensive network of retail outlets and supermarkets. Jyothy Labs has successfully established a presence across various channels, including traditional stores, canteen stores, department stores, modern trade, and e-commerce, making its products available across India. Your Company continues to prioritize research and development to meet evolving consumer needs. Additionally, strategic celebrity endorsements contribute to quick recognition and awareness. Furthermore, your Company maintains a robust digital presence by offering products online through various e-commerce platforms.



Jyothy Labs aspires to be a brand that is accessible, affordable, and renowned for its exceptional quality. To fulfil this vision, your Company emphasises maintaining strong product quality, offering competitive pricing, and improving distribution through network expansion and deploying advanced technologies.

KEY STRENGTHS AND STRATEGIES

• **Strengthening Brand Equity**

Your Company is committed to enhancing its presence in the fabric care sector, with a particular emphasis on the main wash segment and exploring new geographic markets for post-wash products. Concurrently, your Company aims to achieve significant growth across diverse product categories, striving for broader market penetration and enhanced consumer engagement. Central to this strategy is reinforcing brand loyalty and equity to solidify its position as consumers' preferred choice and ultimately capture a larger market share.

Your Company makes substantial investments in diverse advertising and promotional initiatives, encompassing television and over-the-top (OTT) platforms, digital campaigns, and in-store brand activations. Moreover, it has engaged nine celebrities for brand endorsements. Recognizing the growing importance of social media, your Company conducts numerous engagements and promotional activities on these platforms. Additionally, out-of-home (OOH) campaigns across all product categories in key markets enhance brand visibility and communication. Throughout FY 2023-24, your Company executed various activities aimed at building and promoting its brands.

- o **Ujala Supreme:** Sustained ATL (Above the line) campaign featuring superstar Taapsee Pannu in key markets, with targeted consumer activations in School and Society activations creating engagement. The market share for Ujala Supreme reached 84% in CY 2023.
- o **Ujala Detergent Powder:** ATL campaign featuring superstar Manju Warrier was conducted across critical markets, complemented by on-ground activations and a strong emphasis on digital media. In FY 2023-24, Ujala Detergent achieved a market share of 22.9% in Kerala.
- o **Ujala Crisp & Shine:** Consistent ATL presence, strategic consumer activations for product trials, and sustained emphasis on digital media for product awareness.

- o **Henko Matic Liquid Detergent:** Enhanced TV campaign, widespread OOH displays, retail activations, and digital strategy with Key Opinion Leaders to foster brand affinity and promote product trials.
- o **Mr. White & Morelight Detergent Powder:** Distribution efforts focus on increasing brand penetration and strategically expanding into rural areas for greater visibility and accessibility.
- o **Margo Soap:** Achieved robust double-digit growth through strategic investments in above-the-line (ATL), social media, and below-the-line (BTL) activities, promoting its positioning as "Ek Achhi Aadat". The brand also concentrated on influencer marketing to target younger audiences.
- o **Exo Dishwash Bar:** Implemented strategic initiatives with relevant consumer packs, leveraging the brand's equity, and conducted an out-of-home (OOH) campaign and engaging activations to enhance visibility. The emphasis on Lower-Unit Packs (LUPs) continued, with the 10 pack contributing to a 13.7% value market share in FY 2023-24.
- o **Pril Dishwash Liquid:** Executed focussed initiatives to drive growth in Open Format Outlets (OFO), achieving a 13.7% value market share in FY 2023-24, with strong growth in e-commerce channels.
- o **Maxo Mosquito Repellent:** Launched a new multimedia campaign featuring Kareena Kapoor, highlighting the automatic feature to increase product awareness. In FY 2023-24, Maxo Coil market share was 23.8%, while the liquid vaporiser segment accounted for 8.3% of the market share.

For further details on segment/product wise kindly refer to page 03.

• **Expanding Distribution Network**

Our distribution network has seen substantial development, with products available in over 2.8 million retail outlets through a network of 9,900+ channel partners. In FY 2023-24, your Company reached 1.2 million Retail outlets directly. This strategic expansion aids us in navigating the challenges of a slowing consumption environment by strategically focussing on sales in new geographies, intensifying BTL activities, and tailoring the product portfolio to the specific

needs of each market. Your Company's distribution efficiency has seen remarkable growth, measured by the number of SKUs (Stock Keeping Units) sold per retail outlet and productive calls.

The robust distribution reach and infrastructure of Jyothy Labs has facilitated the acquisition of significant market share for its products across the country. Meticulously planned sales and distribution form a pivotal part of your Company's strategy to enhance its market share. This involves entering new markets, increasing brand awareness, and implementing product innovation initiatives, supported by an extended distribution network.

During FY 2023-24, as part of its strategy to expand its rural reach and expedite its distribution, your Company has adopted the van and moped sales model, which carries smaller unit packs that are more popular in these regions. Your Company's rural distribution has been digitised through Mobile DMS and facilitated by SFA (Sales Force Automation). The robust distribution reach and infrastructure of your Company enabled it to acquire market share by filling the vacuum caused by pandemic-related disruptions. Your Company has made significant investments in advertising and promotion activities, including television, digital campaigns, and in-store brand activation during FY 2023-24.

- **Extensive In-house Research and Development (R&D) facilities**

Jyothy Labs derives a competitive advantage in the market from the fundamental strength of its research and development efforts. With three

state-of-the-art R&D facilities, your Company's expert team consistently works on developing new products aligned with evolving trends, enhancing production processes, and refining the formulations of existing products. In recent years, there has been a heightened focus on developing sustainable products made with eco-friendly ingredients.

- **Innovating New Products and Variants**

Recent product developments by Jyothy Labs have received significant support, as evidenced by the success of its liquid detergents under the Henko and Ujala brands, and the introduction of new Margo variants. These strategic initiatives, along with our consumer-focussed approach, are aimed at strengthening our market position. Moving forward, your Company is focused on achieving volume-driven growth and expanding business operations through continued efforts in these key areas.

- **Adapting Sustainable Solutions**

A key focus area of your Company has been sustainable packaging, where your Company is taking steps to transition towards a circular economy. Prioritising the reduction of its carbon footprint, your Company maintains a 45-acre green belt and has invested in energy-efficient solutions, including renewable energy projects. With a commitment to achieving net-zero emissions, your Company is actively exploring relevant opportunities.

Jyothy Labs has proactively undertaken measures to ensure the environmental sustainability of its operations, recognising the increasing global



significance of sustainability. This includes efforts such as adapting environmentally friendly alternatives. Furthermore, ongoing research and development efforts are directed towards creating organic and natural products while expanding the utilisation of sustainable raw materials.

Jyothy Labs' continues to prioritise volume-driven growth to achieve greater scale in its business operations, with a significant focus on recovering rural demand to sustain expansion across product categories. The Company's investment efforts are dedicated to strategic brand development, enhancing direct distribution channels, and increasing manufacturing capacity.

FINANCIAL PERFORMANCE

Accounting Policy

The financial statements of your Company have been meticulously prepared in compliance with the Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015, with subsequent amendments. These statements adhere to a historical cost basis, except for specific financial assets, which have been assessed at fair value. The Management Discussion and Analysis predominantly focusses on the consolidated accounts of your Company when delving into the discussion of financial performance.

Review of FY 2023-24 (Consolidated financials)

(₹ in Crore)

Particulars	FY 2023-24	FY 2022-23
Revenue from Operations	2,756.9	2,486.0
Cost of Goods Sold (COGS)	1,403.8	1,434.9
Gross Margin	1,353.1	1,051.1
Employee Cost	300.5	264.4
Advertisement and Sales Promotions	228.2	174.3
Other expenditure	344.6	296.5
Operating EBITDA	479.8	315.9
Depreciation	50.0	50.1
Finance Cost	4.7	13.1
PBT before exceptional items	478.8	292.2
PAT	369.3	239.7
Share Capital	36.7	36.7
Cash and Bank Balance including Investments	618.0	283.5

Details of Key Consolidated Financial Ratios that registered more than 25% change during FY 2023-24

Ratios	FY 2023-24	FY 2022-23	YoY Change	Reason
The Net working capital Turnover Ratio	4.19	6.74	-38%	Decrease due to increase in cash and bank balance and mutual fund investment.
Operating EBITDA (%)	17.4%	12.7%	37%	Operating EBITDA has improved due to better margin on higher sales achieved during the year and lower raw material prices.
Net Profit Ratio (%)	13.4%	9.64%	39%	Net profit ratio has improved due to better margin on higher sales achieved during the year and lower raw material prices.

Ratios	FY 2023-24	FY 2022-23	YoY Change	Reason
Return on Equity (%)	21.97%	16.02%	37%	The Return on Equity has improved due to better margin on higher sales achieved during the year and lower raw material prices.

Revenue from Operations

Net Revenue from operations grew by 10.9% to ₹ 2,756.9 Crore.

Cost of Goods Sold (COGS)

The Cost of Goods Sold of your Company decreased by 2.2% to ₹ 1,403.8 Crore due to reduction in raw and packing material prices.

Employee Cost

Employee costs grew by 13.7% to ₹ 300.5 Crore.

Advertisement and Promotion Cost

Advertisement and promotion costs increased by 30.9% to ₹ 228.2 Crore. As a percentage of net sales, advertisement and promotion stood at 8.3% during the year.

Other Expenses

Other expenses increased by 16.2% to ₹ 344.6 Crore during the reporting period from ₹ 296.5 Crore in FY 2022-23.

Depreciation

During the reporting period, depreciation decreased by 0.3% to ₹ 50.0 Crore from ₹ 50.1 Crore in FY 2022-23.

Finance Cost

During the reporting period, finance costs decreased by 63.9% to ₹ 4.7 Crore from ₹ 13.1 Crore in FY 2022-23 due to repayment of loan.

Margins

Operating EBITDA at 17.4% (₹ 479.8 Crore) during FY 2023-24 as compared to 12.7% (₹ 315.9 Crore), increased by 51.9% over FY 2022-23. PBT before exceptional items at ₹ 478.8 Crore during FY 2023-24 as against ₹ 292.2 Crore, increased by 63.9% over FY 2022-23, PAT at ₹ 369.3 Crore as against ₹ 239.7 Crore, increased by 54% over FY 2022-23.

Share Capital

The paid-up share capital stood at ₹ 36.7 Crore as on March 31, 2024.

Net Worth

The net worth of the Company stood at ₹ 1,808.3 Crore as on March 31, 2024, from ₹ 1,549.0 Crore as on March 31, 2023. Return on Equity (excluding Goodwill) was 36.1% in FY 2023-24.

Net Block

Net Block for the Company stood at ₹ 1,125.26 Crore as on March 31, 2024, as against ₹ 1,116.34 Crore as on March 31, 2023.

Net Operating Working Capital

Net Operating Working Capital for the Company stood at ₹ 40.6 Crore as on March 31, 2024, as against ₹ 85.4 Crore as on March 31, 2023. This translates to 5 days of working capital as against 13 days in FY 2022-23. The Current Ratio stood at 2.37 on March 31, 2024, as against 1.91 as on March 31, 2023.

Inventory

Inventory of the Company stood at ₹ 283.5 Crore as on March 31, 2024, compared to ₹ 301.9 Crore as on March 31, 2023. Inventory Turnover for the Company stood at 76 days as of March 31, 2024.

Trade Receivables

Trade Receivables for the Company stood at ₹ 201.4 Crore as on March 31, 2024. Debtor turnover stood at 27 days as of March 31, 2024, as against 20 days as of March 31, 2023.

Cash and Bank Balances including investments

Cash and bank balances for the Company stood at ₹ 618.0 Crore as on March 31, 2024.

Provisions

Provisions for the Company stood at ₹ 108.6 Crore as on March 31, 2024, against ₹ 92.7 Crore as on March 31, 2023.

Other Liabilities

Other Liabilities for the Company stood at ₹ 120.8 Crore as on March 31, 2024, against ₹ 122.9 Crore as on March 31, 2023.

Shareholder Value: Dividend

In an endeavour to maximise the returns to its shareholders, the Board of Directors has recommended a dividend of ₹ 3.5 per equity share (350% dividend ratio) of ₹ 1/- per share for FY 2023-24.

SEGMENT-WISE PERFORMANCE

Fabric Care

The Fabric Care segment experienced a growth of 12.6% in FY 2023-24. The segment contributed to 43% of the total revenue in FY 2023-24 as compared to 42% recorded in FY 2022-23. This indicated a strong performance and a significant share in the Company's overall portfolio.

Dishwashing

Dishwashing products saw a growth of 8.3% in FY 2023-24. The segment contributed of 34% to the total revenue in FY 2023-24, as compared to 35% registered in FY 2022-23.

Household Insecticides

The Household Insecticides segment showed moderate growth of 0.3% in FY 2023-24. The segment contributed of 8% to the total revenue in FY 2023-24 as compared to 9% in FY 2022-23.

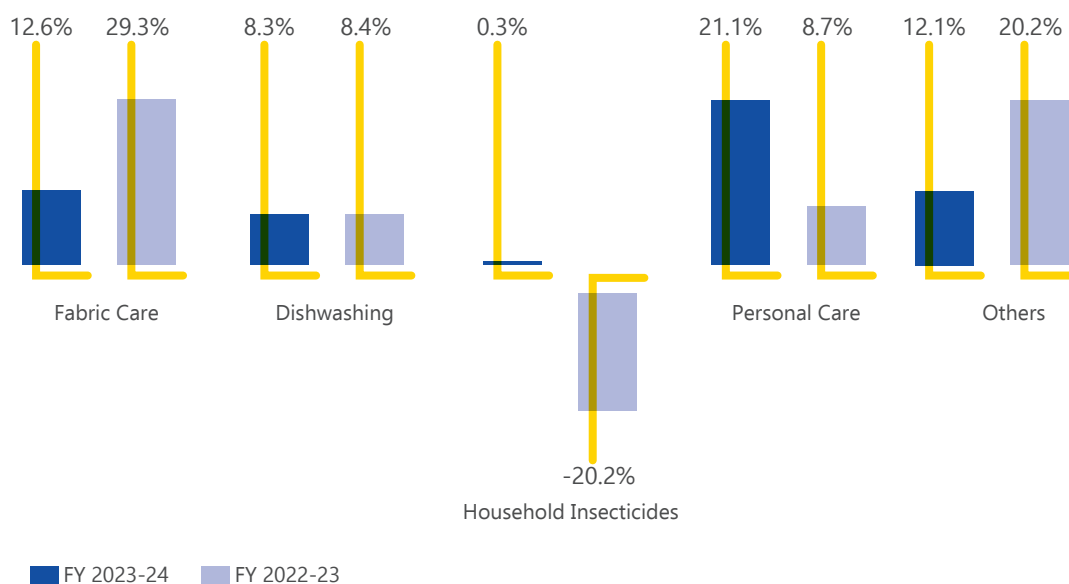
Personal Care

The Personal Care segment achieved robust growth of 21.1% in FY 2023-24, with its contribution to total revenue increasing to 11% in FY 2023-24 as compared to 10% revenue contribution in FY 2022-23. This growth reflected successful market strategies and consumer acceptance of the products.

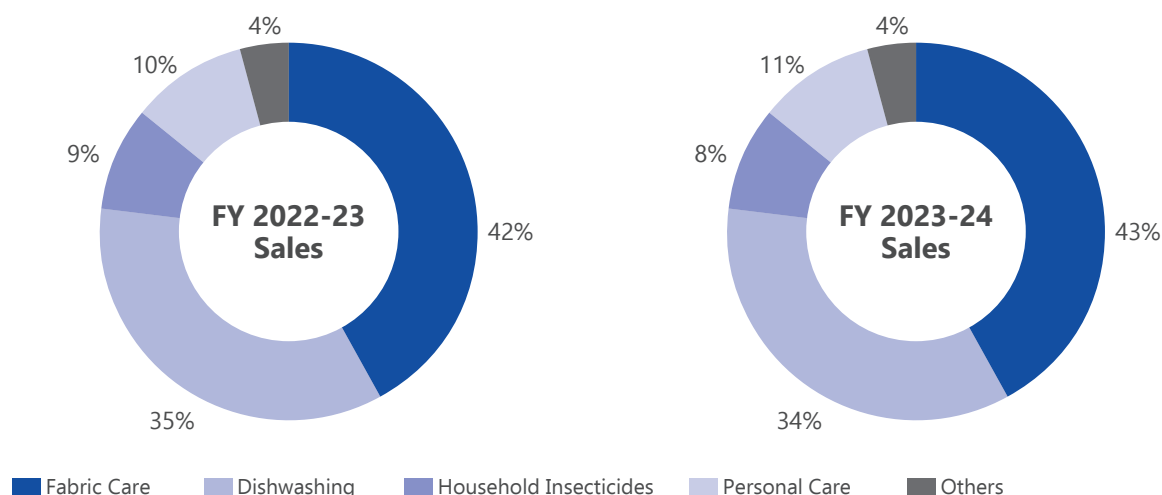
Others

The Other Products category had a growth of 12.1% in FY 2023-24. The specific revenue share percentage for FY 2023-24 stood at 4%.

Segment-wise revenue growth in the past two years



Category-Wise Business Share (%)



HUMAN RESOURCES

Jyothy Labs has made significant strides in enhancing employee engagement and enhancing a supportive work environment. Monthly sessions and the SAMWAD initiative have been introduced to improve communication and synergy among employees. Your Company had also initiated campus connect programmes to recruit fresh graduates.

The HR team is also focussing on increasing the recruitment of female employees in sales. Your Company has made strong efforts to maintain a balanced gender ratio across functions which are complemented by robust anti-sexual harassment policies and flexibility for women returning from maternity breaks. These initiatives underline Jyothy Labs' dedication to creating an inclusive and supportive workplace. Jyothy Labs prioritises employee well-being through comprehensive benefits. Regular health check-up camps are organised by your Company, with plans to enhance these services in future. Your Company provides medical insurance and voluntary cover for parents with flexible benefits. Employees can make changes to the plan basis his/her life, also allows employees to increase the sum assured. Well-being sessions and medical camps are also being conducted, and employee engagement initiatives like Play Sports are organised to promote a healthy and active lifestyle.

Your Company has embraced digital transformation to streamline HR processes. E-recruitment processes, E-onboarding processes and SAP Success Factors has been rolled out for employees. Additionally, HR analytics and platforms for expense and travel management have been introduced by your Company to enhance operational efficiency and improve the overall employee experience.

Jyothy Labs is committed to fair treatment and merit-based evaluations. The appraisal cycle remains consistent, with a transparent review mechanism based on KPI parameters set by function heads. This approach ensures that promotions and rewards are based on performance and contribution, promoting a culture of excellence. Your Company places importance on employee tenure, acknowledging the loyalty and valuable contributions of its long-standing staff members. A significant percentage of employees have been with your Company for more than 5, 10, or 15 years, reflecting Jyothy Labs' supportive and positive work environment. The Total employees (Permanent and Non Permanent) were 8,132 in FY 2023-24.

INFORMATION TECHNOLOGY (IT)

Jyothy Labs has been leveraging IT solutions to streamline processes, optimise resource utilisation, and implement cutting-edge technologies that contribute to its overall agility and effectiveness in the market. Your Company has not only been focussing on IT initiatives for human resources but also investing significantly in modern technologies to automate various processes. Your Company's focus has been on Sales Force Automation, particularly in managing orders, where it has put in substantial efforts to make things more streamlined and efficient.

In FY 2023-24, Jyothy Labs has put into action the following important initiatives. The IT team at Jyothy Labs has significantly enhanced your Company's technological infrastructure by improving security and cloud capabilities, adapting hyperconverged infrastructure, and consolidating servers to save energy and space. Your Company has implemented Zscaler for secure remote access, supporting a secure work-from-home environment. The other key initiatives included rolling

out a distributor management platform with handheld terminal functionality for the sales force, conducting quarterly campaigns for products, and adopting Sales Force Automation (SFA) to streamline operations. The Continuous Replenishment System (CRS) has been introduced for efficient multi-SKU (Stock Keeping Units) billing and inventory management, along with the Logiconnect platform to optimise transport management. The J-Fleet platform was introduced to manage vehicle logistics, tracking fuel consumption, distances covered and trips completed. In addition, an internally developed expenses management platforms helped to streamline employee expenses management process, also bringing down the turnaround time of expenses reimbursements from 30+ days to 6 days. SAP Concur was introduced for automated invoice processing to improve financial operations and efficiency, this is alongside many other internal platforms for managing brand campaign activations and facilitating direct consumer engagement.

RISK AND MITIGATION

Your Company has been implementing effective measures for identifying, preventing, and mitigating

business risks. Proactive and responsive risk mitigation is considered a fundamental aspect of your Company's corporate governance principles.

The Company ensures that its risk mitigation strategy is in alignment with its core values and comprehensive business objectives. Your Company's decision-making processes give equal priority to ensuring business continuity and safeguarding the well-being of employees.

A strong system for analysing and managing risks is in place, involving constant and thorough monitoring of internal and external factors that affect your Company's operations. The Board has taken a leading role in designing this risk mitigation framework, overseeing its implementation, and consistently revising it as and when needed. The senior leadership holds the responsibility for its execution, and regular meetings of the Risk Management Committee are convened to review the framework.

For opportunities, you can refer to page no. 98 forming part of the annual report.

Type	Mitigation Strategy
MACRO-ECONOMIC RISK The uncertain global economic environment, influenced by unfavourable external or internal factors, poses potential impacts on your Company's business operations.	To address this challenge, your Company proactively monitors the external environment for signs of adverse changes that could affect business operations. It includes diversifying the product portfolio and implementing targeted sales strategies in key markets. Product diversification supports overall profitability by fostering growth in various categories and offsetting potential risk impacts on individual categories. In FY 2023-24, your Company has adopted technology to advance digital transformation within the organisation, optimising the value chain and improving efficiency. This initiative also contributed to an enhanced retail penetration, aligning with the goal of increased efficiency.
STATUTORY RISK Non-compliance with government regulations can lead to detrimental effects on a business' reputation, along with substantial fines and penalties.	Jyothy Labs has established a proven and well-structured system to meet all compliance requirements promptly, preventing fines and penalties. We ensure compliance with national and local statutory rules imposed by the government, monitoring it through a centralised compliance tool that proactively addresses any exceptions or non-compliance.
INPUT PRICE RISK Input price risk is the uncertainty and potential impact on profitability arising from fluctuations in the prices of raw materials or inputs used in a business' production processes.	To mitigate input price risk, your Company has been actively monitoring market trends to make informed procurement decisions. Additionally, the combination of strong supplier relationships and a focus on volume growth works as a proactive approach to mitigate input price risks by providing stability, negotiating power, and taking advantage of economies of scale.

Type	Mitigation Strategy
SUPPLY CHAIN RISK Disruptions in global or local supply chains may directly impact a Company's ability to produce and market products, affecting revenue generation for your Company.	We manage this risk by maintaining a robust network of channel partners for continuous raw material supply and product distribution. Your Company conducts thorough internal research on materials management to develop substitutes for basic materials, addressing potential supply chain issues. Over the past few years, organisation-wide digital transformation has yielded significant cost savings.
COMPETITION RISK Intense competition in the FMCG market can impact your Company's margins and profitability.	We counter peer risk by investing significantly in research and development, focussing on innovative solutions, new products, brand development, and marketing. These efforts enhance your Company's customer value proposition and foster customer loyalty, contributing to its sustainability in the market. The focus of your Company's endeavours is to facilitate its growth in comparison to both emerging and well-established competitors in the industry.
ATTRITION RISK The absence of qualified employees and high attrition can impact your Company's operational efficiency.	We prioritise the employees' career growth, health, and safety, implementing ongoing training, upskilling, and enhancing a better work environment. Your Company's inclusive human resource policies aim to promote diversity, equity, and inclusion, with nearly 29% at Jyothy Labs' manufacturing facilities being female employees. We motivate employees through various facilities and benefits and have taken measures to ensure their safety by adhering to protocols, supporting victims, and facilitating hybrid work. Your Company's human resource initiatives have been immensely effective in retaining employees, thereby reducing attrition risk to a considerable level.

INTERNAL CONTROLS

Jyothy Labs has implemented a comprehensive internal control mechanism, including policies and procedures designed to ensure the orderly and efficient conduct of its business operations. These measures included strict adherence to your Company's policies, safeguarding of assets, prevention and detection of fraud and errors, and ensuring the accuracy and completeness of accounting records. Your Company maintains robust internal financial control systems tailored to its size and industry, promoting integrity, ethics, and management efficiency. The Board of Directors oversees the effectiveness and application of these systems, conducting periodic assessments of their adequacy. Regular evaluations are conducted to monitor governance processes and ensure compliance with regulatory requirements.

CAUTIONARY STATEMENT

This report contains statements that may be 'forward-looking' including, but without limitation, statements

relating to the implementation of strategic initiatives and other statements relating to Company's future business developments and economic performance. While these forward-looking statements indicate our assessment and future expectations concerning the development of our business, several risks, uncertainties, and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental, and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with your Company, legislative developments and other key factors that could affect our business and financial performance. The Company undertakes no obligation to publicly revise any forward-looking statements to reflect future/likely events or circumstances.

Corporate Information

Mr. M. P. Ramachandran

Chairman Emeritus
(DIN: 00553406)

DIRECTORS**Mr. R. Lakshminarayanan**

Chairman & Independent Director up to March 31, 2024
(DIN: 00238887)

Ms. M. R. Jyothy

Managing Director
(Chairperson and Managing Director with effect from May 15, 2024)
(DIN: 00571828)

Mr. Nilesh B. Mehta

Audit Committee Chairman & Independent Director up to March 31, 2024
(DIN: 00199071)

Ms. Bhumika Batra

Independent Director
(Audit Committee Chairperson with effect from April 1, 2024)
(DIN: 03502004)

Mr. Aditya Sapru

Independent Director
(DIN: 00501437)

Mr. Narayanan Subramaniam

Independent Director
(DIN: 00166621)

Mr. Suresh Balakrishna

Independent Director
with effect from April 1, 2024
(DIN: 05207871)

Mr. Ananth Rao T

Director- Operations & Commercial
with effect from April 1, 2024
(DIN: 02585410)

Mr. Ravi Razdan

Director- IT & HR
with effect from April 1, 2024
(DIN: 08936083)

COMPANY SECRETARY

Mr. Shreyas Trivedi
(Membership No. A12739)

CHIEF FINANCIAL OFFICER

Mr. Sanjay Agarwal

STATUTORY AUDITORS

M/s. B S R & Co. LLP, Chartered Accountants
(Firm Registration No. 101248W/W-100022)

INTERNAL AUDITORS

M/s. Mahajan & Aibara LLP, Chartered Accountants
(Firm Registration No. 105742W)

SECRETARIAL AUDITORS

M/s. Rathi & Associates, Company Secretaries
(Firm Registration No. P1988MH011900)

COST AUDITORS

M/s. R. Nanabhoy & Co., Cost Accountants
(Firm Registration No. 000010)

REGISTERED OFFICE**Jyothy Labs Limited**

Ujala House, Ram Krishna Mandir Road,
Kondivita, Andheri (East), Mumbai – 400 059
Telephone: +91-22-66892800 Fax: +91-22-66892805
Email: info@jyothy.com
Website: www.jyothylabs.com

CORPORATE IDENTITY NUMBER (CIN)

L24240MH1992PLC128651

SECRETARIAL DEPARTMENT

Ujala House, Ram Krishna Mandir Road,
Kondivita, Andheri (East), Mumbai – 400 059
Telephone: +91-22-66892800
Email: secretarial@jyothy.com

REGISTRAR & SHARE TRANSFER AGENT**Link Intime India Private Limited**

U67190MH1999PTC118368
C 101, 247 Park, L B S Marg,
Vikhroli (West), Mumbai – 400083
Tel.: +91-22-49186000 Fax: +91-22-49186060
Email: rnt.helpdesk@linkintime.co.in

Directors' Report

Dear Members,

Your Company's Board of Directors are pleased to present to you the 33rd Annual Report of your Company together with the Audited Financial Statements for the Financial Year ended March 31, 2024.

FINANCIAL PERFORMANCE

Your Company's financial performance on standalone basis for the financial year ended March 31, 2024 compared with previous financial year is summarised below:

(₹ in Lacs)

Financial Results	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023
Revenue from Operations	275,403	248,195
Earnings before Interest, Tax, Depreciation and Amortization	47,993	31,556
Finance Cost	473	1,309
Other Income	5,367	3,948
Depreciation on Tangible Assets	2,790	2,942
Amortization of Intangible Assets	112	104
Depreciation of right of use assets	2,093	1,956
Profit before exceptional item and tax	47,892	29,193
Exceptional items	-	703
Profit before tax	47,892	29,896
Provision for tax		
- Current tax	7,928	5,400
- Tax relating to earlier period	417	-
- Deferred Tax Charge/ (Credit)	2,558	544
Profit after tax	36,989	23,952
Earning Per Share (Basic) (In ₹)	10.07	6.52
Earning Per Share (Diluted) (In ₹)	10.07	6.52
Dividend Per Share of face value of ₹1/- (In ₹)	3.50	3.00

The above mentioned financial performance highlights are an abstract of the financial statements of your Company for the Financial Year 2023-24. The detailed Financial Statements of your Company forms part of this Annual Report and are also uploaded on website of your Company i.e. www.jyothylabs.com.

PERFORMANCE HIGHLIGHTS

The Revenue from operations on standalone basis of your Company for the financial year 2023-24 was up by 10.9% and stood at ₹ 275,403 Lacs compared to ₹ 248,195 Lacs in the previous financial year. The net profit for the financial year 2023-24 amounted to ₹ 36,989 Lacs, up by of 54% over the previous financial year.

The consolidated revenue from operations of your Company for the financial year under review stood at ₹ 275,693 Lacs as against ₹ 248,602 Lacs in the previous financial year, reporting a growth of 10.9%. The consolidated profit after tax for the financial year under review stood at ₹ 36,930 Lacs against ₹ 23,973 Lacs in the previous financial year, up by 54 % over the previous financial year.

DIVIDEND

Your Board is pleased to recommend for your consideration, a dividend of ₹ 3.50/- (Rupees Three and Fifty Paise only) per equity share of ₹ 1/- each for the financial year 2023-24. The aforesaid dividend will involve a total payout of ₹ 12,852 Lacs and is subject

to the approval of Shareholders at the ensuing Annual General Meeting of your Company. The proposed dividend payout is in accordance with your Company's Dividend Distribution Policy.

In accordance with the provisions of the Income Tax Act, 1961 as amended by and read with the provisions of the Finance Act, 2020, with effect from April 1, 2020, dividend declared and paid by any Company is taxable in the hands of shareholders. Your Company shall, therefore, be required to regulate deduction of tax at source (TDS) at the time of payment of dividend in accordance with the provisions of the Income Tax Act, 1961 read with the Finance Act, 2020 and at the applicable rates of taxes. The TDS rate may vary depending upon the residential status of the shareholder and the documents submitted to your Company.

Your Company will also be sending communication to the shareholders informing them to submit the necessary documents to enable your Company to calculate the amount of tax required to be deducted from the proposed dividend in respect of each eligible shareholders. The aforesaid communication will be sent via e-mail to those shareholders whose names appear in the Register of Member as on May 31, 2024 and to those shareholders who have registered their email id with your Company.

During the previous financial year, your Company had paid a final dividend of ₹ 3 (Rupees Three only) per equity share of ₹ 1/- each for the Financial Year 2022-23. The aforesaid dividend involved a total payout of ₹ 11,016 Lacs.

DIVIDEND DISTRIBUTION POLICY

The Board of Directors of your Company had approved and adopted a policy on Dividend Distribution formulated in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and the dividend is recommended in accordance with the said policy.

The sub-regulation (1) of Regulation 43A of the Listing Regulations has allowed the companies to provide web-link of the Dividend Distribution Policy instead of attaching it along with the Annual Report. However, for the easy accessibility of the shareholders, your Company has annexed to this report its Dividend Distribution Policy as "**Annexure – A**" and has also uploaded the same on your Company's website at the link: <https://www.jyothy labs.com/investor/management-policies-notice/#Management-Policies>

ISSUE OF SHARES

a) Issue of Equity Shares with differential rights

During the year under review and to date, your Company has not issued any shares with differential rights, hence no information prescribed under the provisions of Section 43(a)(ii) of the Companies Act, 2013 (the Act) read with Rule 4(4) of the Companies (Share Capital & Debentures) Rules, 2014 has been furnished.

b) Issue of Sweat Equity Shares

During the year under review and to date, your Company has not issued any sweat equity shares. Hence no information as per the provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital & Debentures) Rules, 2014 is furnished.

c) Issue of Employee Stock Option

During the year under review and to date, 96,444 Restricted Stock Units (RSU) were granted under the Jyothy Labs Limited- Restricted Stock Units Plan 2023.

SHARE CAPITAL

The Authorised Share Capital of your Company is ₹ 3,08,85,00,000/- consisting of: (a) 3,01,95,00,000 Equity Shares of the Face Value of ₹1/- each and (b) 30,000 11% Cumulative Redeemable Preference Shares of the Face Value of ₹ 100/- each and (c) 66,00,000 Preference Shares of ₹ 10/- each. The paid-up Equity Share Capital of your Company as on March 31, 2024 stood at ₹ 36,72,08,644/- consisting of 36,72,08,644 Equity Shares of the Face Value of ₹ 1/- each. Further, as on March 31, 2024, none of the Directors of your Company holds instruments convertible into equity shares of your Company.

DEBENTURES

During the Financial Year under review, your Company did not issue any Debentures in terms of Section 42 and Section 71 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 and no debentures were redeemed during the Financial Year 2023-24.

ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Act, the draft annual return for Financial Year 2023-24 prepared in accordance with Section 92(3) of the Act is made available on the website of your Company i.e. <https://www.jyothy labs.com/disclosure-under-regulation-46-of-the-lodr/annual-report-2/#annual-report>

NUMBER OF MEETINGS OF THE BOARD

Your Company's Board of Directors met 7 (seven) times during the financial year ended March 31, 2024 in accordance with the provisions of the Act and the Rules made thereunder. All the Board and the Committee meetings during the financial year 2023-24, were held physically and the facility to attend the meeting through video conferencing in compliance with the provisions of Section 173 of the Act read with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended was provided.

The meetings were held on May 3, 2023, June 9, 2023, July 25, 2023, November 7, 2023, November 24, 2023, January 31, 2024 and March 14, 2024. Also, during the financial year 2023-24, 2 (two) Circular Resolutions pursuant to Section 175 of the Act were passed on September 13, 2023 and December 15, 2023.

AUDIT COMMITTEE

The Audit Committee of your Company consists of all Independent Directors. The detailed composition of the Audit Committee is provided in the Corporate Governance Report. All the recommendations made by the Audit Committee were accepted by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Act, in relation to the Audited Financial Statements of your Company for the financial year ended March 31, 2024, the Board of Directors of your Company hereby confirms that:

- in the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards read with the requirements set out under Schedule III to the Act have been followed and there were no material departures from the same;
- your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2024 and of the profit of your Company for the year ended on that date;
- your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;

- your Directors have prepared annual accounts of your Company on a going concern basis;
- your Directors have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and are operating effectively; and
- your Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PERFORMANCE EVALUATION

In accordance with the Act and Regulation 4(2)(f) of the Listing Regulations, your Company has framed a Policy for Evaluation of Performance of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of Non-Executive Directors and Executive Directors. A questionnaire is formulated for evaluation of performance of the Board, its committees and individual Directors, after taking into consideration several aspects such as board composition, strategic orientation, board functioning and team dynamics.

An annual performance evaluation for the financial year 2022-23 was carried out by the Board of Directors and the Nomination, Remuneration and Compensation Committee at their respective meetings held on May 3, 2023. The questionnaires were circulated to the Board members and the Committee members of the Nomination, Remuneration and Compensation Committee at the time of performance evaluation conducted at their respective meetings. The Directors and the Committee members then filled-up the questionnaire and rated the Board, its Committees and individual Directors and duly filled questionnaires were handed over to the Company Secretary.

Performance evaluation of Independent Directors was conducted by the Board of Directors, excluding the Director being evaluated. The criteria for performance evaluation of Independent Directors laid down by the Nomination, Remuneration and Compensation Committee include ethics and values, knowledge and proficiency, diligence, behavioural traits, efforts for personal development and independence in decision making.

Similarly, performance evaluation of the Chairman, Non-Independent Directors and the Board of Directors was carried out by the Independent Directors of your Company at its separate meeting held on May 17, 2023. Your Directors also expressed their satisfaction with the evaluation process.

TRAINING OF INDEPENDENT DIRECTORS

All Independent Directors are familiarized with your Company, their roles, rights and responsibilities in your Company, nature of the industry in which your Company operates, business model, strategy, operations and functions of your Company through its Executive Director(s) and Senior Managerial Personnel. The details of programs for familiarization of Independent Directors with your Company are available on the website of your Company at the link: <https://www.jyothy.com/investor/management-policies-notice/#Management-Policies>

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Based on the recommendation of Nomination, Remuneration and Compensation Committee, the Board of Directors of your Company, at their meeting held on May 15, 2024, appointed Ms. M. R. Jyothy (DIN - 00571828) as the Chairperson of the Board of Directors of the Company and re-designated her as the Chairperson and Managing Director of the Company effective from May 15, 2024.

Further at the said meeting, the Board of Directors also, re-appointed Ms. M. R. Jyothy (DIN- 00571828) as the Chairperson and Managing Director and Key Managerial Personnel of your Company, not liable to retire by rotation, in terms of the provisions of the Act for a further period of 5 years commencing from April 1, 2025 to March 31, 2030 (both days inclusive), subject to the approval of the shareholders in the ensuing 33rd Annual General Meeting (AGM) on terms and conditions specified in the Notice of AGM.

Further, during the year, the Board of Directors, based on the recommendation of Nomination, Remuneration and Compensation Committee of the Company:

- Re-appointed Ms. Bhumika Batra (DIN- 03502004) as an Independent Director of your Company, not liable to retire by rotation, for a period of 5 (five) consecutive years commencing from March 14, 2024 to March 13, 2029 (both days inclusive). The members of the Company have approved her re-appointment as an Independent Director of the Company at its AGM held on July 25, 2023.
- Appointed Mr. Narayanan Subramaniam (DIN- 00166621) as an Additional Director designated as Independent Director of your Company, not liable to retire by rotation, for a period of 5 (five) consecutive years commencing from December 15, 2023 to December 14, 2028 (both days inclusive). The members of the Company have approved his

appointment as an Independent Director of the Company, through Postal Ballot on March 7, 2024.

- Appointed Mr. Ananth Rao T (DIN- 02585410) as a Director and Whole-time Director of your Company designated as Director- Operations & Commercial, liable to retire by rotation, for a period of 5 (five) consecutive years commencing from April 1, 2024 to March 31, 2029 (both days inclusive). The members of the Company have approved his appointment as Director and Whole-time Director of the Company, designated as Director- Operations & Commercial, through Postal Ballot on March 7, 2024.
- Appointed Mr. Ravi Razdan (DIN- 08936083) as a Director and Whole-time Director of your Company designated as Director- IT & HR, liable to retire by rotation, for a period of 5 (five) consecutive years commencing from April 1, 2024 to March 31, 2029 (both days inclusive). The members of the Company have approved his appointment as Director and Whole-time Director of the Company, designated as Director- IT & HR, through Postal Ballot on March 7, 2024.
- Appointed Mr. Suresh Balakrishna (DIN- 05207871) as an Independent Director of your Company, not liable to retire by rotation, for a period of 5 (five) consecutive years commencing from April 1, 2024 to March 31, 2029 (both days inclusive). The members of the Company have approved his appointment as an Independent Director of the Company, through Postal Ballot on March 7, 2024.

The Company's Board is of the opinion that the Independent Directors of your Company have fulfilled the conditions as specified in the Listing Regulations, are independent of management, possess requisite qualifications, experience, proficiency and expertise in the field of Business Strategy, Finance and Accounting, Regulatory Framework, Corporate Governance, Risk Management, Marketing and they hold highest standards of integrity.

Cessation of Directors:

- Ms. M. R. Deepthi (DIN: 01746698) has stepped down as a Director and Whole-time Director of your Company with effect from November 24, 2023, to pursue her personal interest.
- Mr. R. Lakshminarayanan (DIN: 00238887) and Mr. Nilesh Mehta (DIN: 00199071), Independent Directors of your Company retired from the Board position with effect from the closing hours of

March 31, 2024, upon completion of their second term of office.

The Board of Directors and Management placed on record its sincere appreciation for the extensive contribution and support rendered by Ms. M. R. Deepthi, Mr. R. Lakshminarayanan and Mr. Nilesh Mehta during their tenure with the Company.

During the year under review, the Non-Executive Directors of your Company had no pecuniary relationship or transactions with your Company, other than sitting fees, commission, and reimbursement of expenses, if any.

In accordance with the provisions of Section 152 of the Act, Ms. M. R. Jyothy, Chairperson and Managing Director (DIN – 00571828) of your Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Apart from the aforesaid changes, there was no change in Directors and Key Managerial Personnel of your Company.

DECLARATION OF INDEPENDENT DIRECTORS

Pursuant to Section 134(3)(d) of the Act, your Company confirms having received necessary declarations from all the Independent Directors under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations declaring that they meet the criteria of independence laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. All the Independent Directors of your Company have complied with the provisions of sub-rule (1) and (2) of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 by registering themselves under data bank of Independent Directors for lifetime. Your Company has also formulated a Code of Conduct for Directors and Senior Management Personnel and has obtained declarations from all the Directors to the effect that they are in compliance with the Code of Conduct.

MEETING OF INDEPENDENT DIRECTORS

Your Company's Independent Directors meet at least once in every financial year without the presence of the Executive Director(s) or Management Personnel of your Company and the meeting is conducted informally. During the year under review, one meeting of the Independent Directors was held on May 17, 2023.

REMUNERATION POLICY

Your Company follows the policy on Nomination, Remuneration and Compensation of Directors, Key Managerial Personnel and other Employees as

approved by the Nomination, Remuneration and Compensation Committee and the Board of Directors of your Company and the same has been uploaded on your Company's website at <https://www.jyothylabs.com/disclosure-under-regulation-46-of-the-lodr/management-policies-notice/#management-policies>. Salient features of the said Policy is annexed to this report as "Annexure – B".

INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS

There have been no instances of any fraud reported by the Statutory Auditors under Section 143(12) of the Act

AUDITORS & AUDIT REPORTS

Statutory Auditors and their Report:

The Members at the 31st Annual General Meeting held on July 25, 2022, approved the appointment of M/s B S R & Co. LLP, Chartered Accountants (Firm Registration No.101248W/W-100022) as the Statutory Auditors of your Company for a second term of 5 years commencing from conclusion of the 31st Annual General Meeting till the conclusion of the 36th Annual General Meeting. Also, as per the Companies (Amendment) Act, 2017, provisions of Section 139 of the Act have been amended, wherein, the requirement of ratification of appointment of Statutory Auditors at every AGM has been done away with. Accordingly, appointment of M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No.101248W/W-100022) as Statutory Auditors of your Company, will not be placed for ratification by the members in the ensuing Annual General Meeting.

The Notes on financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification(s), reservation(s) or adverse remark(s).

Secretarial Auditors and their Report(s)

In terms of Section 204 of the Act, the Board of Directors of your Company on the recommendation of the Audit Committee have re-appointed M/s. Rathi & Associates, Practicing Company Secretaries (Firm Registration No. P1988MH011900), Mumbai as the Secretarial Auditors of your Company to carry out Secretarial Audit for the financial year 2024-25. Your Company has obtained Secretarial Audit Report for the Financial Year 2023-24 in the prescribed Form MR-3 from M/s Rathi & Associates, Practicing Company Secretaries, which forms part of the Annual Report and is appended as "Annexure – C" to this Report. The report does not contain any qualification(s), reservation(s) or adverse remark(s) which calls for any explanation from your Board of Directors.

In addition to the above Secretarial Audit and pursuant

to the requirements of Regulation 24A of the Listing Regulations, M/s. Rathi & Associates, Practicing Company Secretaries have also issued to your Company, Annual Secretarial Compliance Report for the financial year 2023-24 confirming compliance of all laws, SEBI Regulations and circulars/ guidelines issued thereunder, as applicable to your Company. The Annual Secretarial Compliance Report dated May 15, 2024 issued by M/s. Rathi & Associates, Practicing Company Secretaries will be submitted to the stock exchanges within 60 days from the financial year ended March 31, 2024.

Regulation 24A of the Listing Regulations requires the companies to annex to its Annual Report, a Secretarial Audit Report, given by a Company Secretary in practice, in the format prescribed by SEBI from time to time. However, pursuant to the provision of SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 and in order to avoid duplication, SEBI has allowed companies to use the same Form No. MR-3 as required under the Act and the rules made thereunder for the purpose of compliance with Regulation 24A of the Listing Regulations as well. Accordingly, your Company in compliance with the said SEBI Circular has used the same Form No. MR-3 as prescribed under the Act and the rules made thereunder for the purpose of compliance with Regulation 24A of the Listing Regulations as well.

Cost Auditors and their Report

As per Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended, the Board of Directors of your Company on recommendation of the Audit Committee have re-appointed M/s. R. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No. 000010) as the Cost Auditors to carry out the cost audit of its products covered under the Ministry of Corporate Affairs Order dated June 30, 2014 (as amended on December 31, 2014) for the financial year 2024-25. The remuneration of Cost Auditors has been approved by the Board of Directors on the recommendation of the Audit Committee and the requisite resolution for ratification of remuneration of Cost Auditors by the members has been set out in the Notice convening the 33rd Annual General Meeting of your Company.

The re-appointment of M/s. R. Nanabhoy & Co., Cost Accountants, Mumbai as the Cost Auditors of your Company is within the prescribed limits of the Act and free from any disqualifications specified thereunder. Your Company has received the Certificate from the Cost Auditors confirming their independence and relationship on an arm's length basis.

The Cost Audit Report for the financial year ended March 31, 2023, issued by M/s. R. Nanabhoy & Co., Cost Auditors, in respect of the various products prescribed under Cost Audit Rules does not contain any qualification(s), reservation(s) or adverse remark(s) and the same was filed with the Ministry of Corporate Affairs on August 7, 2023. The Cost Audit Report for the financial year ended March 31, 2024 will be filed with the Ministry of Corporate Affairs within the prescribed statutory time limit.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details of Loans, Guarantees and Investments as prescribed under Section 186 of the Act are appended as "**Annexure – D**" and forms integral part of this Report.

RELATED PARTY TRANSACTIONS

Pursuant to Section 134 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act, in the prescribed Form AOC-2 is appended as "**Annexure – E**" to this Report. During the year under review, your Company had entered into contract(s)/arrangement(s)/transaction(s) with related parties which were in ordinary course of business and on arm's length basis and none of which could be considered as material in accordance with the policy of your Company on materiality of related party transactions. Further, none of the contract(s)/arrangement(s)/transaction(s) with related parties required approval of Members as the same were within the limits prescribed under Section 188(1) of the Act and the Rules framed thereunder read with the provisions of Regulation 23(4) of the Listing Regulations.

In line with the requirements of the Act and amendments to the Listing Regulations, all Related Party Transactions have been approved by the Audit Committee and reviewed by it on a periodic basis.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board is available on the website of your Company at the link:

<https://www.jyothy labs.com/investor/management-policies-notices/#Management-Policies>

Attention of Members is also drawn to Note 32 to the financial statements for the year ended March 31, 2024 which sets out the related party disclosures as per the Indian Accounting Standard (Ind AS) 24.

STATE OF THE COMPANY'S AFFAIRS (MANAGEMENT DISCUSSION AND ANALYSIS)

In terms of the provisions of Regulation 34(2) of the Listing Regulations, the Management Discussion and Analysis Report of your Company's affairs for the year under review is attached and forms an integral part of this Annual Report.

TRANSFER TO RESERVES

Your Company did not transfer any sum to the General Reserve or to the Debenture Redemption Reserve for the Financial Year under review.

MATERIAL CHANGES AND COMMITMENTS

Except as disclosed elsewhere in this report, no material changes and commitments which could affect your Company's financial position have occurred between the end of the financial year 2023-24 and to the date of this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 are annexed herewith as "**Annexure - F**" to this Report.

RISK MANAGEMENT

In terms of Regulation 21 of the Listing Regulations, the Board of Directors of your Company constituted the Risk Management Committee. Consequent to the cessation of Ms. M. R. Deepthi as a Director and Whole-time Director of the Company with effect from the closing hours of November 24, 2023, she also ceased to be a member of Risk Management Committee. The Board of Directors at their meeting held on November 24, 2023 appointed Mr. Aditya Sapru, Independent Director as the Member of the Risk Management Committee.

Accordingly, the Risk Management Committee comprises of the following Directors/Executives of your Company as Members of the Committee as on March 31, 2024:

1. Mr. Nilesh Mehta, Independent Director – Chairman;
2. Mr. Aditya Sapru, Independent Director- Member;
3. Ms. M. R. Jyothy, Managing Director- Member;
4. Mr. Ananth Rao T, Head – Operations & Commercial - Member; and

5. Mr. Ravi Razdan, Head – IT & HR- Member.

The Risk Management Committee has been entrusted with the powers such as monitoring and reviewing of the risk management plans/policies; appointing various functionaries; deciding the role and responsibilities of various functionaries; evaluating risk including cyber risk to your Company as a whole and also control measures/ security; such other powers as may be delegated by the Board of Directors from time to time. The Risk Management Committee of your Company met twice during the Financial Year 2023-24 i.e. on July 25, 2023 and January 12, 2024. Mr. Nilesh Mehta chaired the said meetings of the Risk Management Committee.

Further, Mr. Nilesh Mehta retired as an Independent Director of your Company upon completion of his second term of office as Independent Director with effect from close of business hours of March 31, 2024 and accordingly ceased to be the Chairman and Member of Risk Management Committee. The Board of Directors of your Company at its meeting held on March 14, 2024 appointed Mr. Aditya Sapru as the Chairman of the Risk Management Committee with effect from April 1, 2024.

The Board of Directors of your Company has designed a Risk Management Policy in a structured manner taking into consideration the following factors and the same is being monitored on a periodic basis by your Company:

1. The Management Approach;
2. Vision & Mission;
3. Key Business Goals;
4. Risk Library; and
5. Risk Management Focus.

Also, the Management has adopted the following 5 step approach keeping in view your Company's Vision and Mission:

1. Identifying 'Key' Business goals;
2. Identifying the Risk Management focus;
3. Identifying Business Risks;
4. Prioritizing the identified Business Risks; and
5. Rating the current Risk Management capability for identified risks.

Further, your Company has identified Key Business Goals for a five year horizon and a library of risk events which could be bottleneck in achieving the same. After defining the key business goals and the library of risk events, your Company identified the goals on which the management would focus.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has been a firm believer that each and every individual including an artificial person owe something to the society at large. Mr. M. P. Ramachandran, Chairman Emeritus of your Company even before the inception of Corporate Social Responsibility provisions under the Act, has been involved in charitable and social activities in his individual capacity.

Your Company for the financial year 2023-24 was required to spend an amount of ₹ 458.64 Lacs (2% of the average net profits of last three financial years) towards Corporate Social Responsibility (CSR) activities. However, your Company for the financial year 2023-24 has spent an aggregate amount of ₹ 458.75 Lacs towards the CSR activities mentioned in the Annual Action Plan of the Company for the financial year 2023-24, as approved by the Board of Directors.

The Annual Report on CSR activities that includes details about brief outline on CSR Policy developed and implemented by your Company, composition of CSR Committee and CSR initiatives taken during the financial year 2023-24 in accordance with Section 135 of the Act and other details required to be disclosed as per the latest format prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time is annexed herewith as "Annexure – G" to this Report.

Details about the CSR Policy adopted and formulated by your Company can be accessed from your Company's website at the link:

<https://www.jyothy labs.com/investor/management-policies-notice/#Management-Policies>

The Annual action plan for the financial year 2024-25 as recommended by the Corporate Social Responsibility Committee and approved by the Board of Directors of your Company at their respective Meetings held on May 15, 2024 has also been uploaded on your Company's website at the link: <https://www.jyothy labs.com/wp-content/uploads/2024/05/CSR-Annual-Action-Plan-for-FY-2024-25.pdf>

CHANGE IN NATURE OF BUSINESS

During the year under review, there was no change in the nature of business of your Company.

PERFORMANCE OF SUBSIDIARIES, ASSOCIATE COMPANIES/ JOINT VENTURES

A statement containing the salient features of the financial statements of your Company's Subsidiaries, Associates and Joint Venture Companies in the prescribed format AOC-1 is presented in separate

section forming part of the financial statements and hence not repeated here in this Report for the sake of brevity. Policy for determining material subsidiaries, formulated and adopted by your Company can be accessed from your Company's website at the link:

<https://www.jyothy labs.com/investor/management-policies-notice/#Management-Policies>

No Company has become or ceased to be your Company's subsidiary, joint venture or associate company during the financial year 2023-24.

FIXED DEPOSITS

Your Company did not accept/renew any fixed deposits from public and no fixed deposits were outstanding or remained unclaimed as on March 31, 2024

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by any Regulator/Court that would impact the going concern status of your Company and its future operations.

INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls adopted and followed by your Company are adequate and are operating effectively. Your Company has adopted a dynamic Internal Financial Controls framework based on the best practices followed in the industry. Under the said framework, Risk and Control Matrix are defined for the following process(es):-

1. Fixed Assets;
2. Financial Statement Closing Process;
3. Information Technology;
4. Inventory Management;
5. Marketing and Advertising;
6. Payroll;
7. Production Process;
8. Taxation; and
9. Treasury.

M/s. MGB & Co. LLP., have been entrusted with the responsibility of testing the controls identified and implemented by your Company for all the aforesaid processes.

During the year under review, no material or serious observations have been received from the Internal Auditors of your Company regarding inefficiency or inadequacy of such controls.

CONSOLIDATED ACCOUNTS

The consolidated financial statements of your Company are prepared in accordance with the relevant Indian Accounting Standards issued by the Central Government under Section 133 of the Act and forms integral part of the Annual Report. .

CORPORATE GOVERNANCE

The report on Corporate Governance as stipulated under Regulation 34(3) read with Schedule V of the Listing Regulations together with the Certificate received from M/s. Rathi & Associates, Practicing Company Secretaries, confirming compliance of Corporate Governance requirements is attached and forms an integral part of this Annual Report.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

The Company has been conducting business in a sustainable manner and to create maximum value for all its stakeholders. Business Responsibility and Sustainability Report for FY 2023-24 in accordance with Regulation 34(2)(f) of the Listing Regulations, forms an integral part of this Annual Report.

COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

REMUNERATION/ COMMISSION FROM ANY OF ITS SUBSIDIARIES

During the year under review, neither the Managing Director nor the Whole-time Director of your Company received any remuneration or commission from any of its subsidiaries.

EMPLOYEE STOCK OPTION SCHEME (ESOS)

During the financial year under review, with the approval of the shareholders at the Annual General Meeting held on July 25, 2023, your Company has introduced Jyothy Labs Limited- Restricted Stock Units Plan 2023 ("RSU Plan 2023"), to reward, incentivise and retain eligible employees.

The Nomination, Remuneration and Compensation Committee of your Company at their meeting held on September 4, 2023 approved grant of 96,444 Stock Options under the RSU Plan 2023.

The disclosures as required under Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEBSE Regulations") have been placed on the website of the Company at www.jyothylabs.com.

A certificate from M/s. Rathi & Associates, Practicing Company Secretaries, Secretarial Auditors of the Company certifying that the RSU Plan 2023 has been implemented in accordance with SEBI SBEBSE Regulations pursuant to the resolution passed by the Shareholders, will be available for electronic inspection at the ensuing Annual General Meeting.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

Your Company has a Vigil Mechanism in place which includes a Whistle Blower Policy in terms of the Listing Regulations for Directors and Employees of your Company to provide a mechanism which ensures adequate safeguards to Employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports etc.

The Vigil Mechanism/Whistle Blower Policy of your Company can be accessed from your Company's website at the link:

<https://www.jyothylabs.com/investor/management-policies-notice/#Management-Policies>

Your Company has put in place a mechanism in consonance with the requirements of Section 177 of the Act and Regulation 18(3) of the Listing Regulations for the Directors, employees and other stakeholders to report genuine concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or policy framed by your Company. All Protected Disclosures can be reported by the Whistle Blower in writing or through call on the following number i.e. **18601232120** or Hotline number i.e. **022-66892804** or alternatively, the same can also be sent through email on whistleblower@jyothy.com with the subject "Protected disclosure under the Whistle Blower Policy".

The Whistle Blowers have a right/option to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy directly to the Chairperson of the Audit Committee. During the year under review, no protected disclosure from any Whistle Blower was received by the designated officer under the Vigil Mechanism.

INTERNAL CONTROL SYSTEMS

Your Company has adequate internal control systems and procedures in place for effective and smooth conduct of business and to meet exigencies of operation and growth. Your Company has set up Standard Operating Process (SOP), procedures and controls apart from regular Internal Audits. Roles and responsibilities have

been laid down for each process owner. A Management Information System has been established which ensures that adequate and accurate information is available for reporting and decision making.

Internal Audit is conducted by an independent firm of Chartered Accountants viz. **M/s. Mahajan & Aibara LLP, Chartered Accountants**, Internal Auditors regularly check the adequacy of the system, their observations are reviewed by the management and remedial measures, as necessary, are taken. Internal Auditors report directly to the Chairperson of the Audit Committee to maintain its objectivity and independence.

Your Company has also implemented a Compliance Tool software mechanism viz. "Legatrix" designed by Legasis Services Private Limited which ensures compliance with the provisions of all applicable laws to your Company adequately and effectively.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Transfer of Equity Shares:

Pursuant to the provisions of Section 124(6) of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all the equity shares of the Company in respect of which dividend amounts have not been paid or claimed by the Shareholders for seven consecutive years or more are required to be transferred to demat account of the Investor Education and Protection Fund Authority (IEPF Authority).

Accordingly, 40,666 shares belonging to 918 Shareholders and 30,795 shares belonging to 655 Shareholders of your Company were transferred to Demat Account of IEPF Authority on May 11, 2023 and September 21, 2023 respectively. Your Company had sent individual notice to all the aforesaid members and had also published the notice in the leading English and Marathi newspapers. The details of the aforesaid members are available on website of your Company i.e. www.jyothy labs.com.

Transfer of Unpaid/Unclaimed Dividend:

Pursuant to the provisions of Section 124(5) of the Act, the dividend which remained unclaimed/ unpaid for a period of seven years from the date of transfer to unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

As a result, the unclaimed/unpaid dividend pertaining to the financial year 2015-16 which remained unpaid and unclaimed for a period of 7 years has been transferred by your Company to the IEPF.

Your Company has uploaded the details of unclaimed/unpaid dividend for the financial year 2015-16 onwards on its website i.e. www.jyothy labs.com and on website of the Ministry of Corporate Affairs i.e. www.mca.gov.in and the same gets revised/updated from time to time pursuant to the provisions of IEPF (Uploading of Information Regarding Unpaid and Unclaimed Amount Lying with Companies) Rules, 2012.

Further, the unpaid final dividend amount pertaining to the financial year 2016-17 will be transferred to IEPF during the Financial Year 2024-25.

EMPLOYEE RELATIONS

Your Company has always provided a congenial atmosphere for work to all its employees that is free from discrimination and harassment. Employee relations remained cordial during the year under review.

MANUFACTURING FACILITIES

Your Company has state-of-the-art facilities at all of its 23 Plant locations spread across India. Furthermore, five manufacturing plants of your Company situated at Roorkee, Wayanad, Jammu, Pithampur and Puducherry are ISO 9001:2015 certified, Puducherry manufacturing plant is also ISO 45001:2018 certified and all of the manufacturing plants are ISO 14001:2015 (Environment Management System) certified.

PREVENTION OF SEXUAL HARASSMENT

Your Company has framed 'Anti – Sexual Harassment Policy' at workplace and has constituted an Internal Complaints Committee (ICC) as per the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. No complaints with allegations of any sexual harassment were reported during the year under review.

PARTICULARS OF EMPLOYEES

The information in terms of Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in "**Annexure H**" and forms part of the Director's Report for the year ended March 31, 2024. Further, the statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 is given in an Annexure and forms part of this report. In terms of Section 136(1) of the Companies Act, 2013, the annual report and the financial statements are being sent to the Members excluding the aforesaid Annexure. The Annexure is available for inspection and any Member interested in obtaining a copy of the Annexure may write to the Company Secretary of the Company.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Your Company filed an application before the Hon'ble National Company Law Tribunal, Chennai Bench (NCLT) as a financial creditor to initiate corporate insolvency resolution process under Section 7 read with Chapter II of Part II/ Under Chapter IV of Part II of the Insolvency and Bankruptcy Code, 2016 (Code) against Abhiraami Chemicals Limited (ACL) and the Hon'ble NCLT admitted the application vide order dated October 04, 2021.

In view of the fact that ACL did not have any business operations since the Financial Year 2015-16, the Committee of Creditors (CoC) at its meeting held on November 26, 2021 recommended and approved the liquidation of ACL. Subsequently, the Resolution Professional filed an application for initiation of liquidation before the Hon'ble NCLT and the Hon'ble NCLT vide its order dated September 19, 2022 had allowed for liquidation of ACL and appointed the Resolution Professional as the Liquidator in this matter.

Further, the Stakeholders Consultation Committee (SCC) of ACL at its meeting held on September 14, 2023, took note of the activities undertaken by the Liquidator in this matter including the recovery process and noted the asset memorandum submitted by the Liquidator along with the order received from the Hon'ble NCLT. The SCC was further satisfied with the recovery process and agreed on complete liquidation of the assets of ACL and subsequent distribution of proceeds to the stakeholders. The Company being a financial creditor received an amount as per its entitlement on September 14, 2023 as per provisions of Section 53 of the Code. The ACL liquidation was taken up for final hearing by the Hon'ble NCLT on May 2, 2024 and after hearing the case, the matter was reserved for orders. Further, the Hon'ble NCLT vide its Order dated May 9, 2024 passed Order for dissolution of ACL.

Also, based on the application filed by your Company under Section 9 of the Act read with Rule 6 of the Code before the Hon'ble National Company Law Tribunal, Chennai Bench (NCLT) as the Financial Creditor to initiate corporate insolvency resolution process against Khadyota Kishan Foundation (KRDC), the Hon'ble NCLT admitted the Application of your Company vide its order dated November 9, 2022. Thereafter, the Committee of Creditors (CoC) vide its meeting held on February 10, 2023 approved and resolved liquidation of KRDC and filed an application to commence liquidation process which is pending hearing before the Hon'ble NCLT.

CAUTIONARY NOTE

Certain statements in the "Management Discussion and Analysis" section may be 'forward-looking'. Such 'forward looking' statements are subject to risks and uncertainties and therefore actual results could be different from what your Directors envisage in terms of future performance and outlook.

ACKNOWLEDGEMENT

Your Directors express their sincere appreciation for the contribution and commitment of the employees of your Company at all levels and for the excellent support provided by the members, customers, distributors, suppliers, bankers, media and other stakeholders, during the financial year under review. Your Company looks forward to continued and unstinted support in its endeavor to make lives of consumers better by providing world class products at affordable price.

For and on behalf of the Board of Directors
For **Jyothy Labs Limited**

sd/-

M. R. Jyothy

Place: Mumbai Chairperson and Managing Director
Date: May 15, 2024 (DIN: 00571828)

DIVIDEND DISTRIBUTION POLICY

1. Background, Scope and Purpose:

The Securities and Exchange Board of India (SEBI) on July 8, 2016 had notified the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 (Regulations). Vide these Regulations, SEBI has inserted Regulation 43A after Regulation 43 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which requires the top 500 listed companies (by market capitalisation) to formulate and disclose a Dividend Distribution Policy in the annual report and on the website of the Company.

Jyothy Labs Limited (Formerly known as Jyothy Laboratories Limited) [the "Company"] being one of the top 500 listed companies as per the criteria mentioned above, the Board of Directors ("Board") of the Company at its meeting held on January 20, 2017 adopted this Dividend Distribution Policy to comply with these requirements. The Company currently has only one class of shares, viz. equity, for which this policy is applicable. The policy is subject to review if and when the Company issues different classes of shares.

The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring dividend and the circumstances under which the shareholders of the Company may or may not expect dividend and how the retained earnings shall be utilized, etc.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

The Policy reflects the intent of the Company to reward its shareholders by sharing a portion of its profits after retaining sufficient funds for growth of the Company. The Company shall pursue this Policy, to pay, subject to the circumstances and factors enlisted herein, progressive dividend, which shall be consistent with the performance of the Company over the years.

2. Definitions:

- 2.1 "Board" shall mean Board of Directors of the Company.
- 2.2 "Companies Act" shall mean the Companies Act, 2013 and Rules thereunder, notified by the Ministry of Corporate Affairs, Government of India, as amended from time to time.
- 2.3 "Dividend" represents the profit of the Company, which is distributed to shareholders in proportion to the amount paid-up on shares they hold. Dividend includes Interim Dividend.
- 2.4 "Listed Entity / Company" shall mean Jyothy Labs Limited.
- 2.5 "Policy" means Dividend Distribution Policy.
- 2.6 "Regulations" shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as notified by the Securities and Exchange Board of India, as amended, from time to time.
- 2.7 "Stock Exchange" shall mean a recognised Stock Exchange as defined under clause (f) of Section 2 of the Securities Contracts (Regulation) Act, 1956.

3. Dividend distribution philosophy:

The Company is deeply committed to driving superior value creation for all its stakeholders. The focus will continue to be on sustainable returns, through an appropriate capital strategy for both, medium term and longer term value creation. Accordingly, the Board would continue to adopt a progressive and dynamic dividend policy, ensuring the immediate as well as long term needs of the business.

4. Financial parameters and other internal and external factors that would be considered for declaration of Dividend:

- A. **Financial parameters and Internal Factors-**
 - Distributable surplus available as per the Act and Regulations

- Working Capital requirement
- Earnings Per Share (EPS)
- The Company's liquidity position and future cash flow needs
- Track record of Dividends distributed by the Company
- Prevailing Taxation Policy or any amendments expected thereof, with respect to Dividend distribution
- Capital expenditure requirements considering the expansion and acquisition opportunities
- Additional investment in subsidiaries and associates of the Company
- Upgradation of technology and physical infrastructure
- Acquisition of brands and business
- Past dividend payout ratio/ trends

B. External Factors-

- Cost and availability of alternative sources of financing
- Economic Environment
- Capital Markets
- Dividend Payout ratio of competitors
- Macroeconomic and business conditions in general

Any other relevant factors that the Board may deem fit to consider before declaring dividend.

5. Manner of Dividend Payout:

A. In case of final dividend:

- Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.
- The dividend as recommended by the Board shall be approved/declared at the Annual General Meeting of the Company.
- The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to those shareholders who are entitled to receive the dividend on the record date/book closure period, as per the applicable law.

B. In case of interim dividend:

- Interim dividend, if any, shall be declared by the Board.
- Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
- The payment of dividends shall be made within the statutorily prescribed period from the date of declaration to the shareholders entitled to receive the dividend on the record date, as per the applicable laws.
- In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the Annual General Meeting.

6. Utilisation of retained earnings:

Subject to applicable regulations, the Company's retained earnings shall be applied for:

- Funding inorganic and organic growth needs including working capital, capital expenditure, repayment of debt, etc.
- Buyback of shares subject to applicable limits
- Payment of Dividend in future years
- Issue of Bonus shares
- Replacement of Capital Assets where the cost of debt is high
- Any other permissible purpose

7. Circumstances under which shareholders may not expect Dividend:

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders of the Company and the amount of profit to be retained in business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not expect dividend in the following circumstances, subject to discretion of the Board of Directors:

- Proposed expansion plans requiring higher capital allocation
- Decision to undertake any acquisitions, amalgamation, merger, joint ventures,

new product launches etc. which requires significant capital outflow

- Requirement of higher working capital for the purpose of business of the Company
- Proposal for buy-back of securities
- In the event of loss or inadequacy of profit
- Any other unforeseen circumstances having a bearing on the profits of the Company

8. Parameters to be adopted with regards to various classes of shares:

Since the Company has issued only one class of equity shares with equal voting rights, all the members of the Company are entitled to receive

the same amount of dividend per share. The Policy shall be suitably revised at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

9. Modification of the Policy:

The Board is authorised to review/ change/amend this policy from time to time at its sole discretion and/or in pursuance of any amendments made in the Companies Act, 2013, the Regulations, etc.

10. Disclaimer:

This document does not solicit investments in the Company's securities nor is it an assurance of guaranteed returns (in any form), for investments in the Company's equity shares.

ANNEXURE - B

SALIENT FEATURES OF NOMINATION AND REMUNERATION/ COMPENSATION POLICY

The Board of Directors of the Company in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and remuneration for Directors, Key Managerial Personnel and other employees.

Major criteria defined in the Policy framed for appointment of the Directors including criteria for determining qualifications, positive attributes, Independence etc. are as under:

(I) Selection

In case of Executive Directors and Key Managerial Personnel, the selection can be made either by recruitment from outside or from within the Company hierarchy or upon recommendation by the Chairman or other Directors. The appointment may be made either to fill up a vacancy caused by retirement, resignation, death or removal of an existing Executive Director or it may be a fresh appointment.

In case of Non-Executive Directors, the selection can be made either by way of selection from the data bank of Independent Directors maintained by the Government of India or upon recommendation by Chairman or other Directors. The appointment may be made either to fill up a vacancy caused by resignation, death or removal of an existing Non-Executive Director or it may be an appointment as an additional director or an alternate director.

(II) Qualifications, Experience and Positive Attributes

- a) While appointing a Director, it has to be ensured that the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the Company's business.
- b) In case of appointment as an Executive Director, the candidate must have the relevant technical or professional qualifications and experience as are considered necessary based on the job description of the position. In case no specific qualification or experience is prescribed or thought necessary for the position then, while recommending the appointment, the Human

Resource Department shall provide the job description to the Committee and justify that the qualifications, experience and expertise of the recommended candidate are satisfactory for the relevant appointment. In such circumstances, the Committee may call for an expert opinion on the appropriateness of the qualifications and experience of the candidate for the position of the Executive Director.

- c) In case of appointment as a Non-Executive Director, the candidate must have a post graduate degree, diploma or a professional qualification in the field of his practice/ profession/ service and shall have not less than five years of working experience in such field as a professional in practice, advisor, consultant or as an employee. Provided that the Board may waive the requirements of qualification and/ or experience under this paragraph for a deserving candidate.
- d) The Board, while making the appointment of a Director, shall also try to assess from the information available and from the interaction with the candidate that he is a fair achiever in his chosen field and that he is a person with integrity, diligence and open mind.

(III) Board Diversity and Independence

While making appointment of directors, following principles shall be observed by the Board, as far as practicable:

- a) There shall be a proper mix of Executive and Non-Executive Directors and Independent and Non-Independent Directors on the Board. The Company must always be in compliance of the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended from time to time, in this regard.
- b) There shall be a workable mix of directors drawn from various disciplines, like technical, finance, commercial, legal etc. The Board shall not at any time be entirely comprised of persons drawn from one discipline or field.

- c) While appointing a director to fill in a casual vacancy caused by death, resignation etc. of a director, an effort shall be made, as far as possible, to appoint such a person in his place who has the relevant experience in the fields or disciplines in which the outgoing director had the experience or the person with relevant experience in the fields or disciplines which are not represented in the Board as requisite to business of the Company.
- d) No preference on the basis of gender, religion or caste shall be given while considering the appointment of directors.
- e) Generally, an effort shall be made to maintain the Board diversity by appointment of persons from diverse disciplines (relevant to the Company's business), of different age groups and of both the genders (male as well as female) as Directors.
- f) While appointing Independent Directors, the criteria for the independent directors, as laid down in Section 149 (6) of the Companies Act, 2013 and Listing Regulations are followed.
- b) The determination of remuneration for other employees shall be governed by the HR Policy.
- c) The proposal for the appointment of an Executive Director/ Key Managerial Personnel shall provide necessary information in this regard which the Board will consider in arriving at the conclusion as to whether or not the remuneration offered to the candidate is appropriate, reasonable and balanced as to the fixed and variable portions (including the commission).
- d) The remuneration payable to the Executive Directors, including the Commission and value of the perquisites, shall not exceed the permissible limits as are mentioned within the provisions of the Companies Act, 2013.
- e) The Executive Directors shall not be eligible to receive sitting fees for attending the meetings of the Board or committees thereof of the Company and its subsidiary Companies.
- f) The Non-Executive Directors shall not be eligible to receive any remuneration/ salary from the Company. However, the Non-Executive Directors shall be paid sitting fees for attending the meetings of the Board or committees thereof and commission, as may be decided by the Board/ Shareholders from time to time.

(IV) Remuneration of Directors, Key Managerial Personnel and other Employees

- a) While determining the remuneration of Executive Directors and Key Managerial Personnel, the Board shall consider following factors:
 - i) Criteria/ norms for determining the remuneration of such employees prescribed in the HR Policy.
 - ii) Existing remuneration drawn.
 - iii) Industry standards, if the data in this regard is available.
 - iv) The job description.
 - v) Qualifications and experience levels of the candidate.
 - vi) Remuneration drawn by the outgoing employee, in case the appointment is to fill a vacancy on the death, resignation, removal etc. of an existing employee.
 - vii) The remuneration drawn by other employees in the grade with matching qualifications and seniority, if applicable.
- g) The Non-Executive Directors shall also be eligible for reimbursement of reasonable out-of-pocket expenses incurred by them for attending meetings of Board, Committees or Shareholders, including the travelling and lodging & boarding expenses on an actual basis.

The amount of sitting fees and commission payable to Non-Executive Directors shall not exceed the limits prescribed under the provisions of the Companies Act, 2013.

Explanation : For the purpose of this Policy, Remuneration shall mean the cost to the Company and shall include the salary, allowances, perquisites, performance incentive and any other facility provided or payment made to or on behalf of the employee.

- h) Independent Directors shall not be eligible to participate in the ESOP Scheme, if any.

ANNEXURE - C

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

To

The Members

JYOTHY LABS LIMITED

Ujala House, Ram Krishna Mandir Road,

Kondivita, Andheri (East),

Mumbai, Maharashtra – 400 059

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Jyothy Labs Limited** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter, however subject to verification of the audited financial statements for the Financial year ended March 31, 2024 and documents related thereto.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as given in **Annexure I**, for the financial year ended on March 31, 2024, according to the provisions of:

- (i) The Companies Act, 2013 (the '**Act**') and the rules made there under to the extent applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('**SEBI Act**')::

- a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

2. Provisions of the following Regulations and Guidelines prescribed under the SEBI Act were **not applicable** to the Company under the financial year under report: -

- a. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- b. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
- c. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding dealing with client; and
- e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

3. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as mentioned hereunder:

1. Legal Metrology Act, 2009
2. Legal Metrology (Packaged Commodities) Rules, 2011
3. Environment (Protection) Act, 1986
4. Hazardous Wastes (Management and Handling) Rules, 1989
5. Insecticides Act, 1968
6. Drugs and Cosmetics Act, 1940

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as applicable to the Company.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including one-woman director in compliance with the provisions of

the Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings, the decisions of the Board were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

sd/-
HIMANSHU S. KAMDAR
PARTNER
M. No. FCS 5171
C.P. No.3030

Place: Mumbai UDIN: F005171F000360306
Date: May 15, 2024 P.R. Certificate No.: 668/2020

Note: This report should be read with our letter of even date which is annexed as **Annexure II** and forms an integral part of this report.

ANNEXURE – I**List of documents verified**

- | | |
|---|---|
| <ol style="list-style-type: none"> 1. Memorandum and Articles of Association of the Company. 2. Annual Report for the financial year ended March 31, 2023. 3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee and Environment, Social and Governance Committee held during the financial year under report. 4. Minutes of Annual General Meeting held during the financial year under report; 5. Proof of circulation & Delivery of notice for Board meetings and Committee Meetings. 6. Proof of circulation of draft Board and Committee meetings minutes as per Secretarial Standards. 7. Various Policies made under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. 8. Statutory Registers maintained under the Companies Act, 2013; 9. Copies of Notice, Agenda and Notes to Agenda submitted to all the directors / members for the Board Meetings and Committee Meetings as well as resolutions passed by circulation; 10. Declarations received from the Directors of the Company pursuant to the provisions of Section | <ol style="list-style-type: none"> 184(1), Section 164(2) and Section 149(7) of the Companies Act, 2013. 11. Intimations received from Directors under the Code of Prohibition of Insider Trading. 12. E-Forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report. 13. Intimations/documents/reports/returns filed with the Stock Exchanges pursuant to the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report; 14. Confirmation related to payments of dividend made to its shareholders during the financial year under report; 15. E-mails evidencing dissemination of information related to closure of Trading window; 16. Internal Code of Conduct for prevention of Insider Trading by Employees / Directors / Designated Persons of the Company; 17. Statement of Related Party Transactions entered into by the Company during the financial year under report; 18. Compliance Certificate placed before the Board of Directors from time to time; and 19. Details of Sitting Fees paid to all Non - Executive Directors for attending the Board Meetings and Committees. |
|---|---|

ANNEXURE- II

To

The Members

JYOTHY LABS LIMITED

Ujala House, Ram Krishna Mandir Road,
Kondivita, Andheri (East), Mumbai,
Maharashtra-400 059.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **RATHI & ASSOCIATES**
COMPANY SECRETARIES

sd/-

HIMANSHU S. KAMDAR

PARTNER

M. No. FCS 5171

C.P. No.3030

UDIN: F005171F000360306

P.R. Certificate No.: 668/2020

Place: Mumbai

Date: May 15, 2024

ANNEXURE – D

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

(Pursuant to Section 186 of the Companies Act, 2013)

Amount Outstanding as at March 31, 2024

Particulars	(₹ in lacs)
Loans given	NIL
Guarantee Given (Financial exposure)	NIL
Investment (Current and Non-Current)	19,732
Security provided	NIL

For and on behalf of the Board of Directors
For **Jyothy Labs Limited**

sd/-

M. R. Jyothy

Chairperson and Managing Director
(DIN: 00571828)

Place: Mumbai

Date: May 15, 2024

ANNEXURE - E

PARTICULARS OF CONTRACTS/ ARRANGEMENTS MADE WITH RELATED PARTIES
FORM NO. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013
and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

2. Details of material contracts or arrangements or transactions at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Date(s) of approval by the Board	
(f)	Amount paid as advances, if any	

For and on behalf of the Board of Directors
For **Jyothy Labs Limited**

sd/-

M. R. Jyothy

Chairperson and Managing Director
(DIN: 00571828)

Place: Mumbai

Date: May 15, 2024

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) Conservation of energy-

The Company took following initiatives for conservation of energy at its various manufacturing locations:

- Replacement of CFL high voltage lights to LED lights for low power consumption.
- Usage of lower Horse Power compressor instead of high Horse Power compressor in low production scenario leading to energy saving due to load reduction.
- Installed Capacitor panels to avoid high load variation compared with actual consumption, reducing the extra units which are not used.
- Increased the batch size of product and filling head for more output in same energy consumption.
- Use of briquettes as alternative green energy source.

(B) Technology absorption-

The Company took following initiatives for technology absorption at its various manufacturing locations:

- Implementation of auto cut off system which helps in reducing the power consumption by installing cyclic timer, limit switches & motion sensors.
- Process upgradation of re-cycle conveyors, drives, switches for energy saving.
- Usage of mechanical shoots in material transfer instead of rotary van feeders which helps in energy saving in process.
- Changeover from single speed motor to VFD, which helps in reduction of energy consumption and costs of electric motors. By adjusting the motor speed to match the load requirements, VFDs can further avoid wasting energy and improve the power factor of the system.
- The expenditure incurred on Research and Development for the Financial Year 2023-24 amounted to ₹ 1652 Lacs

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of foreign exchange earnings and outgo are as below:

(₹ in Lacs)		
Particulars	2023-24	2022-23
Foreign exchange earnings	3,267	4,999
Foreign exchange outgo	2,211	2,626

ANNEXURE - G

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline on CSR policy of the Company

The CSR Policy of the Company, framed in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder, provides for the manner of implementation of its CSR initiatives. The Company subscribes to the philosophy of compassionate care. It believes and acts on an ethos of generosity and compassion, characterized by a willingness to build a society that works for everyone. This is the cornerstone of the Company's CSR policy. A copy of the said CSR Policy of the Company is available on its website at www.jyothy labs.com

The Company has undertaken projects in promoting education including employment enhancing vocational skills, eradication of hunger, ensuring environmental sustainability and ecological balance and promoting health care including preventive health care as a part of its CSR initiatives for the financial year 2023-24. The CSR activities and funding is regularly monitored by the CSR Committee of the Company.

Through its CSR initiatives, targeted toward education and eradication of hunger, the Company aims to make an impact in the social arena and act as a catalyst in bringing about a change in the lives of people. Through its healthcare activities the Company's objective is to improve the health conditions of people. Through its environment sustainability and ecological balance the Company's objective is to preserve resources for future generations.

The Company has identified the following fields of operation for spending of expenditure towards CSR:

1. Promoting health care including preventive health care;
2. Disaster management including relief, rehabilitation and reconstruction activities;
3. Promoting education and enhancing vocation skills;
4. Ensuring environmental sustainability, ecological balance;
5. Rural development projects;
6. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans;
7. Eradicating hunger, poverty and malnutrition

2. Composition of CSR Committee:

Sr. No	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Nilesh Mehta*	Independent Director as Chairman	Two (2) i.e. on May 3, 2023 and January 31, 2024	2
2.	Ms. M. R. Jyothy	Managing Director as Member		2
3.	Mr. R. Lakshminarayanan*	Independent Director as Member		2

* Mr. R. Lakshminarayanan and Mr. Nilesh Mehta, Independent Directors of the Company retired from the Board position with effect from the closing hours of March 31, 2024 upon completion of their second term of office as Independent Director and accordingly ceased to be members of the CSR Committee. The Board of Directors at their meeting held on March 14, 2024 appointed Ms. Bhumiika Batra and Mr. Suresh Balakrishna, Independent Directors of the Company as the members of CSR Committee with effect from April 1, 2024.

3. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company

Composition of CSR Committee:	https://www.jyothylabs.com/wp-content/uploads/2024/04/Committees-of-the-Board.pdf
CSR Policy:	https://www.jyothylabs.com/wp-content/uploads/2021/06/JLL_CSR-Policy_18.5.2021.pdf
CSR Projects approved:	https://www.jyothylabs.com/wp-content/uploads/2024/05/CSR-Annual-Action-Plan-for-FY-2024-25.pdf

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable- **Not Applicable**

5. (a) Average net profit of the Company as per sub-section (5) of section 135: ₹ **22,932 Lacs**
- (b) Two percent of average net profit of the company as per sub-section (5) of section 135: ₹ **458.64 Lacs**
- (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: **NIL**
- (d) Amount required to be set-off for the financial year, if any: **NIL**
- (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: ₹ **458.64 Lacs**
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ **458.75 Lacs**
- (b) Amount spent in Administrative Overheads: **NIL**
- (c) Amount spent on Impact Assessment, if applicable: **Not Applicable**
- (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: ₹ **458.75 Lacs**
- (e) CSR amount spent or unspent for the Financial Year: ₹ **458.75 Lacs**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
458.75 Lacs	NA	NA	NA	NA	NA

- (f) Excess amount for set-off, if any:

Sr. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
1.	Two percent of average net profit of the company as per sub-section (5) of section 135	Nil
2.	Total amount spent for the Financial Year	Nil
3.	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
4.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
5.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Years	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in ₹)	Amount Spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	2022-23	NA						
2.	2021-22	126 Lacs	NIL	126 Lacs	NIL	NIL	NIL	Not Applicable
3.	2020-21	NA						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NO**

If Yes, enter the number of Capital assets created/ acquired: **Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).- **Not Applicable**

For and on behalf of the Board of Directors
For **Jyothy Labs Limited**

Place: Mumbai
Date: May 15, 2024

sd/-
Bhumika Batra
Independent Director and
Chairperson- CSR Committee
(DIN- 03502004)

sd/-
M. R. Jyothy
Chairperson and Managing Director
(DIN: 00571828)

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2023-24 are as under:

Sr. No.	Name of Director/ Chief Financial Officer/ Company Secretary	Designation	% increase/ decrease in Remuneration in the financial year 2023-24	Ratio of remuneration of each Director/ CFO/ CS/ to median remuneration of employees
1.	R. Lakshminarayanan [^]	Chairman & Independent Director	1.33%	4:1
2.	M. R. Jyothy	Managing Director	10.04%	87:1
3.	M. R. Deepthi [*]	Whole Time Director	\$	\$
4.	Nilesh B. Mehta [^]	Independent Director	1.30%	4:1
5.	Bhumika Batra	Independent Director	2.90%	4:1
6.	Aditya Sapru	Independent Director	\$	\$
7.	Narayanan Subramaniam [#]	Independent Director	\$	\$
8.	Sanjay Agarwal	Chief Financial Officer	16.66%	86:1
9.	Shreyas Trivedi	Head- Legal & Company Secretary	15.13%	27:1

[^] Mr. R. Lakshminarayanan and Mr. Nilesh Mehta retired as Independent Directors of the Company, upon completion of their second term of office, at the close of business hours of March 31, 2024.

^{*} Ms. M. R. Deepthi ceased to be the Whole Time Director and Director of the Company with effect from November 24, 2023.

[#] Mr. Narayanan Subramaniam was appointed as an Independent Director of the Company with effect from December 15, 2023.

\$ Remuneration received in FY 2023-24 is not comparable with remuneration for FY 2022-23 and hence not stated.

- (ii) In the financial year, there was an increase of 4.3% in the median remuneration of employees;
- (iii) There were 2,943 permanent employees and workers on the rolls of Company as on March 31, 2024;
- (iv) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2023-24 was 5.32% whereas the managerial remuneration for the same financial year increased by 12.72%.
- (v) The key parameters for the variable component of remuneration availed by the directors are as per the Remuneration Policy of the Company.
- (vi) It is hereby affirmed that the remuneration paid is as per Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURES

Details of the listed entity

1.	Corporate Identity Number (CIN)	L24240MH1992PLC128651
2.	Name of the Listed Entity	Jyothy Labs Limited
3.	Year of incorporation	1992
4.	Registered office address	'Ujala House', Ram Krishna Mandir Road, Kondivita, Andheri (East), Mumbai – 400 059
5.	Corporate address	
6.	E-mail	secretarial@jyothy.com
7.	Telephone	022-66892800
8.	Website	www.jyothylabs.com
9.	The financial year for which reporting is being done	2023-24
10.	Name of the Stock Exchange(s) where shares are listed	<ul style="list-style-type: none"> • BSE Limited • National Stock Exchange of India Limited
11.	Paid-up Capital	₹ 36,72,08,644
12.	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	Mr. Shreyas Trivedi, Head - Legal and Company Secretary Tel: 022-66892800 Email: secretarial@jyothy.com
13.	Reporting boundary – Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e., for the entity and all the entities that form part of its consolidated financial statements taken together)	The reporting is done on a standalone basis for FY 2023-24. Note: Pursuant to the approval of the scheme of amalgamation of Jyothy Fabricare Services Limited (JFSL), a subsidiary of Jyothy Labs Limited (JLL) with JLL by the Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated February 24, 2023, JFSL is amalgamated into JLL. The figures as stated for FY 2023-24 also include details of JFSL which is now part of JLL.
14.	Name of assurance provider	M/s. Rathi & Associates, Practicing Company Secretaries
15.	Type of assurance obtained	Limited assurance

Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing and Trading of FMCG products	Manufacturing and trading of Soaps	33%
2		Manufacturing and trading of Detergents	40%
3		Manufacturing and trading of Mosquito repellent	8%
4		Manufacturing and trading of Personal Care products	10%
5	Laundry and drycleaning services	Laundry and drycleaning services	2%

17. Products/Services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Soaps	20231	33%
2	Detergents	20233	40%
3	Mosquito Repellent	20211	8%
4	Personal Care	20237	10%
5	Laundry and drycleaning services	96010	2%

Operations
18. The number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	23	5	28
International	1	0	1

19. Markets served by the entity:
a. Number of locations

Locations	Number
National (No. of States)	Pan-India
International (No. of Countries)	18

b. What is the contribution of exports as a percentage of the total turnover of the entity?

(₹ in Lakhs)

	FY 2023-24	FY 2022-23
Export Revenue	7,949	6,017
Percentage of the total turnover	2.89%	2.42%

c. A brief on types of customers

Jyothy Labs is an Indian consumer goods company that manufactures a variety of products such as fabric care, household insecticides, personal care, and dishwashing products catering to diverse range of consumer needs and preferences. Through its "Fabric Spa" brand, the Company also provides laundry and dry cleaning services. The Company has a strong presence in India and its products are available through a network of retail outlets and supermarkets. The Company also has a significant digital presence, with items sold online on E-commerce platforms.

Employees

20. Details as at the end of the Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES*						
1.	Permanent (D)	2330	2186	93.82%	144	6.18%
2.	Other than Permanent (E)	2716	2328	85.71%	388	14.29%
3.	Total employees (D + E)	5046	4514	89.46%	532	10.54%
WORKERS*						
4.	Permanent (F)	613	273	44.54%	340	55.46%
5.	Other than Permanent (G)	2473	1608	65.02%	865	34.98%
6.	Total workers (F + G)	3086	1881	60.95%	1205	39.05%

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES*						
1.	Permanent (D)	3	2	66.67%	1	33.33%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	Total differently-abled employees (D + E)	3	2	66.67%	1	33.33%
DIFFERENTLY ABLED WORKERS*						
4.	Permanent (F)	2	0	0.00%	2	100.00%
5.	Other than Permanent (G)	7	6	85.71%	1	14.29%
6.	Total differently-abled workers (F + G)	9	6	66.67%	3	33.33%

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	2*	33.33%
Key Management Personnel	2	-	-

* Ms. M. R. Jyothy, Chairperson and Managing Director of the Company is also categorised as a Key Managerial Personnel.

22. The turnover rate for permanent employees and workers*

	FY 2023-24			FY 2022-23			FY 2021-22		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	12.09%	7.89%	11.83%	12.28%	13.62%	12.36%	11.63%	14.29%	11.79%
Permanent Workers	2.53%	1.75%	2.10%	4.71%	3.60%	4.06%	2.92%	1.49%	2.08%

*Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

Holding, Subsidiary and Associate Companies (including joint ventures)
23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary (A)	Type	% of shares held by the listed entity	Does the entity indicated in (A) participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Jyothy Kallol Bangladesh Limited	Subsidiary	75.00	No

CSR Details

24. Whether CSR is applicable : Yes

Turnover (₹ in Lakhs) : 2,75,403

Net worth (₹ in Lakhs) : 1,14,123

CSR Spend (₹ in Lakhs) : 458.75

Transparency and Disclosures Compliances
25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Communities	Yes. The communities can connect with the Company at the following link: https://www.jyothy.com/contact/#consumer-feedback	0	0	The Company has not received any complaints from the communities in which it operates.	0	0	N.A.
Investors (other than shareholders)	Yes. We have a dedicated email id secretarial@jyothy.com where the investors can raise their grievances or queries.	0	0	The Company has not received any complaints from its Investors.	0	0	N.A.
Shareholders	Yes. Our Shareholders can reach us on secretarial@jyothy.com and / or info@jyothy.com where they can directly register their grievances or queries.	24	0	The complaints were duly resolved during the financial year to the satisfaction of shareholders	10	0	All the Complaints have been resolved.

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2023-24			FY 2022-23		
		No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks	No. of complaints filed during the year	No. of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes. Our employees can reach us on employeegrievances@jyothy.com or hr@jyothy.com where they can share their grievances or queries or directly write to respective HR managers. The Company also has a Whistle Blower Policy which allows and encourages employees to bring to the management's notice concerns about suspected unethical behaviour, malpractice, wrongful conduct, fraud and violation of the Companies policies. The Whistle Blower Policy can be accessed at https://www.jyothylabs.com/wp-content/uploads/2020/07/Vigil-Mechanism-Final-Approved.pdf	0	0	N.A.	0	0	N.A.
Customers	Yes. The Company's customers can reach out to the Company on a dedicated toll-free number 1800-103-2992 or write on customercare@jyothy.com to share their grievances against the products and/or services. They can also speak to our executives to raise any query / grievance about our products.	60	0	No complaint was pending during the year. The complaints received in March 2024 were resolved in April 2024.	107	8	The pending complaints were received during the end of March, 2023 and the same has been satisfactorily resolved during April, 2023
Value Chain Partners	Yes. Our Value Chain Partners, and Business reach us at info@jyothy.com where they can share their grievances or queries.	0	0	N.A.	0	0	N.A.

26. Overview of the entity's material responsible business conduct issues

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy management	Opportunity	<p>Around the globe, there is an urgent need to save energy. By adopting Energy management practices, the Company can not only help in reducing the carbon emissions that contribute to global warming, but it will also help in reducing the Company's dependence on limited fossil fuels.</p> <p>Robust processes and meticulously designed systems are in place to optimize energy efficiency, and an unwavering commitment to continuously improve them to enhance our energy-saving initiatives.</p>	<p>The Company takes constant measures to conserve energy and increase use of energy through renewable sources such as solar.</p> <p>The Company has also adopted an Energy and Carbon policy to drive its energy management initiatives.</p>	<p>Positive -</p> <p>By increasing reliance and dedicated Investments in efficient technologies, renewable energy, energy-efficiency and embracing green energy can positively impact the Company's financial performance and reduce operating costs over the long term.</p>
2	Managing packaging materials and waste	Risk	<p>Plastic waste is India's and the world's most formidable environmental challenge today.</p> <p>The Company being in the business of consumer products and since majority of its final goods are packed in plastic bottles/ wrappers, the Company consider plastic as risk to the environment and its business.</p> <p>The management of plastic packaging materials, especially at the end-of-life stage, is an issue of significant societal importance and potential business risk.</p>	<p>Dematerialization in packaging. Use of recycled as well as recyclable plastic materials in packaging.</p> <p>100% compliance to Extended Producer Responsibility (EPR) framework to ensure collection and environmentally safe disposal of plastic waste.</p>	<p>Negative – Non-compliance with regulatory norms on waste management can lead to fines/ penalties and can adversely affect the operating costs of the Company.</p>
3	Climate change	Risk	<p>The potential consequences of climate change can significantly harm the Company's business, and a failure to adopt a suitable strategy or implement it correctly can severely disrupt the Company's business continuity.</p> <p>Being a manufacturing Company, our business is energy intensive and regulators are also very prompt to take corrective action in case of failure from Company side to comply with various laws protecting Environment and which may lead to heavy fines & penalties.</p>	<p>Reduction in direct and indirect GHG emissions through:</p> <ol style="list-style-type: none"> investment in state-of-the-art equipment and automation initiatives at the Company's plant to ensure optimal energy consumption. Investment in low-carbon technologies Increase in share of renewable and clean energy. replacement of traditional lights with LEDs across majority of our plants 	<p>Positive - The adoption of eco-friendly technology and emission reduction techniques may lead to a short term rise in costs, but, it would benefit the Company in a long run for business sustainability.</p> <p>Being a socially responsible organization, apart from statutory compliances, Company also takes voluntary measure to mitigate the impact on Environment.</p>

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
				<p>e. Installing variable frequency drive (VFD) on major conveyor belt system at some of the Company's plants, reducing its motor power consumption.</p> <p>f. Centralising air compressor, water chiller with single chiller (for winters) and vacuum pump systems;</p> <p>g. Educate employees and workers about negative impact of climate change and corrective measures required in day to day life to reduce the impact.</p>	
4	Water consumption	Risk	As water is a limited resource, it presents a potential threat to the Company's business operations. Also, poor management of waste water can lead to non-compliance with legal requirements leading to penalties, fines, etc. besides demeaning image of the Company.	The Company has initiated pilot programs to decrease the consumption of raw water during the manufacturing process, and all its facilities have efficient water recycling and wastewater treatment systems. The Company also aims to implement Zero Liquid Discharge (ZLD) facilities at all its plants in near future. The Company has also adopted Water Stewardship Policy to promote water conservation.	Positive - The cost of operations is directly related to water consumption. Therefore, effective water management has a positive financial impact not only in the short term, but also in the long term. Measures undertaken for efficient water management across facilities and implementation of ZLD will have positive financial implications in long run.
5	Product life cycle assessment (LCA)	Opportunity	Product life cycle assessment will help the Company to gain a comprehensive understanding of the environmental footprint of its products and develop effective plans for mitigating any adverse environmental impacts resulting from its products.	N.A.	Positive - Any cost we incur to conduct the Life Cycle Assessment will yield positive results for the Company in the long run.

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Raw material sourcing and sustainability	Risk	The type of products the Company produces heavily relies on the quality of its raw materials. The potential environmental hazards resulting from climate change could jeopardize the availability and reliability of raw materials for the Company. Additionally, failure to source raw materials sustainably may lead to compliance risks, negatively impacting the Company's ESG performance and rating.	By leveraging our R&D capabilities, the Company can explore potential substitutes for specific raw materials in cases where they become unavailable. Additionally, the Company will collaborate with its vendors to identify sustainable methods for the sourcing, storage, and transportation of raw materials. The Company has also adopted a Sustainability Policy.	Positive - The Company can strengthen its environmental dedication by procuring raw materials from local suppliers. This practice will not only reduce emissions resulting from transportation but also improve product quality and support the regional/ national community. Additionally, the Company can benefit from lower raw material costs by sourcing locally. Negative - Inability to procure raw material can impact the production. It can also reduce the margin or create disruption in operations. The Company is working towards having a sustainable supply chain where it can decrease its dependencies to external factors and make it more resilient.
7	Employee health and safety	Risk	Failure to prioritize employee health and safety can result in reduced productivity and an increased risk of injuries and harm to our employees. Non-compliance with appropriate safety standards can attract high frequency of health and safety incidents and ultimately decrease productivity.	Numerous endeavours and undertakings have been put in place to guarantee the wellbeing and safety of employees. Additionally, the Company has in place an EHS management system for all its facilities. The Company also conducts regular training for its employees and workers to tackle workplace hazards. The Company is also driving various employee engagement and wellbeing programs for better mental health and stress-free life.	Positive – Allocating financial resources towards employee health and safety can yield positive long-term results by reducing downtime and costs associated with any injury or illness.

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Human rights	Risk	The ever-evolving regulations surrounding human rights present a challenge for the Company's business. Additionally, addressing modern slavery is a key business risk to remain relevant for future generations.	The Company dedicates significant efforts to ensure that its business practices do not infringe upon human rights and it adheres to all applicable relevant labour laws and regulations. The Company also have a grievance redressal system and have also adopted Human Rights Policy to promptly address human rights issues.	Negative - Any human rights violations or non-compliance of statutory norms can lead to substantial financial and reputational risks for a company, which can ultimately have a negative impact on the Company's business.
9	Responsible marketing	Risk	In order to establish trust and foster engagement with the Company's stakeholders, it is essential that the Company engage in responsible marketing practices and are transparent about the environmental and societal impacts of its products. It is also important to note that failure to comply with relevant marketing standards, laws, and regulations poses a risk to the Company's business.	The Company recognises the importance of leading and directing its employees and partners in ethical marketing practices. The Company's commitment to adhering to applicable local, national, and international marketing standards, laws, and regulations, as well as industry self-regulatory guidelines, is a fundamental aspect of its approach. The Company has also adopted social media policy encouraging ethical marketing practices.	Positive - Responsible marketing can help a business build a positive reputation and brand image. This can lead to increased consumer confidence, higher sales, and better financial performance
10	Stakeholder engagement	Opportunity	The connection between decision-making and accountability is essential, and effective engagement between stakeholders and the Company's Board is crucial for informed and meaningful decision-making. Engaging with stakeholders involves providing opportunities for both parties to listen to each other and gain insights into different perspectives. Therefore, the Company places a great importance on engaging with all of its stakeholders in the decision-making process for its business.	N/A	Positive- Investors are increasingly looking for companies that take a holistic approach to business, which includes engaging with stakeholders, and are more likely to invest in companies that demonstrate a commitment to social responsibility.

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Diversity and inclusion	Opportunity	An increasing recognition exists that establishing an inclusive workplace where all individuals, regardless of gender, ethnicity, background, preferences, and beliefs, feel valued and included. This has a profound impact on stakeholders' perspectives. Cultivating a diverse and inclusive environment allows the Company to become a desirable employer.	N/A	Positive – Diversity, Equity and Inclusion (DEI) initiatives foster positive relationships among employees and promote a more diverse and inclusive workplace, leading to long-term financial benefits for the Company.
12	Consumer Welfare	Risk	Failing to address consumer complaints and consider their input for product innovation can result in a decline in sales and market share besides losing consumer's confidence and Company's image.	The Company has developed robust relationships with its consumers and established enduring brands that offer value. The Company employs stringent quality control measures to monitor product quality concerns and handle consumer complaints efficiently.	Negative - Failure to address consumers complaints and issues will potentially lead to loss in the consumer base of the Company as well as lose goodwill in the long run.
13	Care for consumer hygiene	Opportunity	Post COVID-19, hygiene and health has become a matter of concern across the globe. The Company being manufacturer/ distributor of hygiene focused products like Exo, Pril, Margo etc. strives to meet the consumer requirements pertaining to hygiene and health safety.	N/A	Positive - Approximately 43% of the Company's sales are from its products that primarily focuses on health and hygiene of the consumers.
14	Counterfeit Product	Risk	Since the products are sold on trust/ brand image, any duplication/ infringement of a product misleads the consumers about the quality/ effectiveness of Company's original product. Risk arising due to Counterfeit products: a. damages brand image; b. loss of sales; c. loss of brand value; and d. health and safety danger to consumers.	The Company has taken following steps to mitigate the risk associated with counterfeit products: a. appointed agencies at various Local market to track duplication of the Company's Products b. improvise/ change packaging so the Consumers can differentiate between branded and duplicate Product. c. create awareness about the Company's Brands through various mode like TV commercial & Print/ media release, etc. d. conducting raids and taking legal action	Negative - a) Loss of sales; b) Reputation risk; c) Market share decrease; d) Low quality products to consumers and related hazards; and e) Media spend go wasted.

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
15	Compliance and governance	Risk	<p>The Manufacturing and service facility of the Company is spread across the Country with 23 units.</p> <p>Number of units also increases the corresponding number of compliance risk associated to its functioning and complying of various Laws applicable at local/ State level.</p> <p>The Regulations/ laws in the consumer goods industry continues to evolve with newer Health, Environment & Safety norms. Non-compliance of the same may lead to environmental, social and reputational risk.</p>	In order to ensure and track compliance of all the laws and regulations applicable to the Company, along with having a strong leadership and resilient execution teams, it has also implemented a Compliance Tool software mechanism viz. "Legatrix" designed by Legasis Services Private Limited.	<p>Negative –</p> <p>An organization's failure to comply with applicable laws and regulations can affect its revenue, profits which can lead to loss of reputation, business opportunities and valuation. It may also lead to incur Legal Cost and in many cases Civil/ Criminal consequences.</p>

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No) <small>[Refer Note]</small>	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	a) Sustainable Procurement Policy: https://www.jyothylabs.com/wp-content/uploads/2023/03/Sustainable-Procurement-Policy-JLL.pdf b) Equal Opportunity Policy for Persons with Disabilities: https://www.jyothylabs.com/wp-content/uploads/2023/02/Equal-Opportunity-Policy.pdf c) Safety Health & Environment Policy: https://www.jyothylabs.com/wp-content/uploads/2022/06/JLL-SAFETY-HEALTH-ENVIRONMENT-POLICY-IN-ENGLISH.pdf d) Anti-bribery and Anti-corruption Policy: https://www.jyothylabs.com/wp-content/uploads/2021/05/Anti-bribery-policy.pdf e) BUSINESS ETHICS POLICY: https://www.jyothylabs.com/wp-content/uploads/2021/05/BUSINESS-ETHICS-POLICY-18.5.2021_JLL.pdf f) Corporate Governance Code: https://www.jyothylabs.com/wp-content/uploads/2024/02/Corporate-Governance-Code.pdf g) Conflict of Interest Policy: https://www.jyothylabs.com/wp-content/uploads/2021/05/Conflict-of-Interest-Policy-18.5.2021_JLL.pdf h) Code of Conduct for Directors and Employees: https://www.jyothylabs.com/wp-content/uploads/2020/09/Code_of_Conduct.pdf								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	i) Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information: https://www.jyothy labs.com/wp-content/uploads/2020/07/JLL_COC-OF-FAIR-DISCLOSURE-NEW.pdf j) Anti-sexual harassment Policy: https://www.jyothy labs.com/wp-content/uploads/2019/12/Anti-Sexual-Harassment-Policy.pdf k) Dividend Distribution Policy: https://www.jyothy labs.com/wp-content/uploads/2020/07/DIVIDEND-DISTRIBUTION-POLICY_JLL_FINAL.pdf l) Vigil Mechanism / Whistle Blower Policy: https://www.jyothy labs.com/wp-content/uploads/2020/07/Vigil-Mechanism-Final-Approved.pdf m) Corporate Social Responsibility Policy: https://www.jyothy labs.com/wp-content/uploads/2021/06/JLL_CSR-Policy_18.5.2021.pdf n) Sustainability Policy: https://www.jyothy labs.com/wp-content/uploads/2024/05/Sustainability-Policy.pdf o) Biodiversity Policy: https://www.jyothy labs.com/wp-content/uploads/2024/05/Biodiversity-Policy.pdf p) Water Stewardship Policy: https://www.jyothy labs.com/wp-content/uploads/2024/05/Water-Stewardship-Policy.pdf q) Energy and Carbon Policy: https://www.jyothy labs.com/wp-content/uploads/2024/05/Energy-and-Carbon-Policy.pdf r) Human Rights Policy: https://www.jyothy labs.com/wp-content/uploads/2024/05/Human-Rights-Policy.pdf s) Anti-harassment and Non-discrimination Policy: https://www.jyothy labs.com/wp-content/uploads/2024/05/Anti-harassment-and-Non-discrimination-Policy.pdf t) Social Media Policy: https://www.jyothy labs.com/wp-content/uploads/2024/06/Social-Media-Policy.pdf u) Confidentiality Policy: https://www.jyothy labs.com/wp-content/uploads/2024/03/Confidentiality-Policy.pdf The Company has developed a dedicated webpage on sustainability. The webpage can be accessed at the following link: https://www.jyothy labs.com/sustainability/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/ labels/ standards adopted by your entity and mapped to each principle.	- ISO 9001:2015 Quality Management System - ISO 14001:2015 Environmental Management System - ISO 45001:2018 Occupational Health and Safety Management System for Pondicherry unit								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	<p>Commitment: ISO 14001 Certification in all plants Zero Liquid Discharge (ZLD) in all plants Zero Fatality Human Rights & Child Labour Free</p> <p>Goals: Operational Net Zero by 2040 Zero plastic waste by 2027 Zero hazardous waste to landfill by 2027 100% packaging material made of reusable materials by 2030 100% Vendor ESG Performance evaluation by 2030</p>								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	<p>We have met our commitments of:</p> <ul style="list-style-type: none">• Zero Fatality.• Protection of Human Rights & Child Labour Free organization.• ISO 14001 Certification in more than 90% Units of the Company. <p>The Company is actively working on achieving its targets before the targeted year(s).</p> <ul style="list-style-type: none">• Operational Net Zero by 2040: Targeting operational net zero by 2040, we ramped up renewable energy use in FY 2023-24, achieving a 72% share increase from the previous financial year.• Zero plastic waste by 2027: Efforts to reuse plastics by regrounding. Recycling of plastic waste is done and end user certificate is received from authorised CPCB/ SPCB vendors;• The Company achieved Zero Liquid Discharge (ZLD) in 7 (seven) of its units. Monitoring and tracker are developed in manufacturing units and reviewed on monthly basis;• Zero fatality was ensured by undertaking necessary measures;• Installation of acoustic enclosures on DG Set for reduction in noise levels.• Zero Environmental violation fines• The Company has taken significant efforts to reduce its usage of plastic in its packaging. During the year, the Company has successfully reduced use of plastic in its Exo bar by 15.46%, Henko bar by 20.82%, Pril (two litre) bottle by 8.47%.								
Governance, leadership and oversight									
7. Statement by the director responsible for the business responsibility report, highlighting ESG-related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>A vital aspect of Jyothy Labs growth strategy is our enhanced focus on sustainability, driven by investments in the key metrics of our ESG performance. While we are proud of our operational and financial performance, we strongly believe that the real parameters of meaningful growth in today's global business environment are linked with sustainability. We have, accordingly, centred our business strategy around product and process innovation that drives sustainable development by minimising the adverse impact of climate change.</p> <p>Our ESG focus is manifest in our initiatives to reduce the carbon footprint of our operations, enhance our green energy portfolio, and ensure judicious use of natural resources. Besides our environmental focus, we have also embedded social responsibility and ethical governance into our sustainability ethos and continued to strengthen these pillars through targeted interventions.</p> <p>These efforts, we believe, are imperative for illuminating the lives of our stakeholders, whose growth and development is essential to the organisation's sustained progress.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Ms. M. R. Jyothy, Chairperson and Managing Director.								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.									

Yes. The Board has formed an ESG Committee responsible for decision-making on sustainability-related issues.

Details of the composition of ESG Committee have been provided as part of the Corporate Governance Report.

Note: As per the Company's practice, all the mandatory policies under Indian laws and regulations have been approved by the Board. Other policies are approved by the concerned Functional Head or Top Management of the Company depending upon the nature of the policy.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether the review was undertaken by the Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Yes									The policies are reviewed on a periodic basis								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Yes, the Compliance with statutory requirements is checked on a regular basis and the policies are updated as and when required																	

11. Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? If yes, provide name of the agency.

Yes, in addition to the existing policies of the Company which were reviewed in the previous year, the Company has carried out assessment of the ESG related policies through M/s. Maroon Oak Technologies Private Limited, an external agency, expert in reviewing, guiding and reporting sustainability issues.

12. If the answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programs held	Topics /principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	7	During the Financial Year 2023-24, the Company had conducted the following trainings for the Board of Directors on the Principles of NGRBC: 1. Training on prevention of Sexual Harassment of women at workplace; 2. Diversity Training; 3. Human Rights training; 4. Anti-corruption & Anti Bribery training; 5. Training on Conflict of Interest; 6. Business Ethics training; and 7. Training on Structured Digital Database under SEBI (Prohibition of Insider Trading) Regulations, 2015	100%
Key Managerial Personnel	10	During the Financial Year 2023-24, the Company had conducted the following trainings for the Employees including Key Managerial Personnels on the Principles of NGRBC:	100%
Employees other than BoD and KMPs	10	1. Training on prevention of Sexual Harassment of women at workplace; 2. Training on mental wellness; 3. Advanced Excel training; (except for workers) 4. Training on Customer Service (for laundry business) 5. Training on Data Privacy, Cyber security and how to safeguard from cyber crime; 6. Human Rights training; 7. Anti-corruption & Anti Bribery training; 8. Training on Conflict of Interest; 9. Business Ethics training; and 10. Training of Structured Digital Database under SEBI Insider Trading Regulations [only Designated Persons categorised under SEBI (Prohibition of Insider Trading) Regulations, 2015]	100%
Workers	184	In addition to above 10 trainings on NGRBC, workers were also provided the following skill upgradation training and awareness programme in their respective areas of work relating to: 1. Customer value creation and check on environmental impact through enhanced product manufacturing practices; 2. Employee wellbeing and inclusive growth through seminar and other initiatives at each units; 3. Training on Ethics & transparency, Regulatory policy and Human rights.	100%

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an Appeal been preferred? (Yes/ No)
Penalty/ fine			NIL		
Settlement			NIL		
Compounding fee			NIL		
Non-Monetary					
Imprisonment			NIL		
Punishment			NIL		

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
N.A.	N.A.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.

Yes, the Company has an Anti-bribery and Anti-corruption Policy which has been adopted and approved by the Board of Directors of the Company at its meeting held on May 18, 2021. The Company believes in conducting its business with integrity and ethical practices. The Company believes that its reputation is a vital business asset that not only depends upon the commitment and conduct of all the Company's directors, officers, and employees but also on the conduct of those with whom it does business i.e. all its stakeholders. The Company's goal is to ensure that all its business partners reflect the same high ethical standards as that of the Company and demonstrate a commitment to compliance with all laws governing their activities, including laws prohibiting bribery or corruption.

During the Financial Year, the Company has also conducted a virtual training and awareness session for its employees on Anti-bribery and Anti-corruption.

The Company has also made Anti-corruption and Anti-bribery clause as a part of all its business agreements, wherein any breach or failure of the said clause will lead to termination of business relationship.

A copy of the said Policy is available on the Company's website at:

<https://www.jyothylabs.com/wp-content/uploads/2021/05/Anti-bribery-policy.pdf>

5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest:

Not applicable as no such penalties were levied in financial year 2023-24.

8. Number of days of accounts payable ((Accounts payable * 365))/ Cost of goods/ services procured) in the following format

	FY 2023-24	FY 2022-23
Number of days of accounts payable	72 days	55 days

9. Open-ness of business:

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2023-24	FY 2022-23
Concentration of purchases	a. Purchases from trading houses as % of total purchases	3.7%	3.5%
	b. Number of trading houses where purchases are made from	45	45
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	90.6%	80%
Concentration of Sales	a. Sales to dealers/ distributors as % of total sales	70.74%	73.37%
	b. Number of dealers / distributors to whom sales are made	2455	2424
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	3.98%	4.00%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0%	0%
	b. Sales (Sales to related parties / Total Sales)	0.04%	0.04%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	0%	0%
	d. Investments (Investments in related parties / Total Investments made)	2.94%	100%

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

The Company's R&D department is invested in programs which continually focus on arriving at most optimal formulation spaces within our product categories. An area of considerable focus is to reexamine current surfactant load in powders, bars, gels, and liquids and understand ways of optimising these without compromising on product performance or quality. Such efforts also ensure a reduced surfactant environmental load downstream thereby helping our environment.

The Company is also exploring to incorporate greener surfactants in powders, detergent liquids and dishwash liquids to offer the advantage of easy biodegradability whilst offering performance parity to fossil fuel-based surfactant. The environmental and social impact relevant to such greener products are considerable and are in alignment with UN SDGs. Greener surfactants are completely biodegradable and offer a promising alternative to fossil-based surfactants which have a high salience of usage globally in surfactants. The use of such greener surfactants is beneficial to the society and the environment and are in line with UN SDGs.

Optimization of process cycle times in oral care within the personal care category also assists in improving efficiencies while also ensuring power savings. Similarly, within our Household Insecticide category our company has successfully demonstrated the use of agricultural waste as useful value add input raw material in coil manufacture.

Some of these technologies employing Agri wastes have been commercially deployed with considerable bottom line savings to our company.

Overall, we believe that our focus on reducing environmental impacts through our product innovations and collaborations is a positive step towards a more sustainable future for individuals and communities. We remain committed to this vision as we continue to explore new ways to enhance the wellbeing of our customers while minimizing our environmental impact.

We believe that the Company's endeavours whether it be New Product Development (NPD) or value engineering projects is always to provide value added products to our consumers whilst ensuring the best possible performance to delight them and ensure their well-being. Therefore almost 100% of our efforts are directed in ascertaining that the R&D expenditures are focused towards improving its products keeping societal and environmental welfare in mind.

	FY 2023-24	FY 2022-23	Details of improvements in environmental and social impacts
R&D	₹ 1564.20 Lacs	₹ 987.43 Lacs	As mentioned above
Capex	₹ 88.22 Lacs	₹ 116.81 Lacs	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, we have formed a Sustainable Procurement Policy which outlines the sustainable sourcing strategy of the Company.

The policy can be accessed at the following link: <https://www.jyothy labs.com/wp-content/uploads/2023/03/Sustainable-Procurement-Policy-JLL.pdf>

b. If yes, what percentage of inputs were sourced sustainably?

Approximately 73.95% of the inputs was sourced sustainably. While selecting vendors/ channel partners, the Company always analyse & evaluate the sustainability of the vendors/ channel partners. The Company's continuous initiative to source it's raw material/ packaging material from sustainable vendors/ channel partners will lead towards achieving 100% sustainable sourcing.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.** For Plastics, E-waste and Hazardous waste, we have a best-in-class waste management practice in place. We engage with certified partners for the co-processing/ recycling of waste.

(a) Plastic:

Reuse - industrial plastic waste is collected at the Company's factories and used in plastic package moulding of the Company's products. This reduces wastage of plastic at the factory level itself.

Recycle / End-of-life disposal – The Company has engaged CPCB registered plastic waste processors to collect plastic waste from municipal waste sites, public areas, bulk generators like hotels and restaurants. Once the plastic waste is collected, these plastic waste processors weigh the waste, segregate and compress it, and thereafter send it for recycling/end of life disposal. The processed plastic waste is generally sent to either a recycler who converts it to plastic granules which are then added to virgin plastic for reuse, or to a co-processor for generation of energy, or to road construction agencies for road construction.

Additionally, the Company has taken significant efforts to reduce its usage of plastic in its packaging. During the year, the Company has successfully reduced use of plastic in its Exo bar by 15.46%, Henko bar by 20.82%, Pril (two litre) bottle by 8.47%.

(b) E-waste:

The Company has engaged a CPCB registered vendor for E-waste collection, disposal & recycling process. For recycling and disposal of E-waste, as and when the plants identify any e-waste, the same is informed to the Central IT team of the Company. Which in-turn requests, the E-waste collecting vendor to collect the e-waste from the specific location and dispose the e-waste in accordance with regulatory norms.

The process adopted by the Company's e-waste vendor is as follows:

The first crusher adopts double-shaft shredding, the second crusher adopts hammer crusher, and the third crusher adopts high-speed turbine crusher. The material is pulverized into powder through three-stage pulverization, and then sorted by air separation equipment and electrostatic separation equipment. This production line has a novel and unique structure, large production capacity and low power consumption, one-time feeding, and multiple machines cooperate to complete; Controlled by PLC, the machine improves the quality of recovered copper and prevents secondary pollution. The recovery rate of copper in waste circuit boards is over 98% through separation and sorting equipment.

(c) Hazardous waste:

For recycling and disposal of hazardous waste:- All hazardous products of the Company are segregated at the depot level and sent to the respective State Pollution Control Board (SPCB) authorised waste management processor for disposal in accordance with regulatory norms.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes /No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Yes, the Extended Producer Responsibility is applicable to the Company's activities. At Jyothy Labs, we believe that it's our responsibility to promote sustainable practices and reduce our environmental impact. The Company is compliant with the action plan approved by Central Pollution Control Board (CPCB) for the Financial Year 2023-24 by collecting 100% of its target.

By implementing this plan, we are ensuring that our operations are in line with the best environmental practices and are contributing to a cleaner and greener future. The Company remains committed to its sustainability goals and continuously striving to improve its environment performance.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees[‡]:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent employees [#]											
Male	2186	2186	100%	2186	100%	NA	NA	NA	NA	996	45.56%
Female	144	144	100%	144	100%	144	100%	NA	NA	144	100%
Total	2330	2330	100%	2330	100%	144	6.18%	NA	NA	1140	48.93%
Other than Permanent employees [#]											
Male	2328	2328	100%	2328	100%	NA	NA	NA	NA	466	20.02%
Female	388	388	100%	388	100%	388	100%	NA	NA	58	14.95%
Total	2716	2716	100%	2716	100%	388	14.29%	NA	NA	524	19.29%*

Note:

* Other than permanent employees of the Company are mostly from field staff and their job profile requires extensive travelling to discharge their duties. Hence, it becomes difficult to provide them day care facility.

[#] Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

[‡] During the financial year 2023-24, the Company conducted an Employee Satisfaction Survey with a view to assess and cultivate a holistic employee experience that promotes growth, engagement and well-being.

b. Details of measures for the well-being of workers:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B / A)	No. (C)	% (C / A)	No. (D)	% (D / A)	No. (E)	% (E / A)	No. (F)	% (F / A)
Permanent workers [#]											
Male	273	273	100%	273	100%	NA	NA	NA	NA	273	100%
Female	340	340	100%	340	100%	340	100%	NA	NA	340	100%
Total	613	613	100%	613	100%	340	55.46%	NA	NA	613	100%
Other than Permanent workers [#]											
Male	1608	1303	81.03%	63	3.92%	NA	NA	NA	NA	1608	100%
Female	865	793	91.68%	33	3.82%	865	100%	NA	NA	865	100%
Total	2473	2096	84.76%	96	3.88%	865	34.98%	NA	NA	2473	100%

Note:

[#] Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the Company	0.28%	0.28%

2. Details of retirement benefits, for the current financial year and previous financial year

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	8.63%	62.32%	Y	11.39%	64.86%	Y

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, the Company is accessible for its differently abled employees.

The Company is committed to create an inclusive and barrier free environment to enable effective participation of persons with disabilities. All our manufacturing facilities have preferred parking space, easy access to the main entrance, uniformity in floor levels and ramps with handrails.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

The Company is proud to be an equal opportunity employer, and this principle is not only reflected on our website but also ingrained in our ways of working as governed by our Code of Conduct. All our employees are evaluated solely on their performance, regardless of their race, religion, caste, gender, sexual orientation, age or disability. This approach ensures that there is no discrimination in recruitment, remuneration and promotion process.

The Company has implemented a policy on equal opportunity in accordance with the Rights of Persons with Disabilities Act, 2016. The policy was approved by the Board on March 28, 2022, and is also available at the website of the Company at <https://www.jyothy labs.com/wp-content/uploads/2023/02/Equal-Opportunity-Policy.pdf>. Additionally, the Company's Business Ethics Policy includes provisions for equal employment and business opportunity, which can also be accessed on the Company's website.

5. Return to work and Retention rates of permanent employees and workers that took parental leave*.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

* Parental leave has been construed to include maternity leave.

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	In case of permanent workers, for any grievance they can approach their shift supervisor/factory manager.
Other than Permanent Workers	In case of contractual workers, for any grievance they can approach their shift supervisor who will then consult factory manager if required.
Permanent employees	Yes, in case of any grievance employees can send mail to employeeegrievances@jyothy.com / hr@jyothy.com or they can also send mail to respective function BHR /AGM - HR /GM - HR / Director - HR, the same is reviewed by respective BHR /GM - HR and any such grievance if required is then also discussed with Director - HR . In case required further discussion is done with CMD for closure of the same. The Company also has a Whistle-blower policy in place to provide guidance for raising complaints in case of any concerns.
Other than permanent employees	In the case of contractual employees, they can send mail to employeeegrievances@jyothy.com / hr@jyothy.com or can approach their reporting managers for grievance redressal.

7. Membership of employees and workers in association(s) or Unions recognised by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees/ workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or union (D)	% (D / C)
Total Permanent Employees*	2330	0	0%	2047	0	0%
- Male	2186	0	0%	1932	0	0%
- Female	144	0	0%	115	0	0%
Total Permanent Workers*	613	175	28.55%	555	183	32.97%
- Male	273	115	42.12%	228	118	51.75%
- Female	340	60	17.65%	327	65	19.88%

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On health and safety measures		On skill upgradation		Total (A)	On health and safety measures		On skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (B)	% (B / A)	No. (C)	% (C / A)
Employees*										
Male	4514	3475	76.98%	3464	76.74%	3490	2986	85.56%	2955	84.67%
Female	532	489	91.91%	196	36.84%	389	101	25.96%	89	22.88%
Total	5046	3964	78.55%	3660	72.53%	3879	3087	79.58%	3044	78.47%
Workers*										
Male	1881	1832	97.39%	421	22.38%	1707	68	3.98%	98	5.74%
Female	1205	618	51.28%	762	63.24%	1132	192	16.96%	110	9.74%
Total	3086	2450	79.39%	1183	38.33%	2839	260	9.16%	208	7.33%

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. (B)	% (B / A)	Total (A)	No. (B)	% (B / A)
Employees#						
Male	2186	1779	81.38%	1932	1853	95.91%
Female	144	123	85.42%	115	112	97.39%
Total	2330	1902	81.63%*	2047	1965	95.99%*
Workers#						
Male	273	273	100%	228	228	100%
Female	340	340	100%	327	327	100%
Total	613	613	100%	555	555	100%

Notes: 100% of the employees eligible for appraisal were considered for performance and career development reviews.

* In the aforesaid table, 81.63% and 95.99% is the percentage of employees who were reviewed by the Company and the balance 18.37% and 4.01% of the employees were new joiners, who were not eligible for appraisal.

Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

10. Health and safety management system:**a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such a system?**

Jyothy Labs Limited has implemented a management system that manages the interrelated parts of its business to achieve its objectives for product quality, operational efficiency, environmental performance, and health and safety in the workplace. ISO management system standards (MSS) have helped us improve our performance by specifying repeatable steps to achieve our goals and objectives, and to create an organizational culture that reflexively engages in a continuous cycle of self-evaluation, correction and improvement of operations and processes through heightened employee awareness and management leadership and commitment.

The Company subscribes to the said MSS in all its production units. As on date, all our manufacturing factories are holding ISO 14001:2015 Environment Certifications. These certifications are a testament to our commitment to providing a safe and healthy workplace with care for the environment.

Further, a dedicated team monitors, guides and assists the units in the implementation of Safety, Health and Environment related systems.

The Company has a policy and ensures maximum safety of all the employees & workers, the Company has adopted the following practices/ methods:

- Conducting Periodic Mock drills on all types of emergencies like Fire, Natural calamities like flood, earthquake etc. with preparedness by site Emergency Response Team.
- Has implemented Mitigating Emergency Preparedness Response Plan (EPRP) for all factories.
- Safety induction training program topics covering Basic First Aid & CPR (Cardiopulmonary Resuscitation) as per the requirements of OSHA 29 CFR 1910.266 (First Aid), Fire Safety Training as per requirements of OSHA 29 CFR 1926.150 (Fire Safety) regulations, Behavior base safety, Electrical safety by Lock Out Tag Out (LOTO) method, material handling, Rescue & Evacuation training, Chemical storage safety, Hot work cold work activities conducted by safety work permit system, frequently conducting road safety campaign.
- Monitoring of EHS data by Management Information system (MIS) monthly & Daily HSE inspection checklist. Safety advise letter is issued if any deviation observed in safety management system.
- Focus on more leading parameters like Unsafe Act (UA) & Unsafe Condition (UC) on regular basis & taking required Corrective Action Preventive Action (CAPA).
- Health Task measurement by conducting Medical Health checkup camps, medical fitness enhancement program conducted by site safety committee.
- Any incident is reported immediately by CAPA with horizontal deployment, sharing of EHS practices circulation as continual improvement in all factories to maintain the safe work environment.
- Access the Lagging parameters such as First aid cases, Minor & Major cases, if any, by 4 Block diagram Safety method covering, incident description, immediate action, CAPA, & Safety recommendation.
- Enforcing Jyothy Labs Safety Health & Environment policy & objectives by displaying in Regional local languages.
- Circulation of HSE safety guidelines through audio clip in English as well as in local languages like Hindi, Tamil, Malayalam, Telugu, Kannada, Assamese. The idea is to give more rigorous focus on the safety discipline across all Regional Manufacturing units with continuous improvement.
- Encouraging the team by giving safety award as a token of appreciation to Company employees and contract workers.

The Company has also been recognized by CII (Confederation of Indian Industry) EHS award, NSC award, GSS (Global Safety Summit Award), WSO (World Safety Organization) OHSE Award, SKIN (Synchronization of Knowledge & Information Network) Award.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

At the factory level, robust systems such as Hazardous & Risk Assessment, Work Permit systems, training, toolbox talks etc. ensure that all routine & non-routine activities are assessed at defined frequency to reduce the risks involved in the jobs. All incidents are investigated to derive meaningful insights and identified corrective and preventive actions are implemented within the stipulated time frame, across all our units to prevent a similar mishap in future. Internal and external audits are conducted throughout the year which further brings about units' improvement and eliminates or minimizes the hazards.

The Company follows the following process to identify and assess work-related hazards and risks:

- Reporting & closing the leading parameters such as Unsafe act & Unsafe condition on regular basis and the same is also captured in the monthly safety MIS.
- Implementing Job safety analysis, Hazard & Risk assessment & Environment aspect & impact management process.
- Safety suggestion box implemented at all factories.
- Process safety communication by safety toolbox talk, pep talk method.
- Display MSDS (Material Safety Data Sheet) at material storage work areas.
- Communicate with the employees as to what can be categorized as a hazard by giving them health and safety training.
- Issue Work permit & also continuously monitoring HSE guidelines across at the Company.

c. Whether you have processes for workers to report work-related hazards and to remove themselves from such risks. (Y/N)

Yes. All workers and contract labour engaged in Jyothy Labs facilities are trained before they commence their jobs. Emphasis is laid on safety training and it is ensured that no untrained workforce is carrying out jobs, be it routine or non-routine. The safety suggestion box has also been implemented in the local language and workers are trained to report any work-related hazards to the respective factory manager.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes, every Jyothy Labs unit has a tie-up with a hospital / doctor. Further, all employees must undergo a pre-employment medical health check-up. Regular medical check-up camps are organized by factories at defined frequencies. All employees are covered through appropriate medical insurance provided by the Company and all contract workers are provided insurance through their contractors. Workers also have access to medical facilities like ESIC.

11. Details of safety-related incidents, in the following format:

Safety Incident/Number	Category*	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.23	0.83
	Workers	0.34	0.34
Total recordable work-related injuries	Employees	1	3
	Workers	2	2
No. of fatalities	Employees	No	No
	Workers	No	No
High consequence work-related injury or ill-health (excluding fatalities)	Employees	No	No
	Workers	No	No

* Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

At Jyothy Labs, we are committed to maintaining a safe and healthy workplace for all our employees. We have implemented multiple programs to promote workplace safety and physical as well as mental well-being. Our Employee Assistance Program provides mental health and well-being support to our employees. We also partner with senior doctors to provide free consultation.

We have made a significant effort towards ensuring the health and safety of our employees by conducting comprehensive awareness and training session across all our units and corporate offices.

The Company has further taken following measures to ensure a safe and healthy workplace:

- The Company has more focus towards Environment sustainability and it strives hard to preserve the environment by striking a balance between economic growth & ecology. The Company's plants have state-of-the-art facilities & six of its plants are ISO 9001:2015 certified. The Company has already introduced Health Safety & Environment policy which ensures Safety & Health through a line management responsibility & by involving all levels of employees & contract workers through consultation, training and by adopting latest risk assessment & control methods.
- The Company has developed the visitor safety security procedure, entry regulation at all factories with safety communication to ensure safety at all levels.
- The Company's all manufacturing units have acquired ISO 14001:2015 certification.
- The Company also celebrated World Environment Day, National Safety Day/Week & World Health Day & various Environment Health & Safety initiatives are undertaken on these occasions.
- Every year the Company circulates the communication addressed by top management to all employees of the Company for ensuring Safety & Health of both the employees & other living creatures in the vicinity.
- Emissions & Waste generated by the Company are within permissible limit. The Company regularly submits reports on emission levels to CPCB/SPCB.

13. Number of complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	N.A.	0	0	N.A.
Health and Safety	0	0	N.A.	0	0	N.A.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions:

The Company has ensured the work safety, employee safety as well as contract worker safety by providing a safe work environment. The Company has not reported any significant risk or concern. Also, the Company has circulated the best Employee Health and Safety (EHS) practices across teams as a continuous improvement on the EHS front.

Further, Jyothy Labs has a robust system of carrying out internal as well as external audits of its units. All incidents in Jyothy Labs are investigated thoroughly with an intent to deploy corrective and preventive measures to avoid similar occurrence of incidents. We have Safety officers in each of our manufacturing units that ensures a safe work environment. Periodic mock drills are conducted across manufacturing units. For any modifications, routine maintenance, electrical installations, erections and commissioning of machines, work permits are issued as per the defined safety guidelines of the Company.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

Any individual or group of individuals or institutions that adds value to the business chain of the Company is identified as a core stakeholder. Jyothy Labs has recognized both, internal stakeholders which include employees and leadership, and external stakeholders which includes business associates, external channels such as shareholders, investors, customers, suppliers, bankers, regulators and community at large.

At Jyothy Labs, we believe in maintaining an open and clear communication with our stakeholders. Jyothy Labs conducted a full-fledged materiality assessment which involves a process of stakeholder engagement. The Company reached out to various groups of identified stakeholders through questionnaire dissemination and gauged their view.

The Company subscribes to retail audit data from AC Nielsen for the key categories to understand respective category of the Company's performance as compared to other key players. The Company also periodically participates in market trends sessions organized by suppliers to understand the growing needs of the consumers and the consumption habits. The Company's communication agencies provide requisite market intelligence to understand and tap into the mindset of the target consumer.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Y/N)	Channel of Communication (Email/SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of Engagement (Annually/ Half yearly/ Quarterly/ Other please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement.
Shareholders	No	<ul style="list-style-type: none"> - Stock Exchange intimations, - Company's Website, - Official Press releases, - Conference call transcripts, - Annual Report - Emails, - Newspaper, - SMS, - Calls, - Notice Board, - One to one 	Quarterly / Annually/ as and when required	<ul style="list-style-type: none"> - quarterly, half-yearly and annual financial results - General Meeting Notices - Television Commercials - Material information/ changes in the Company - Analyst Meet - Annual General Meetings - Dividend updates - Intimation about transfer of shares/ dividend
Banks, Non-Banking Financial Companies & Financial Institutions	No	<ul style="list-style-type: none"> - Email, - Calls, letters, - One to one, - SMS, - Net banking 	Regularly/ as and when required	<ul style="list-style-type: none"> - Term loan/ working capital facilities - Sanction letters/ facility letters
Regulatory / Government authorities	No	<ul style="list-style-type: none"> - Email, - Filings, - Official letters, - One to one 	Regularly /as and when required	<ul style="list-style-type: none"> - Filing of various returns/ disclosures/ Forms - Replies to notices/ queries, etc.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Y/N)	Channel of Communication (Email/SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of Engagement (Annually/ Half yearly/ Quarterly/ Other please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement.
Vendors/ Suppliers	No	- Calls, - Emails, - SMS, - One to one	Regularly /as and when required	- Enquiry about the quality of source products - Sustainability status - Raw material delivery status - routine activities
Employees	No	- Emails, - SMS, - Letters, - One to one	Monthly or as and when required	- Important notifications - Annual appraisals - Medical health programmes - Trainings
Consumers	No	- Press release, - Advertisement, - Newspaper, - Pamphlets, - Website, - Social media	Regularly	- Promotion of Company's brands - Feedback of product quality - Survey before new launch
Community	Yes	NGOs, CSR implementing agencies	Regularly/ as and when required	- Understanding need of the community - Challenges in the society

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/workers covered (B)	% (B / A)	Total (C)	No. of employees/workers covered (D)	% (D / C)
Employees*						
Permanent	2330	2330	100%	2047	2047	100%
Other than permanent	2716	2716	100%	1832	1832	100%
Total Employees	5046	5046	100%	3879	3879	100%
Workers*						
Permanent	613	613	100%	555	555	100%
Other than permanent	2473	2473	100%	2284	2284	100%
Total Workers	3086	3086	100%	2839	2839	100%

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees*										
Permanent	2330	2	0.09%	2328	99.91%	2047	21	1.03%	2026	98.97%
Male	2186	2	0.09%	2184	99.91%	1932	20	1.04%	1912	98.96%
Female	144	0	0.00%	144	100%	115	1	0.87%	114	99.13%
Other than Permanent	2716	925	34.06%	1791	65.94%	1832	902	49.24%	930	50.76%
Male	2328	747	32.09%	1581	67.91%	1558	686	44.03%	872	55.97%
Female	388	178	45.88%	210	54.12%	274	216	78.83%	58	21.17%
Workers*										
Permanent	613	0	0%	613	100%	555	0	0%	555	100%
Male	273	0	0%	273	100%	228	0	0%	228	100%
Female	340	0	0%	340	100%	327	0	0%	327	100%
Other than Permanent	2473	1893	76.55%	580	23.45%	2284	1725	75.53%	559	24.47%
Male	1608	1345	83.64%	263	16.36%	1479	1227	82.96%	252	17.04%
Female	865	548	63.35%	317	36.65%	805	498	61.86%	307	38.14%

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

3. Details of remuneration/salary/wages:

a. Median remuneration/ wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	4	17,37,500	3 [#]	1,28,22,457
Key Managerial Personnel	2	2,58,10,478	0	-
Employees other than BoD and KMP*	2184	5,36,832	143	4,91,172
Workers	273	2,43,132	340	2,20,494

[#] Ms. M. R. Jyothy, Chairperson and Managing Director of the Company is also categorised as a Key Managerial Personnel. Further, Ms. M. R. Deepthi ceased to be a Director and Whole-time Director of the Company from the closing hours of November 24, 2023.

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as a % of total wages	11.26%	11.25%

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

The Company's HR team is responsible for handling any human rights impacts or issues resulting from or attributed to the business. In the event of any such human rights issues, employees and workers can reach out to the HR team directly via email at employeeegrievances@jyothy.com.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues

Jyothy Labs human rights policy emphasizes the importance we place on providing effective remedies wherever human rights impact occur, through company-based grievance mechanism. Our Code of Conduct and Whistle Blower Policy provide a platform for our employees to report any violations. We encourage them to voice any concern they may have without fear of reprisal.

If there are any human rights issues, the same can be reported to employeeegrievances@jyothy.com or to any other HR members email id, the same is reviewed with GM - HR and required investigation is done. All points related to investigation is sent to Director - HR for further discussion and action and if required the issue is also reviewed with the Chairperson and Managing Director.

6. Number of complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/ Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nil	Nil
Complaints on POSH as a % of female employees / workers	Nil	Nil
Complaints on POSH upheld	Nil	Nil

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Under our Whistle Blower Policy, employee can come forward and help the Company eliminate any malpractices in the system. This policy has vested the rights to the Company Secretary and Compliance Officer of the Company to investigate the complaints and recommend corrective actions. It states that the disclosures of wrongful conduct are submitted on a confidential basis or anonymously.

Under our Prevention of Sexual Harassment Policy, the Company has instituted an Internal Complaints Committee (ICC) for redressal of sexual harassment complaint made by the victim and for ensuring time bound treatment of such complaints. The Policy outlines the clause on protection to victim / complainant, wherein the Company calls out its commitment to ensuring that no employee who brings forward a harassment concern is subject to any form of reprisal. Any reprisal will be subject to disciplinary action. The Company also ensures that the victim or witnesses are not victimized or discriminated against while dealing with complaints of sexual harassment. We also regularly conduct awareness sessions / trainings on POSH, to further educate employees.

For any complaints related to discrimination, employees can send mail to icc@jyothy.com, or to any other HR members email id, the same is reviewed by GM - HR and required investigation is done. All points related to such discrimination cases will be sent to Director - HR for further discussion and action and if required the issue is also reviewed with Chairperson and Managing Director. For any sexual harassment cases the same can be reported to Internal complaints committee formed in respective zones / factory units as per guidelines of POSH Act, details of committee members and policy are available on notice board to be viewed by respective employees.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, all the Company's agreement has a dedicated clause on compliance with the requirements of human rights provisions and any breach of human rights provision can also lead to termination of business relationship.

10. Assessments for the year:

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others – please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above

Not Applicable

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY (2023-24)* In MJ	FY (2022-23) In MJ
From renewable sources		
Total electricity consumption (A)	61,21,993	35,44,895
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	61,21,993	35,44,895
From non-renewable sources		
Total electricity consumption (D)	8,88,81,495	7,83,55,762
Total fuel consumption (E)	24,82,59,080	15,43,64,904
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	33,71,40,575	23,27,20,666
Total energy consumed (A+B+C+D+E+F)	34,32,62,568	23,62,65,561
Energy intensity per rupee of turnover (Total energy consumption/ Revenue from operations) [MJ/₹]	0.012	0.0095
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	0.2612	0.1995
Energy intensity in terms of physical output [#]	1129.34	841.74

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

The intensity in terms of physical output excludes the laundry business as the same is service oriented and there is no physical output.

Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of external agency.

Yes, limited assurance has been conducted by M/s Rathi & Associates, Practicing Company Secretaries.

Notes:

To move towards sustainable and environmentally friendly production methods and techniques, the Company has successfully implemented solar power plants in select facilities. This initiative has had a significant impact in reducing the Company's reliance on non-renewable energy sources and has contributed to its efforts in achieving low carbon production.

- 2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any;**

Although the entity does not have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India, the Company is committed to promoting a healthy and sustainable lifestyle based on traditional values of conservation and moderation. As part of the Company's voluntary efforts, the Company is actively undertaking initiatives to adopt a climate-friendly and cleaner approach. The Company's aim is to lead by example and contribute to a more sustainable future for its planet.

- 3. Provide details of the following disclosures related to water, in the following format:**

Parameter	FY (2023-24)*	FY (2022-23)
Water withdrawal by source (in kilolitres)		
(i) Surface water	5,946	2,414
(ii) Groundwater	2,07,235	1,79,002
(iii) Third party water	53,393	20,677
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,66,574	2,02,093
Total volume of water consumption (in kilolitres)	2,13,746	1,71,910
Water intensity per rupee of turnover (Total water consumed / Revenue from operations) (KL/₹)	0.00000776	0.00000693
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.000162	0.000145
Water intensity in terms of physical output#	0.7032	0.6125

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 also includes details of JFSL which is now part of JLL.

The intensity in terms of physical output excludes the laundry business as the same is service oriented and there is no physical output.

Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of external agency.

Yes, limited assurance has been conducted by M/s Rathi & Associates, Practicing Company Secretaries.

Note: As part of the Company's ongoing commitment to managing water resources responsibly, it is actively working towards reducing water footprint. The Company have installed water meters in its plants to accurately measure the water withdrawal from surface water sources. However, the Company is now measuring and monitoring its water usage from surface sources moving forward. This allows the Company to better understand its impact on water resources and make informed decisions to promote sustainable water management practices.

4. Provide the following details relating to water discharged:

Parameter	FY (2023-24)*	FY (2022-23)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – pls specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	-
- With treatment – pls specify level of treatment	-	-
(iii) To Seawater		
- No treatment	-	-
- With treatment – pls specify level of treatment	-	-
(iv) Sent to third-parties		
- No treatment	-	-
- With treatment – pls specify level of treatment	45,601 Primary ETP treatment and sent to railways	-
(v) Others		
- No treatment	-	-
- With treatment – pls specify level of treatment	7,227 Tertiary treatment	30,183 Tertiary treatment
Total water discharged (in kiloliters)	52,828	30,183

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of external agency.

Yes, limited assurance has been conducted by M/s Rathi & Associates, Practicing Company Secretaries.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation

At all of Jyothy Labs units, we place a strong focus on reducing water intake and optimize water consumption across our units. Our Units operates in compliance with the Consent to Operate (CTO) conditions and the Pollution Control Board (PCB) norms, reaffirming our commitment to sustainability and environmental protections.

Currently, the Company has also implemented the Zero Liquid Discharge (ZLD) mechanism in seven of its plants. However, the Company's goal is to implement ZLD in all its plants wherever feasible. Furthermore, the Company is proud to state that it has already started reusing treated water for various purposes, such as gardening, green area redevelopment, and washroom usage. This demonstrates the Company's commitment to sustainable practices and maximizing the efficient use of water resources throughout its operations.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Unit	FY (2023-24)*	FY (2022-23)
Nox	µg/m3	20.65	29
Sox	µg/m3	11.22	8
Particulate matter (PM)	µg/m3	34.35	40
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others (Co2)	-	-	-

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of external agency.

Yes, limited assurance has been conducted by M/s Rathi & Associates, Practicing Company Secretaries.

Notes:

1. The above emissions have been calculated after taking the average of all plants emission test reports which has been submitted to respective SPCB.
2. The Company prioritize environmentally friendly operations and take measures to minimize air emissions during its manufacturing processes. The main sources of air emissions are closely monitored at regular intervals by a recognized laboratory or agency, as required by the Central and/or respective State Pollution Control Boards.
3. The Company diligently report the details of its air emissions to the Pollution Control Board (PCB) on an annual basis through Form-5 (Annual Environment Statement). This transparent disclosure helps us ensure compliance with regulatory requirements and fosters responsible environmental stewardship in its operations.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY (2023-24)*	FY (2022-23)
Total Scope 1 emissions	TCo2e	24,879	15,016
Total Scope 2 emissions	TCo2e	22,220	19,589
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	TCo2e/₹	0.00000171	0.00000139
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	TCo2e/Lakh ₹	3.585	2.922
Total Scope 1 and Scope 2 emission intensity in terms of physical output*	TCo2e/Tonnes	0.1545	0.1233

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

The intensity in terms of physical output excludes the laundry business as the same is service oriented and there is no physical output.

Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of external agency.

Yes, limited assurance has been conducted by M/s Rathi & Associates, Practicing Company Secretaries.

8. Does the entity have any project related to reducing Green House Gas emissions? If Yes, then provide details.

As a responsible and environmentally conscious organization, Jyothy Labs has always been striving to reduce emissions and conserve energy in operations. Our mission is to increase the consumption of non-renewable fuels, enhance energy efficiency and improve resource efficiency to reduce our environmental footprint.

We recognise that mitigating the impact of climate change and promoting efficient energy management are critical components of our sustainability strategy. Therefore, we have implemented a comprehensive approach that cover scope 1 and scope 2 emissions and all forms of energy consumption within the reporting boundary. By monitoring the electricity, water and fuel data of non-manufacturing locations such as offices and depots we have been able to identify key opportunities across our operations and improve our sustainability performance.

Furthermore, we are committed to using green energy sources to limit the environmental impact of our scope-1 and scope-2 emissions. We have installed solar panels in our units to reduce our dependency on fuels and increase the use of biomass in boilers as fuel.

1. Renewable Energy:

The Company has taken steps to embrace renewable energy by installing solar plants at specific locations and conducting a comprehensive feasibility study for 14 additional plants. The primary objective of this initiative is to lower the Company's Scope 2 emissions while enhancing its resilience by leveraging clean energy sources.

2. Energy Management:

The Company has undertaken an extensive electrical energy audit across all of its plants, with the purpose of conserving electricity. Each facility was thoroughly assessed, and energy saving recommendations, including the installation of LED lights and AC energy savers, are being implemented based on their feasibility and viability.

3. Emission Reduction:

The Company will take steps wherever feasible that any new purchase of its owned vehicle will be in electric variant. Additionally, the Company has plans to expand this initiative to cover all leased and rented vehicles, while also encouraging its employees to utilize electric vehicles for business travel. This strategic move is part of the Company's commitment to reducing its Scope 1 and Scope 3 emissions, in line with its sustainability goals.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY (2023-24)*	FY (2022-23)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	688	467
E-waste (B)	12	0.22
Bio-medical waste (C)	0.07	0.01
Construction and demolition waste (D)	0	0
Battery waste (E)	0.26	0.33
Radioactive waste (F)	0	0
Other hazardous waste - Empty Drums (G)	59	4
Other non-hazardous waste (H)	0	0
Total (A+B + C + D + E + F + G + H)	759	472
Waste intensity per rupee of turnover (total waste generated/ revenue from operations) Metric tonnes/₹	0.0000000276	0.000000019

Parameter	FY (2023-24)*	FY (2022-23)
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (total waste generated/ revenue from operations adjusted for PPP) Metric tonnes/ Lakh ₹ (adjusted to PPP)	0.0578	0.0398
Waste intensity in terms of physical output# Metric tonnes/ tonnes	0.0025	0.0017
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	630	395
(ii) Re-used	0	36
(iii) Other recovery operations	0	0
Total	630	431
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	30	0
(ii) Landfilling	0	3
(iii) Other disposal operations	29	38
Total	59	41

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

The intensity in terms of physical output excludes the laundry business as the same is service oriented and there is no physical output.

Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of external agency.

Yes, limited assurance has been conducted by M/s Rathi & Associates, Practicing Company Secretaries.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

At Jyothy Labs, we believe that waste management is a crucial part of our commitment to sustainability. Therefore, we have initiated several measures across all our units to ensure waste mitigation, segregation of waste at the source and recycling. To support this commitment, we follow all compliances as per Hazardous Waste Management Rules 2016 for storage and disposal processes at all our manufacturing locations. All the hazardous waste generated is collected and disposed of by authorized agencies under the Pollution Control Board (PCB).

The Company has a robust Environment Management System in place, which is certified as per ISO 14001:2015. The Company's waste management procedures ensure the safe disposal of hazardous waste, e-waste, and other waste.

The Company handles, segregates, stores and transports hazardous waste in compliance with relevant regulatory requirements and industry best practices. The hazardous waste is disposed of in an environmentally responsible manner through authorized vendors for recycling, as stipulated by regulations.

Furthermore, the Company is actively engaged in preventing the use of single-use plastics in its operations, as per the Extended Producer Responsibility (EPR) norms.

11. If the entity has operations/offices in/around ecologically sensitive areas where environmental approvals/ clearances are required, please specify details

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval/ clearance being complied with? (Y/N)
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws in the current financial year

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (yes/no)	Results communicated in public domain (Yes/no)	Relevant web link
EIA was not applicable during the reporting period.					

All units of the Company except Ahmedabad and Bangalore are ISO 14001:2015 (Environmental Management System) certified. The Company conducted environmental impact assessments of all the units for the ISO 14001:2015 certification and no negative observations were found during the said assessment.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder

Yes

Sr. No.	Specify the law/ regulation/ guidelines which were not complied with	Provide details of the non-compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations:

5 (five)

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
2	Confederation of Indian Industry (CII)	National
3	Basic Chemicals, Cosmetics & Dyes Export Promotion Council (CHEMEXCIL)	National
4	The Advertising Standards Council of India (ASCI)	National
5	Home Insect Control Association (HICA)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development
Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of Notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain. (Yes / No)	Relevant web link
Not applicable. No assessments were undertaken or necessitated during the reporting period.					

2. **Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Sr. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in ₹)
The Company does not have any on-going projects on R&R.						

3. **Describe the mechanisms to receive and redress grievances of the community.**

In case of any complaints, emails can be sent to employeegrievances@jyothy.com or hr@jyothy.com or secretarial@jyothy.com or info@jyothy.com or whistleblower@jyothy.com email ids. Thereafter the issue is reviewed by the concerned department and any investigation, if required, is completed. Based upon the investigation, the concerned department in consultation with the head of the department provides a satisfactory resolution to the complaint. In addition to this, communities can contact us through the toll-free number +18001032992 and through customercare@jyothy.com / secretarial@jyothy.com.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	32.71%	34%
Directly from within India	98.98%	98.92%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:**

	FY 2023-24	FY 2022-23
Rural	12.7%	10.3%
Semi-Urban	1.3%	0.2%
Urban	34.6%	34.8%
Metropolitan	51.4%	54.7%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner
Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

The Company has a dedicated tollfree customer care number i.e. +18001032992 and email address i.e. customercare@jyothy.com where the consumer can reach the Company with his/her concerns. The details of customer care number and email id is cited on all the products of the Company as well as on the Company's website under 'Contact' section.

Post receipt of the complaint, if any, the customer care officer raises the issue with the relevant department within the Company. However, while the discussion is on, the quality team requests for the samples in question from the complainant be handed over to the Company representative for ascertaining the cause. Once the product is received, a thorough examination is conducted by the relevant teams. If found genuine, the Company replaces the product.

2. Turnover of products and/or services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY 2023-24*		Remarks	FY 2022-23		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Unfair Trade Practices	Nil	Nil	-	Nil	Nil	-
Other	Nil	Nil	-	Nil	Nil	-

* Refer Reporting Boundary in Section A of the Report. The figures as stated for FY 2023-24 (current FY) are not strictly comparable with the previous year as the current FY also includes the details of erstwhile JFSL, now merged with JLL.

4. Details of instances of a product recall on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	N/A
Forced recalls	Nil	N/A

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has in place an Information Security Policy and Risk Management Policy which is being administered by the Information Technology department of the Company. Also, regular trainings are conducted for all the employees/ workers on cyber security and data privacy.

The Information Security Policy can be accessed at the following link: <https://www.jyothy labs.com/wp-content/uploads/2023/06/Information-Security-Policy-1.pdf>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products / services:

Not applicable as no such incidents were reported.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches:

NIL

b. Percentage of data breaches involving personally identifiable information of customers:

NIL

c. Impact, if any, of the data breaches:

NIL

Independent Practitioners' Limited Assurance Report

To
The Directors and Management
JYOTHY LABS LIMITED ("JLL")

Jyothy Labs Limited (hereafter "JLL") engaged M/s Rath & Associates, Practicing Company Secretaries, Mumbai (hereafter "R&A") to conduct independent external assurance of non-financial information (Essential Indicators) disclosed in JLL's Business Responsibility and Sustainability Report (hereinafter "the BRSR") for the period April 01, 2023 to March 31, 2024.

The BRSR is based on the National Guidelines on Responsible Business Conduct (NGRBC), SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021 read with SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 pertaining to Business Responsibility and Sustainability Reporting (BRSR) framework. This assurance statement applies to the related information included within the scope of work described below.

The selection of reporting criteria, reporting period, reporting boundary, monitoring and measurement of data, preparation, and presentation of information for the BRSR is the sole responsibility of the management of JLL. R&A was not involved in the drafting or preparation of the backup data of JLL for the BRSR. Our sole responsibility was to provide independent assurance on its content.

Management's Responsibility

JLL developed the BRSR's content. JLL management is responsible for identifying Essential Indicators, carrying out the collection, analysis and disclosure of the information presented in the BRSR (web-based and print), including website maintenance, integrity, and for ensuring its quality and accuracy in accordance with the applied criteria stated in the BRSR framework, such that it is free of intended or unintended material misstatements. JLL will be responsible for archiving and reproducing the disclosed data to the stakeholders upon request.

Scope and Boundary

The scope of work includes the assurance of following non-financial performance/ Essential Indicators disclosed in the BRSR.

In particular, the assurance engagement included the review of:

- (i) General Disclosure –
 - (a) details of the listed entity, products/services,

- (b) operations,
- (c) employees,
- (d) holding, subsidiary and associate companies including joint ventures,
- (e) CSR details,
- (f) transparency and disclosures compliance;
- (ii) Management & Process Disclosures;
- (iii) Disclosures against all 9 BRSR Principles;
- (iv) Review of the quality of information;
- (v) Review of evidence (on a sample basis) for identified non-financial indicators.

We have verified the below Essential Indicators disclosed in the BRSR as per details furnished in the Annexure attached with this letter.

JLL operates plants and/or operations/office at 28 locations in India plus one international location.

The assurance activities were carried out together with a desk review during the period from 1st to 3rd April 2024, verification activities were performed at JLL's Registered & Corporate Office at Ujala House, Ram Krishna Mandir Road, Kondivita, Andheri (East), Mumbai – 400 059.

Limitations

R&A did not perform any assurance procedures on the prospective information disclosed in the Report, including targets, expectations, and ambitions. Consequently, R&A draws no conclusion on the prospective information. During the assurance process, R&A did not come across any limitation to the agreed scope of the assurance engagement. R&A did not verify any ESG goals and claims through this assignment. R&A verified data on a sample basis; the responsibility for the authenticity of data entirely lies with JLL. R&A does not accept or assume responsibility for any other person or organization. Any dependence by any person or third party on the BRSR Report may be placed entirely at their own risk by such person or third party.

Our Responsibility

R&A's responsibility in relation to this engagement is to perform a limited level of BRSR assurance and to express a conclusion based on the work performed. Our engagement did not include an assessment of the adequacy or the effectiveness of JLL's strategy, management of ESG-related issues or the sufficiency of the Report against BRSR reporting principles, other than those mentioned in the scope of the assurance. R&A's responsibility regarding this verification is in reference to the agreed scope of work, which includes non-financial quantitative and qualitative information (KPIs) disclosed by JLL. Reporting

Organization is responsible for archiving the related data for a reasonable time period. The intended users of this assurance statement are the management of JLL. The data is verified on a sample basis, the responsibility for the authenticity of data lies with the reporting organization. Reporting Organization is responsible for archiving the related data for a reasonable time period. R&A expressly disclaims any liability or co-responsibility 1) for any decision a person or entity would make based on this assurance statement and 2) for any damages in case of erroneous data being reported. This assurance engagement is based on the assumption that the data and information provided to R&A by JLL are complete and true.

Verification Methodology

During the assurance engagement, R&A adopted a risk-based approach, focusing on verification efforts with respect to disclosures. R&A has verified the disclosures and assessed the robustness of the underlying data management system, information flows, and controls. In doing so:

- i. R&A examined and reviewed the documents, data and other information made available by JLL for non-financial Essential Indicators (non-financial disclosures);
- ii. R&A conducted interviews with key representatives of JLL;
- iii. R&A reviewed the adherence to reporting requirements of "BRSR Framework";

Limited Assurance Conclusion

Based on the procedures we have performed; nothing has come to our attention that causes us to believe that the information subject to the limited assurance engagement was not prepared in all material respects. R&A found the information to be reliable in all principles, with regards to the reporting criteria of the BRSR.

Report complies with the below requirements:

- A. Governance, leadership and oversight: The messages of top management, business model to promote inclusive growth and equitable development, action and strategies, focus on products, risk management, protection and restoration of environment, and priorities are disclosed appropriately.
- B. Connectivity of information: JLL discloses various principles and their inter-relatedness and dependencies with factors that affect the organization's ability to create value over time.
- C. Stakeholder responsiveness: The Report covers mechanism for communication with key

stakeholders to identify major concerns to derive and prioritize the short, medium and long-term strategies. The Report provides insights into the organization's relationships (nature and quality) with its key stakeholders. In addition, the Report provides a fair representation of the extent to which the organization understands, takes into account and responds to the legitimate needs and interests of key stakeholders.

- D. Materiality: JLL has appropriately identified issues that affect its value creation, have high importance to its stakeholders, linked to strategy and governance considering aspects that are internal and external to JLL's range of business. The Report fairly brings out the aspects and topics and its respective boundaries of operations. The Report discloses information on material topics that substantively affect JLL's ability to create value over the short, medium and long term.
- E. Conciseness: The Report reproduces the requisite information and communicates clear information in as few words as possible. The disclosures are expressed briefly and to the point sentences, graphs, pictorial, tabular representation are applied. At the same time, due care is taken to maintain continuity of information flow in the BRSR.
- F. Reliability and completeness: JLL has established internal data aggregation and evaluation systems to derive the performance. The reported data is duly verified and authenticated by JLL. The majority of the data and information was verified by R&A's assurance team (on sample basis) during the assessment of the BRSR and found to be fairly accurate. All data, is reported transparently, in a neutral tone and without material error.
- G. Consistency and comparability: The information in the Report is presented on an annual basis in a reliable and complete manner. Thus, the principle of consistency and comparability is established.

For and on behalf of
RATHI & ASSOCIATES

COMPANY SECRETARIES

sd/-
HIMANSHU S. KAMDAR
PARTNER

M. No.: FCS 5171

C.P. No.: 3030

Date: May 15, 2024

P.R. Certificate No.: 668/2020

Identified Sustainability Indicators

Sl. No.	BRSR Indicator Reference	Description of Indicator
1.	Section A – e) a	Employees and workers (including differently abled)
2.	Section A – e) b	Differently abled Employees and workers
3.	Section A – f)	Participation/Inclusion/Representation of women
4.	Section A – g)	Turnover rate for permanent employees and workers
5.	Section A – j)	Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct
6.	Section B	Management and Process Disclosures
7.	Section C – Principle 1 – E1	Percentage coverage by training and awareness programmes on any of the Principles during the Financial Year
8.	Section C – Principle 1 – E6	Details of complaints with regard to conflict of interest
9.	Section C – Principle 2 – E2 b	What percentage of inputs were sourced sustainably?
10.	Section C – Principle 3 – E1 a	Details of measures for the well-being of employees
11.	Section C – Principle 3 – E2	Details of retirement benefits for Current Financial Year
12.	Section C – Principle 3 – E5	Return to work and Retention rates of permanent employees and workers that took parental leave
13.	Section C – Principle 3 – E7	Membership of employees and worker in association(s) or Unions recognised by the listed entity
14.	Section C – Principle 3 – E8	Details of training given to employees and workers
15.	Section C – Principle 3 – E9	Details of performance and career development reviews of employees and worker
16.	Section C – Principle 3 – E11	Details of safety related incidents
17.	Section C – Principle 3 – E13	Number of Complaints made by employees and workers
18.	Section C – Principle 3 – E14	Assessments for the year (Health and safety practices, Working Conditions)
19.	Section C – Principle 5 – E1	Number of Employees and workers who have been provided training on human rights issues and policies of the entity
20.	Section C – Principle 5 – E2	Details of minimum wages paid to employees and workers
21.	Section C – Principle 5 – E3	Details of remuneration/salary/wages
22.	Section C – Principle 5 – E6	Number of Complaints on (Sexual Harassment, Discrimination at workplace, Child Labour, Forced Labour/Involuntary Labour, Wages and Other human rights related issues) made by employees and workers
23.	Section C – Principle 5 – E9	Do human rights requirements form part of your business agreements and contracts
24.	Section C – Principle 6 – E1	Details of total energy consumption (in Joules or multiples) and energy intensity
25.	Section C – Principle 6 – E3	Details of disclosures related to water withdrawal by source (in Kilo litres)
26.	Section C – Principle 6 – E5	Details of implementation of mechanism for Zero Liquid discharge
27.	Section C – Principle 6 – E6	Details of air emissions (other than GHG emissions)
28.	Section C – Principle 6 – E8	Details of project related to reducing Green House Gas emissions
29.	Section C – Principle 8 – E2	Information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by entity
30.	Section C – Principle 9 – E3	Number of consumer complaints in respect of Data Privacy, Advertising, Cyber-Security, Delivery of essential services, Restrictive Trade Practices, Unfair Trade Practices, other
31.	Section C – Principle 9 – E4	Details of instances of product recall on account of safety issues

Report on Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Jyothy Labs Limited ("your Company") is always committed to the adoption of best governance practices and their adherence in true spirit. Your Company's philosophy on Corporate Governance enshrines the goal of achieving the highest level of transparency, accountability, sustainability, ethical behaviour and safety in all spheres of its operations. Your Company subscribes to equitable treatment of all its stakeholders, which has helped in maintaining their trust and appreciation. This has helped in fostering financial stability and business integrity, resulting in inclusiveness and sustainable growth.

Your Company recognizes that the enhancement of corporate governance is one of the most important aspects in terms of achieving your Company's goal of enhancing corporate value by deepening societal trust. Efficient corporate governance requires a clear understanding of the respective roles of the Board of Directors and of senior management employees and their relationships with others in the corporate structure. Your Company believes that Corporate Governance is not just the compliance of statutory requirements or framework/ set of rules but rather much more than that. Your Company also believes that effective and efficient corporate governance should be a part of its culture, habit and the manner of conducting its business.

Your Company is in compliance with all the provisions/ regulations stipulated by the Companies Act, 2013 and Rules framed thereunder and provisions under Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the Listing Regulations'), including any amendment(s) or modification(s) thereof. The following Report together with the information contained in the Management Discussion and Analysis Report and other parts of the Annual Report constitutes your Company's compliance with the Corporate Governance requirements.

To ensure that your Company at all times remain in compliance with all the sections applicable to your Company under the Companies Act, 2013 and the Rules framed thereunder and with all the regulations prescribed under the Listing Regulations, your Company has adopted '**Corporate Governance Code**' which has been approved by the Board of Directors of your Company at its Meeting held on May 18, 2021. A copy of the Corporate Governance Code is also available on

the website of your Company for easy access of the Stakeholders.

BOARD OF DIRECTORS

Composition:

The Board of Directors of your Company (hereinafter referred to as 'the Board') represents an optimum combination of the Executive and Non-Executive Directors with more than 50% of the Board of Directors comprising of Non-Executive Directors. The Board's action and decisions are aligned with your Company's best interests. Your Company keeps the governance practices under continuous review. The Board plays a crucial role in overseeing how the management serves the short and long-term interest of all stakeholders. Your Company has 2 (two) Women Directors out of which 1 (one) is Independent Woman Director appointed pursuant to the requirement of the Listing Regulations.

The Board, as on March 31, 2024, comprises of 6 (six) Directors out of which 1 (one) is Executive Director and 5 (five) are Non-executive Independent Directors and accordingly more than 50% of the Board consists of Non-executive Independent Directors.

The Board of Directors, based on the recommendation of Nomination, Remuneration and Compensation Committee (NRCC) of the Company:

- Re-appointed Ms. Bhumika Batra (DIN- 03502004) as an Independent Director of your Company, not liable to retire by rotation, for a period of 5 (five) consecutive years commencing from March 14, 2024 to March 13, 2029 (both days inclusive). The members of your Company have approved her re-appointment as an Independent Director of your Company at its Annual General Meeting (AGM) held on July 25, 2023.
- Appointed Mr. Narayanan Subramaniam (DIN- 00166621) as an Additional Director designated as Independent Director of your Company, not liable to retire by rotation, for a period of 5 (five) consecutive years commencing from December 15, 2023 to December 14, 2028 (both days inclusive). The members of your Company have approved his appointment as an Independent Director of your Company, through Postal Ballot on March 7, 2024.
- Appointed Mr. Ananth Rao T (DIN- 02585410) as a Director and Whole-time Director of your Company designated as Director- Operations & Commercial,

liable to retire by rotation, for a period of 5 (five) consecutive years commencing from April 1, 2024 to March 31, 2029 (both days inclusive). The members of your Company have approved his appointment as Director and Whole-time Director of your Company, designated as Director- Operations & Commercial, through Postal Ballot on March 7, 2024.

- Appointed Mr. Ravi Razdan (DIN- 08936083) as a Director and Whole-time Director of your Company designated as Director- IT & HR, liable to retire by rotation, for a period of 5 (five) consecutive years commencing from April 1, 2024 to March 31, 2029 (both days inclusive). The members of the Company have approved his appointment as Director and Whole-time Director of your Company, designated as Director- IT & HR, through Postal Ballot on March 7, 2024.
- Appointed Mr. Suresh Balakrishna (DIN- 05207871) as an Independent Director of your Company, not liable to retire by rotation, for a period of 5 (five) consecutive years commencing from April 1, 2024 to March 31, 2029 (both days inclusive). The members

of the Company have approved his appointment as an Independent Director of your Company, through Postal Ballot on March 7, 2024.

- Appointed Ms. M. R. Jyothy (DIN – 00571828) as the Chairperson of the Board of Directors of the Company and re-designated her as the Chairperson and Managing Director of your Company effective from May 15, 2024.
- Re-appointed Ms. M. R. Jyothy (DIN- 00571828) as the Chairperson and Managing Director and Key Managerial Personnel of your Company, not liable to retire by rotation, in terms of the provisions of the Act for a further period of 5 years commencing from April 1, 2025 to March 31, 2030 (both days inclusive), subject to the approval of the Members of your Company in the ensuing AGM on terms and conditions specified in the Notice of AGM

The composition of the Board of your Company is in conformity with the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations.

PROCESS OF APPOINTMENT / RE-APPOINTMENT OF A DIRECTOR



None of the Directors on the Board are members of more than ten committees and Chairperson of more than five committees across all companies in which they are Directors as per the requirements of Regulation 26 of the Listing Regulations.

During the financial year ended on March 31, 2024, the Board of Directors of your Company met seven (7) times and the gap between the meetings did not exceed 120 days. The meetings were held on May 3, 2023, June 9, 2023, July 25, 2023, November 7, 2023, November 24, 2023, January 31, 2024 and March 14, 2024. All the Board and the Committee meetings during the financial year 2023-24, were held physically and the facility to attend the meeting through video conferencing in compliance with the provisions of Section 173 of the Companies Act, 2013 read with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended, was also provided. There was 100% attendance of all your

Directors in all the Board and the Committee meetings held during the financial year 2023-24. Also, during the financial year 2023-24, 2 (two) Circular Resolutions pursuant to Section 175 of the Companies Act, 2013 were passed on September 13, 2023 and December 15, 2023.

The last Annual General Meeting (AGM) of your Company was held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) on Tuesday, July 25, 2023 in compliance with the provisions of General Circular no. 10/ 2022 dated December 28, 2022 read with General Circular no. 20/ 2020 dated May 5, 2020 issued by the Ministry of Corporate Affairs and Circular No. SEBI/ HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India.

The details of the Directors on the Board of your Company as on March 31, 2024 are given below:

Name of the Director	Category/ Designation	No. of shares held	Attendance Particulars		No. of Outside Directorships*	No. of outside Committee positions®	
			Board Meeting	Last AGM		Member	Chairperson
Mr. R. Lakshminarayanan ^{&}	Chairman & Independent Non- executive Director	-	7	Yes	1	-	1
Ms. M. R. Jyothy	Promoter Group and Managing Director	95,37,874	7	Yes	1	-	-
Ms. M. R. Deepthi [#]	Promoter Group and Whole Time Director	1,03,61,770	5	Yes	-	-	-
Mr. Nilesh Mehta ^{&}	Independent Non- executive Director	-	7	Yes	-	-	-
Ms. Bhumika Batra	Independent Non- executive Director	-	7	Yes	8	5	4
Mr. Aditya Sapru	Independent Non- executive Director	-	7	Yes	4	3	1
Mr. Narayanan Subramaniam ^{\$}	Independent Non- executive Director	-	2	N.A	3	2	1

* Excludes directorship in Indian Private Limited Companies, Foreign Companies, Companies under section 8 of the Companies Act, 2013.

@ Only membership/chairmanship of Audit Committee and Stakeholders' Relationship Committee of Listed and Public Limited companies have been considered, excluding that in your Company. Committee Membership(s) and Chairmanship(s) are counted separately.

Ms. M. R. Deepthi ceased to be a Director and Whole-time Director of your Company with effect from the closing hours of November 24, 2023 and thereby also ceased to be the member of the Committees of the Board of Directors of your Company from the said date.

\$ Mr. Narayanan Subramaniam has been appointed as an Independent Director of your Company with effect from December 15, 2023.

& Mr. R. Lakshminarayanan and Mr. Nilesh Mehta retired as Independent Directors of your Company with effect from close of business hours of March 31, 2024 upon completion of their second term of office as Independent Directors. Further, the Board of Directors at their meeting held on January 31, 2024 appointed Mr. Ananth Rao T as Whole-time Director designated as Director-Operations and Commercial, Mr. Ravi Razdan as Whole-time Director designated as Director- IT & HR and Mr. Suresh Balakrishna as Independent Director of your Company with effect from April 1, 2024.

As per the requirement of clause 2(c) of Para C of Schedule V of the Listing Regulations, the names of the other listed companies and corresponding category of directorship held by the above Directors as on March 31, 2024 are furnished hereunder:

Name of the Director	Name of the Listed companies	Category of Directorship
Mr. R. Lakshminarayanan	Wonderla Holidays Limited	Non-Executive - Non Independent Director
Ms. Bhumika Batra	a) Repro India Limited b) NDL Ventures Limited c) Sharp India Limited d) Finolex Industries Limited e) Hinduja Global Solutions Limited f) Sanghvi Movers Limited	Non-Executive - Independent Director
Mr. Aditya Sapru	GOCL Corporation Limited	Non-Executive - Independent Director
Mr. Narayanan Subramaniam	a) City Union Bank Limited b) Ganesha Ecosphere Limited	Non-Executive - Independent Director

Apart from Jyothy Labs Limited, Ms. M. R. Jyothy and Mr. Nilesh Mehta did not hold Directorship in any other listed company as on March 31, 2024.

As on March 31, 2024, none of the Directors were related to each other.

None of the Non-Executive Independent Directors holds any shares and/or convertible instruments issued by your Company for the time being.

FAMILIARIZATION PROGRAMMES

The details of familiarization programmes imparted to Independent Directors are uploaded on the website of your Company and can be accessed through weblink:

<https://www.jyothy labs.com/investor/management-policies-notices/#Management-Policies>

CHART OR A MATRIX SETTING OUT SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS

Your Company operates in Fast Moving Consumer Goods (FMCG) industry and offers variety of products in the categories of fabric care, dish wash, household insecticides, personal care, etc. Your Company while appointing a Director always ensures that the candidate possesses appropriate skills, experience and knowledge in one or more fields of finance, law, business management, sales, marketing, research, corporate governance, technical operations or other disciplines related to your Company's business. Your Company believes that each person appointed on the Board of your Company shall have expertise in one or more of the aforesaid fields. Your Directors collectively possess all the required core skills/expertise/competencies that are required to operate business smoothly in the FMCG industry.

The list of core skills/expertise/competencies identified by the Board as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Directors are as follows:

Sr. No.	List of skills/expertise/competencies	Name of Director having the identified skills/expertise/ competencies
a)	Leadership experience in running or serving large entities	Ms. M. R. Jyothy and Mr. R. Lakshminarayanan
b)	Business Strategy/Business Management	Ms. M. R. Jyothy, Mr. Aditya Sapru and Mr. Narayanan Subramaniam
c)	Sales and Marketing	Mr. R. Lakshminarayanan and Ms. M. R. Jyothy
d)	Finance and Accounting	Mr. Nilesh Mehta, Mr. Aditya Sapru and Mr. Narayanan Subramaniam
e)	Legal, Regulatory Framework, Corporate Governance	Ms. Bhumika Batra and Mr. Narayanan Subramaniam

The Board hereby confirms that the Independent Directors of your Company have fulfilled all the conditions specified in the Listing Regulations and that they are independent of the Management. During the year under review, no Independent Director has resigned from his/her position of Director before expiry of his/her tenure.

COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the Governance Structure of the Company and have constituted to deal with specific areas / activities as mandated by the Listing Regulations and the Act. The Board Committees play a vital role in improving the Board effectiveness in the areas where more focuses and extensive discussions are required. The Chairman / Chairperson of the respective Committees informs the Board about the summary of the discussions held in the Committee Meeting. The minutes of the meeting of all Committees are placed before the Board for review.

During the year, all recommendations of the Committees of the Board has been accepted by the Board.

CONSTITUTION OF THE COMMITTEES

Audit Committee	Stakeholders' Relationship Committee	Nomination, Remuneration and Compensation Committee
<ul style="list-style-type: none"> → Nileshe Mehta, Chairman → R. Lakshminarayanan → Bhumika Batra 	<ul style="list-style-type: none"> → Nileshe Mehta, Chairman → R. Lakshminarayanan → M. R. Jyothy 	<ul style="list-style-type: none"> → Nileshe Mehta, Chairman → R. Lakshminarayanan → M. R. Jyothy
Corporate Social Responsibility Committee	Risk Management Committee	Environment, Social and Governance Committee
<ul style="list-style-type: none"> → Nileshe Mehta, Chairman → R. Lakshminarayanan → M. R. Jyothy 	<ul style="list-style-type: none"> → Nileshe Mehta, Chairman → Aditya Sapru → M. R. Jyothy → Ananth Rao T → Ravi Razdan 	<ul style="list-style-type: none"> → M. R. Jyothy, Chairperson → Bhumika Batra → Ananth Rao T → Ravi Razdan → Sanjay Agarwal → Shreyas Trivedi

AUDIT COMMITTEE



**3
Members**

**3
Independent**

**4
Meetings**

**100%
Attendance**

The Board of your Company has constituted a well-qualified, financially literate and independent Audit Committee with all its members as Independent Directors. All Members of the Audit Committee possess expert knowledge of Accounts, Audit and Finance.

Composition, Meetings and Attendance

During the financial year under review i.e. April 1, 2023 to March 31, 2024, 4 (Four) meetings of the Audit Committee were held on May 3, 2023, July 25, 2023, November 7, 2023 and January 31, 2024. Also during the financial year 2023-24, 1 (one) Circular Resolution pursuant to Section 175 of the Companies Act, 2013 was passed on November 28, 2023. The composition of the Committee and attendance of each Committee Member during FY 2023-24 is as under:

Sr. No.	Name of the Members	Position	No. of meetings attended
1	Mr. Nileshe Mehta*	Chairman	4
2	Mr. R. Lakshminarayanan*	Member	4
3	Ms. Bhumika Batra	Member	4

* Mr. Nileshe Mehta and Mr. R. Lakshminarayanan retired as Independent Directors of your Company with effect from close of business hours of March 31, 2024 upon completion of their second term of office as Independent Directors and accordingly

ceased to be the members of the Audit Committee. Further, the Board of Directors at their meeting held on March 14, 2024, appointed Mr. Narayanan Subramaniam and Mr. Aditya Sapru, Independent Directors as members and Ms. Bhumika Batra, Independent Director as the Chairperson of Audit Committee with effect from April 1, 2024.

Ms. M. R. Jyothy, Chairperson and Managing Director and Mr. Sanjay Agarwal, Chief Financial Officer of your Company are the permanent invitees to all the Audit Committee meetings. Mr. Shreyas Trivedi, Head – Legal & Company Secretary acts as the Secretary of the Committee. Further, representatives of the Internal Auditors and the Statutory Auditors were invitees to the Audit Committee Meeting.

Terms of Reference of the Audit Committee

The terms of reference of the Audit Committee of your Company are in accordance with Section 177 and other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder and Regulation 18 read with Part C of Schedule II of the Listing Regulations, which inter alia include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 2. Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
 3. Approval of payment to the Statutory Auditors for any other services rendered by the Statutory Auditors;
 4. Reviewing with the management, the Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with the listing regulations and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions;
 - g. Modified opinion(s) in the draft Audit Report
5. Reviewing, with the management, and examine the quarterly and annual financial results and limited review /auditors' report thereon before submission to the Board for approval;
 6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency regarding the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
 7. Review and monitor the Auditor's independence and performance and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the Company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
 14. Discussion with Internal Auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

16. Discussion with the Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism or Vigil mechanism;
19. Reviewing the utilization of loans and/or advances from/investment by the company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments;
20. Approval of appointment of Chief Financial Officer (i.e. the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
22. Review mandatory matters as specified under Para B of Part C of Schedule II of the Listing Regulations;
23. Verifying that the systems for internal controls for compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 are adequate and are operating effectively; and
24. Carrying out any other function as the Audit Committee may deem fit.

Key items reviewed	Frequency of review
Review of the financial results and limited review report	Q
Review of the financial statements, the auditor's report thereon, Director's Responsibility Statement and Management Discussion and Analysis report	A
Recommendation of the appointment, remuneration and terms of appointment of auditors of the Company and approval of payments for any other services	A
Review of performance of statutory and internal auditors, and adequacy of the internal control systems	A
Review of internal audit findings, the action taken status and other matters relating to the internal audit functioning of the Company and Internal audit plan for the year	A
Review of findings of any internal investigations by the internal auditors in matters where there is suspected fraud or irregularity or failure of internal control systems of material nature, and reporting the matter to the Board	E
Review of related party transactions	Q
Evaluation of internal financial controls and risk management systems of the Company	A
Review functioning of the whistle-blower mechanism	Q
Review material updates in litigations, and show-cause/demand/prosecution and penalty notices	Q
Review compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 and systems for internal controls with them	A
Recommendation of the appointment of the Chief Financial Officer of the Company and the remuneration payable	E

Frequency: A- Annually, Q- Quarterly, E- Event based

NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE



**3
Members**

**3
Independent**

**4
Meetings**

**100%
Attendance**

Composition, Meetings and Attendance

As on March 31, 2024 the Nomination, Remuneration and Compensation Committee of your Company comprises of three (3) Members and is constituted in accordance with Section 178 and other provisions of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

During the year under review i.e. April 1, 2023 to March 31, 2024, 4 (four) meetings of the Nomination, Remuneration and Compensation Committee were held on May 3, 2023, June 9, 2023, September 4, 2023 and January 31, 2024. Also during the financial year 2023-24, 1 (one) Circular Resolution pursuant to Section 175 of the Companies Act, 2013 was passed on December 15, 2023. The attendance of the members at the said meetings were as under:

Sr. No.	Name of the Members	Position	No. of meetings attended
1	Mr. Nilesh Mehta*	Chairman	4
2	Mr. R. Lakshminarayanan*	Member	4
3	Ms. Bhumika Batra	Member	4

* Mr. Nilesh Mehta and Mr. R. Lakshminarayanan retired as Independent Directors of your Company with effect from close of business hours of March 31, 2024 upon completion of their second term of office as Independent Directors and accordingly ceased to be the members of the Nomination, Remuneration and Compensation Committee. Further, the Board of Directors at their meeting held on March 14, 2024, appointed Mr. Aditya Sapru and Mr. Suresh Balakrishna, Independent Directors as members and Ms. Bhumika Batra, Independent Director as the Chairperson of Nomination, Remuneration and Compensation Committee with effect from April 1, 2024.

Ms. M. R. Jyothy, Chairperson and Managing Director of your Company is a permanent invitee to all the Nomination, Remuneration and Compensation Committee meetings. Mr. Shreyas Trivedi, Head – Legal & Company Secretary acts as the Secretary of the Committee.

Terms of Reference of Nomination, Remuneration and Compensation Committee

The role and terms of reference of the Committee are in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the Listing Regulations. The Committee is empowered to do the following:

1. To formulate criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board, a policy relating to appointment and remuneration of Directors, Key Managerial Personnel and other senior employees;
2. In case of appointment of an Independent Director, evaluate the balance of skills, knowledge and experience on the Board and on the basis

of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an Independent Director shall have the capabilities identified in such description;

3. To formulate criteria for evaluation of the members of the Board of Directors including Independent Directors, the Board of Directors and the Committees thereof;
4. To devise policy on Board Diversity;
5. To identify persons, qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and where necessary, their removal;
6. To formulate policy ensuring the following:
 - a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully,

- b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
 - c. remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
7. To design Company's policy on specific remuneration packages for Executive/Whole Time Directors and Key Managerial Personnel including pension rights and any other compensation payment;
8. To determine, peruse and finalize terms and conditions including remuneration payable to Executive/Whole Time Directors and Key Managerial Personnel of your Company from time to time;
9. To review, amend or ratify the existing terms and conditions including remuneration payable to Executive/Whole Time Directors and Key Managerial Personnel of your Company;
10. To consider and approve ESOP Scheme and to perform all such acts, deeds and functions including, but not limited to, the matters specified in Regulation 5 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended from time to time and matters incidental/supplemental thereto;
11. To recommend to the Board, all remuneration in whatever form, payable to senior management;
12. To recommend to the Board of Directors, their decisions and further actions as they may deem fit.

Key items reviewed	Frequency of review
Determine / recommend the criteria for appointment of Directors, Members of Management Committee and Key Managerial Personnel	E
Identify candidates who are qualified to become Directors or Key Managerial Personnel	E
Evaluate the balance skills, knowledge and experience on the Board and prepare a description of the role and capabilities required for Independent Director(s)	E
Review and determine all elements of remuneration package of all the Executive Directors	E
Ensure succession planning to the Board and the leadership development plans to enhance such succession planning	P
Recommend to the Board, all remunerations, in whatever form, payable to Key Managerial Personnel and Senior Management	A
Recommendation of the appointment of the Chief Financial Officer of the Company and the remuneration payable	E

Frequency: A- Annually, E- Event based, P- Periodically

Performance evaluation criteria for Independent Directors:

As per the Nomination, Remuneration and Compensation policy of your Company, the Independent Directors are evaluated on six criteria as mentioned below:

- 1) Ethics and Values;
- 2) Knowledge and Proficiency;
- 3) Diligence;
- 4) Behavioural Traits;
- 5) Efforts for Personal Development; and
- 6) Independence in decision making.

The above six criteria are further divided into sub-criteria, not exceeding five for each of the criteria. These also bring out whether or not a Director has necessary positive attributes required for discharging his/her duties, functions and responsibilities as the Director of your Company.

A rating scale of 5 (five) is used to give scores for each of the sub-criteria:

- 1) Outstanding- 5
- 2) Very Good- 4
- 3) Good- 3
- 4) Unsatisfactory- 2
- 5) Poor- 1

Each evaluating Director provides score for each of the Independent Director. The evaluating Director gives score for each of the sub-criteria comprising each of the criteria mentioned above. The score is based on the rating scale as mentioned above.

The evaluator have to provide reasons for rating score of 1 or 2 and suggestions, if any, for improvement. The final score for each of the Independent Director is arrived at in the manner given below:

- i) The score for each of the criteria is arrived at by aggregating the scores for sub-criteria and dividing them by the number of sub criteria.
- ii) The total score from each evaluator is arrived at by adding up the scores of all criteria and dividing the total by 5 (five).
- iii) The total score for an independent director will be arrived at by adding the scores from all evaluators and dividing such total score by the number of evaluators.

The Chairman then conveys the result of the evaluation to the concerned Independent Director. In case the total score of an Independent Director is less than or equal to 2, the Chairman shall convey to such Independent Director the reasons for the score mentioned by the evaluator(s), and suggestions for improvements, if any. If an Independent Director gets score of less than or equal to 2 for his whole tenure (as provided under the provisions of the Companies Act, 2013), he shall not be eligible for re-appointment for a further term as Director of your Company.

The Performance Evaluation of Executive Directors and Key Managerial Personnel shall be carried out by the Independent Directors in the manner mentioned above taking into consideration the performance against the corporate goals and objectives on the basis of performance parameter set for each Executive Director and Key Managerial Personnel.

Remuneration Policy

Your Company follows a policy on remuneration of Directors and Senior Management Employees.

- a) While determining the remuneration of Executive Directors and Key Managerial Personnel, the Board considers following factors:
 - i) Criteria/norms for determining the remuneration of such employees prescribed in the HR Policy.
 - ii) Existing remuneration drawn.
 - iii) Industry standards, if the data in this regard is available.

- iv) The job description.
 - v) Qualifications and experience levels of the candidate.
 - vi) Remuneration drawn by the outgoing employee, in case the appointment is to fill a vacancy on the death, resignation, removal etc. of an existing employee.
 - vii) The remuneration drawn by other employees in the grade with matching qualifications and seniority, if applicable.
- b) The determination of remuneration for other employees shall be governed by the HR Policy.
 - c) The proposal for the appointment of an Executive Director/Key Managerial Personnel shall provide necessary information in this regard which the Board will consider in arriving at the conclusion as to whether or not the remuneration offered to the candidate is appropriate, reasonable and balanced as to the fixed and variable portions (including the commission).
 - d) The remuneration payable to the Executive Directors, including the Commission and value of perquisites, as per the provisions of the Companies Act, 2013 and Listing Regulations, as amended.
 - e) The Executive Directors shall not be eligible to receive sitting fees for attending the meetings of the Board or committees thereof of the Company and its Subsidiary Companies.
 - f) The Independent Directors and/or Non-executive Directors shall not be eligible to receive any remuneration/salary from the Company. However, they shall be paid sitting fees for attending the meeting of the Board or Committees thereof and commission, as may be decided by the Board/ Shareholders from time to time.
 - g) The Independent Directors and/or Non-executive Directors shall also be eligible for reimbursement of reasonable out-of-pocket expenses incurred by them for attending meetings of Board, Committees or Shareholders, including the travelling and lodging & boarding expenses on an actual basis.

The amount of sitting fee and commission payable to Independent Directors and/or Non-executive Directors shall not exceed the limits prescribed under the provisions of the Companies Act, 2013.

Explanation: For the purposes of this Policy, Remuneration shall mean the Cost to the Company and shall include the salary, allowances, perquisites, performance incentive and any other

facility provided or payment made to or on behalf of the employee.

- h) Independent Directors shall not be eligible to participate in the ESOP Scheme, if any

Details of Remuneration paid to Directors for the financial year ended March 31, 2024:
Executive Directors

(Amount in ₹)

Sr. No.	Name	Salary including Benefits & Perquisites	Provident Fund	Super-annuation	Commission payable	Stock Options	Gratuity	Leave encashment	TOTAL
1	Ms. M. R. Jyothy	3,94,25,700	3,60,000	-	-	-	-	-	3,97,85,700
2	Ms. M. R. Deepthi*	1,08,99,930	2,34,000	-	-	-	24,51,923	15,79,700	1,51,65,553*

* Ms. M. R. Deepthi ceased to be a Director and Whole-time Director of the Company with effect from November 24, 2023.

* Salary paid to Ms. M. R. Deepthi also includes severance fees of six months notice pay in lieu of six months notice period.

For further details, please refer to Note No. 32 of the Notes to the Standalone Financial Statements which form part of the Annual Report.

Notice period and severance fees for all Executive Directors is six months' notice or six months' salary in lieu thereof or as may be mutually decided between the Director and your Company.

Non-Executive Directors' Compensation and Shareholding:

As per the resolution dated July 30, 2021 passed by your Company, the members had approved payment of commission to the Non-Executive and Independent Directors of your Company for an amount not exceeding 1% of the net profits of your Company calculated in accordance with the provisions of Section 197 and 198 of the Companies Act, 2013 and Regulation 17(6) of the Listing Regulations in such manner as may be determined by the Board of Directors from time to time within the said limits. The approval accorded by the members for payment of remuneration by way of commission was for a period of five years, commencing from April 1, 2022 up to March 31, 2027.

Details of sitting fees & commission paid to the Independent Directors during the financial year 2023-24 along with their Shareholding as on date of this Report are as under:

Sr. No.	Name of the Directors	Sitting Fees (₹)	Commission (₹)	No. of Shares held
1	Mr. R. Lakshminarayanan	7,00,000	12,00,000	-
2	Mr. Nilesh Mehta	7,50,000	12,00,000	-
3	Ms. Bhumika Batra	5,75,000	12,00,000	-
4	Mr. Aditya Sapru	3,75,000	12,00,000	-
5	Mr. Narayanan Subramaniam	1,00,000	-	-

There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis your Company which has potential conflict of interest with the interests of your Company at large.

Directors and Officers Insurance

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has in place a Directors and Officers Insurance Policy (D&O) for all its Independent Directors for such quantum and for such risk as may be determined.

STAKEHOLDERS' RELATIONSHIP COMMITTEE



**3
Members**

**2
Independent**

**4
Meetings**

**100%
Attendance**

Composition, Meetings and Attendance

The Stakeholders' Relationship Committee inter-alia monitors and reviews investors' grievances and is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of services.

The Committee is headed by Mr. Nilesh Mehta, Independent Non-executive Director and the Committee consists of three (3) members as stated below. During the financial year ended March 31, 2024, the Committee had 4 (four) meetings which were held on May 3, 2023, July 25, 2023, November 7, 2023 and January 31, 2024 and attended by the members as under:

Sr. No.	Name of the Members	Position	No. of meetings attended
1	Mr. Nilesh Mehta*	Chairman	4
2	Mr. R. Lakshminarayanan*	Member	4
3	Ms. M. R. Jyothy	Member	4

* Mr. Nilesh Mehta and Mr. R. Lakshminarayanan retired as Independent Director of your Company with effect from close of business hours of March 31, 2024 upon completion of their second term of office as Independent Directors and accordingly ceased to be the members of the Stakeholders' Relationship Committee. Further, the Board of Directors at their meeting held on March 14, 2024, appointed Mr. Narayanan Subramaniam and Mr. Aditya Sapru, Independent Director as members and also appointed Mr. Narayanan Subramaniam, Independent Director as the Chairman of Stakeholders' Relationship Committee with effect from April 1, 2024.

Mr. Shreyas Trivedi, Head - Legal & Company Secretary is designated as the Compliance Officer of your Company who oversees the redressal of investor grievances.

During the financial year, your Company received 24 complaints from shareholders and all of them were disposed off to the satisfaction of the shareholders. As on March 31, 2024 there was no complaint which remained unresolved.

Key items reviewed	Frequency of review
Monitor complaints received by the Company from shareholders, debenture holders, other security holders, SEBI, Stock Exchanges, Registrar of Companies etc. and action taken for redressing the same	Q
Monitor and expedite the status and process of dematerialisation and rematerialisation of shares, debentures and other securities of the Company	Q
Measures taken to reduce the quantum of unclaimed dividend / interest and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company	A/E
Adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent	A

Frequency: A- Annually, Q- Quarterly, E - Event Based

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE



3
Members

2
Independent

2
Meetings

100%
Attendance

Composition, Meetings and Attendance

The Corporate Social Responsibility (CSR) Committee is constituted pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The composition of the Committee and attendance of the members of the Committee at the meetings held is as below. The CSR Committee met 2 (two) times during the financial year ended March 31, 2024 i.e. on May 3, 2023 and January 31, 2024.

Sr. No.	Name of the Members	Position	No. of meetings attended
1	Mr. Nilesh Mehta*	Chairman	2
2	Mr. R. Lakshminarayanan*	Member	2
3	Ms. M. R. Jyothy	Member	2

* Mr. Nilesh Mehta and Mr. R. Lakshminarayanan retired as Independent Director of your Company with effect from close of business hours of March 31, 2024 upon completion of their second term of office as Independent Directors and accordingly ceased to be the members of the Corporate Social Responsibility Committee. Further, the Board of Directors at their meeting held on March 14, 2024, appointed Ms. Bhumika Batra and Mr. Suresh Balakrishna, Independent Director as members and also appointed Ms. Bhumika Batra, Independent Director as the Chairperson of Corporate Social Responsibility Committee with effect from April 1, 2024.

The terms of reference of the Corporate Social Responsibility Committee broadly includes the following:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by your Company as specified in Schedule VII of the Companies Act, 2013 and the review thereof at periodic intervals;
- To recommend the amount of expenditure to be incurred on the activities referred above;
- To formulate and recommend to the Board of Directors, annual action plan in pursuance of the CSR Policy;
- To monitor the expenditure incurred on the specified activities; and
- To monitor the implementation of Corporate Social Responsibility Policy of the Company from time to time.

Key items reviewed	Frequency of review
Formulate and recommend to the Board the CSR Policy and activities to be undertaken	P/A
Recommend the amount of expenditure to be incurred on CSR activities	A
Formulate and review the Annual Action Plan in pursuance of the CSR Policy	Q/A
Oversee the manner of execution of projects or programmes	A

Frequency: A- Annually, Q- Quarterly, P- Periodically

RISK MANAGEMENT COMMITTEE



**5
Members**

**2
Independent**

**2
Meetings**

**100%
Attendance**

Composition, Meetings and Attendance

The Risk Management Committee (RMC) of your Company is constituted pursuant to Regulation 21 of the Listing Regulations.

The composition of the Committee and attendance of the members of the Committee at the meetings held is as below. The RMC met 2 (two) times during the financial year ended March 31, 2024 i.e. on July 25, 2023 and January 12, 2024.

Sr. No.	Name of the Members	Position	No. of meetings attended
1.	Mr. Nilesh Mehta [#]	Independent Director as Chairman	2
2.	Mr. Aditya Sapru [§]	Independent Director as Member	1
3.	Ms. M. R. Jyothy	Managing Director as Member	2
4.	Ms. M. R. Deepthi [*]	Whole Time Director as Member	1
5.	Mr. Ananth Rao T	Head – Operations & Commercial as Member	2
6.	Mr. Ravi Razdan	Head – IT & HR as Member	2

^{*} Ms. M. R. Deepthi ceased to be a Member of the Committee with effect from November 24, 2023.

[§] Mr. Aditya Sapru was appointed as a Member of the Committee with effect from November 24, 2023. Further, the Board of Directors at the meeting held on March 14, 2024, appointed Mr. Aditya Sapru as the Chairman of the Risk Management Committee with effect from April 1, 2024.

[#] Mr. Nilesh Mehta retired as Independent Director of your Company with effect from close of business hours of March 31, 2024 upon completion of his second term of office as Independent Director and accordingly ceased to be the member of the Risk Management Committee.

Mr. Shreyas Trivedi, Head- Legal & Company Secretary of your Company acts as the Secretary of the Committee and Mr. Sanjay Agarwal, Chief Financial Officer is the permanent invitee to all the meetings of the Risk Management Committee.

The Committee's prime responsibility is to implement and monitor the risk management plan and policy of your Company. As on March 31, 2024, the Committee's composition is in compliance with the provisions of Regulation 21 of the Listing Regulations.

Your Company has formulated a risk management policy and has in place a mechanism to inform the Board Members about risk assessment and minimization procedures and periodical review to ensure that executive management controls risk by means of a properly designed framework.

The terms of reference of the Risk Management Committee broadly includes the following:

- Formulate a detailed risk management policy which shall include a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee, measures for risk mitigation including systems and processes for internal control of identified risks, Business continuity plan;
- Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

- c) Monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d) Periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- e) Keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- f) Review appointment, removal and terms of remuneration of the Chief Risk Officer, if any.
- g) Recommend changes in policies and procedure;
- h) Decide budget for control measures;
- i) Identifying high/medium/low risk that the Company is exposed to; and
- j) Such other powers as may be delegated by the Board of Directors from time to time.

Key items reviewed	Frequency of review
To identify the internal and external risks, inter alia, financial, operational, sectoral, sustainability / ESG, information, cyber security, legal and regulatory risk	P
Oversee the implementation of the Risk Management Policy and the adequacy of Risk Management systems	P
Ensure appropriate methodology, processes and systems are in place to monitor and evaluate risks	P

Frequency: P- Periodically

ENVIRONMENT, SOCIAL AND GOVERNANCE COMMITTEE



**6
Members**

**1
Independent**

**1
Meeting**

**100%
Attendance**

Composition, Meetings and Attendance

The Board of Directors of the Company has constituted Environment, Social and Governance Committee (ESG). The ESG Committee shall be responsible for overseeing the vision and focus of the Company's strategy relating to ESG and sustainability matters. The Committee shall also monitor the progress and review the practices, initiatives & goals of your Company relating to ESG and ensure that they remain effective.

The composition of the Committee and attendance of the members of the Committee at the meetings held is as below. The ESG Committee met once during the financial year ended March 31, 2024 i.e. on May 3, 2023.

Sr. No.	Name of the Members	Position	No. of meetings attended
1.	Ms. M. R. Jyothy	Managing Director as Chairperson	1
2.	Ms. Bhumika Batra	Independent Director as Member	1
3.	Ms. M. R. Deepthi*	Whole Time Director as Member	1
4.	Mr. Ananth Rao T	Head – Operations & Commercial as Member	1
5.	Mr. Ravi Razdan	Head – IT & HR as Member	1
6.	Mr. Sanjay Agarwal	Chief Financial Officer as Member	1
7.	Mr. Shreyas Trivedi	Head- Legal and Company Secretary as Member	1

* Ms. M. R. Deepthi ceased to be a Member of the Committee with effect from November 24, 2023.

The terms of reference of the Environment, Social and Governance Committee broadly includes the following:

- Approve the ESG strategy and provide oversight to the execution of the Company's ESG initiatives including the short-term and long-term commitments or targets;
- Periodically review implementation, execution and progress of the Company's ESG initiatives;
- Review the ESG reporting, policies and disclosures in accordance with the applicable laws, regulations and other national/ international standards;
- Identify and recommend to the Board / Risk Management Committee on matters relating to ESG risk and associated mitigation plans, emerging trends in ESG, effectiveness of Company's ESG plans etc.; and
- Do such other acts, deeds and things as deemed necessary for achievement of ESG goals, targets and strategy of the Company.

Key items reviewed	Frequency of review
Review the ESG policies that are formulated along with the oversight on their implementation	P
Providing advice and directions on implementation of the ESG strategy	P
Review the ESG matters to be presented in the Company's Annual Report	A
Monitor Company's ESG rating and statutory requirements for sustainability reporting and disclosures	A

Frequency: A- Annually, P- Periodically

Senior Management

Senior Management with respect to the Company means all employees one level below the Managing Director and all the Function Heads of the Company. Further, during the Financial Year ended March 31, 2024 there has been no change in the Senior Management of the Company.

GENERAL BODY MEETING

Annual General Meetings

Last three Annual General Meetings of your Company were held at the venue and time as detailed herein below:

Year	Date of Annual General Meeting	Time of Meeting	Particulars of Special Resolutions passed
2023-32 nd AGM	July 25, 2023	11:30 a.m.	<ol style="list-style-type: none"> Re-appointment of Ms. Bhumika Batra (DIN- 03502004), as an Independent Director of the Company for a second term of 5 (five) years commencing from March 14, 2024 to March 13, 2029. Approval of Jyothy Labs Limited- Restricted Stock Unit Plan 2023

Year	Date of Annual General Meeting	Time of Meeting	Particulars of Special Resolutions passed
2022-31 st AGM	July 25, 2022	11:30 a.m.	None
2021-30 th AGM	July 30, 2021	11:30 a.m.	Approval for annual payment of remuneration by way of commission to its Directors (whether existing or future) other than the Managing Director/Whole-time Directors of the Company for a period of five years commencing from April 1, 2022, collectively up to 1% of the net profits of the Company of the respective financial year.

All the AGMs were convened through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

All resolutions at the 30th, 31st and 32nd Annual General Meeting were passed electronically through remote e-voting and e-voting at the time of the AGM.

Postal Ballot

No special resolution is proposed to be passed through Postal Ballot as on date of this Annual Report. During the year under review i.e. April 1, 2023 to March 31, 2024, the Company obtained approval of shareholders for following resolutions through Postal Ballot Notice dated January 31, 2024; the results of which were declared on March 8, 2024, for the purpose of:

Resolution No.	Particulars	Type of Resolution
1.	Appointment of Mr. Ananth Rao T (DIN- 02585410) as a Director of the Company	Ordinary
2.	Appointment of Mr. Ananth Rao T (DIN- 02585410) as a Whole-time Director designated as Director- Operations & Commercial of the Company for a period of 5 (five) consecutive years with effect from April 1, 2024 upto March 31, 2029	Special
3.	Appointment of Mr. Ravi Razdan (DIN- 08936083) as a Director of the Company	Ordinary
4.	Appointment of Mr. Ravi Razdan (DIN- 08936083) as a Whole-time Director designated as Director- IT & HR of the Company for a period of 5 (five) consecutive years with effect from April 1, 2024 upto March 31, 2029	Special
5.	Appointment of Mr. Narayanan Subramaniam (DIN- 00166621) as an Independent Director of the Company for a period of 5 (five) years with effect from December 15, 2023 upto December 14, 2028	Special
6.	Appointment of Mr. Suresh Balakrishna (DIN- 05207871) as an Independent Director of the Company for a period of 5 (five) years with effect from April 1, 2024 upto March 31, 2029	Special

The Board had appointed Mr. Himanshu S. Kamdar, Partner, M/s Rathi & Associates, Practicing Company Secretaries, as the scrutinizer to conduct the postal ballot e-voting process in fair and transparent manner. Details of Voting Pattern are as below:

Resolution No.	Total Number of valid remote e-voting confirmations	No. of Shares with assent for the resolution	Percentage (%)	No. of Shares with dissent for the resolution	Percentage (%)
1.	31,84,55,267	31,64,33,896	99.37	20,21,371	0.63
2.	31,84,55,258	31,40,80,397	98.63	43,74,861	1.37
3.	31,84,55,258	31,64,32,771	99.36	20,22,487	0.64
4.	31,84,54,821	31,40,76,951	98.63	43,77,870	1.37
5.	31,84,55,106	31,76,34,855	99.74	8,20,251	0.26
6.	31,84,55,222	31,79,35,079	99.84	5,20,143	0.16

Procedure for postal ballot

In compliance with Regulation 44 of the Listing Regulations and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, your Company provided only electronic voting facility to all its members, to enable them to cast their votes electronically. Further, in accordance with the MCA General Circular No. 09/2023 dated September 25, 2023 read with the General Circular No. 14/2020 dated April 8, 2020 and General Circular No. 17/2020 dated April 13, 2020 (collectively referred to as "MCA Circulars") the option to vote through physical ballot was not available to the members for this Postal Ballot. Your Company engaged the services of CDSL for the purpose of providing remote e-voting facility to all its Members.

Your Company on Tuesday, February 6, 2024 dispatched the Postal Ballot Notice only through emails to those members whose names appear on the Register of Members/ List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on the relevant cut-off date i.e. Thursday, January 25, 2024 and whose e-mail addresses were registered with the Company/ Depositories/Registrar and Share Transfer Agents.

Your Company on Wednesday, February 7, 2024, also published a notice in English language newspaper viz. Financial Express and Marathi language newspaper viz. Loksatta, declaring the details of completion of dispatch and other requirements as mandated under the Companies

Act, 2013, applicable Rules and MCA Circulars.

Voting rights were reckoned on the number of equity shares registered in the name of Member(s) as on the cut-off date i.e. Thursday, January 25, 2024. The remote e-voting, commenced on Wednesday, February 7, 2024 at 9:00 a.m. (IST) and ended on Thursday, March 7, 2024 at 5:00 p.m. (IST). Exercising of remote e-voting was not allowed beyond 5:00 p.m. (IST) on Thursday, March 7, 2024 and the remote e-voting module was disabled by CDSL for voting thereafter.

The scrutinizer submitted his report dated March 8, 2024 to Mr. Shreyas Trivedi, Head – Legal & Company Secretary being the person authorised by the Chairman to declare the result of the e-voting, after the completion of scrutiny, and the e-voting results of postal ballot were then announced by him on the same date. The results were also displayed on the website of your Company i.e. www.jyothy.com, besides being communicated to the stock exchanges, the depositories and Registrar and the Share Transfer Agent. The Resolution was deemed to be passed on the last date specified for remote e-voting i.e. Thursday, March 7, 2024.

Means of communication

Effective communication of information is an essential component of Corporate Governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management-shareholder relations. The Company regularly interacts with Shareholders through multiple channels of communications such as:

RESULTS ANNOUNCEMENTS

The quarterly, half yearly and annual results of the Company's performance are published in leading newspapers such as Business Standard or Financial Express and Marathi Newspaper such as Sakal, Loksatta or Navshakti

MEDIA RELEASE

All our presentations made at investor conference and to analyst are posted on the Company's website and also intimated to the Stock Exchanges.

AUDIO RECORDING / TRANSCRIPTS

The Audio recording and transcripts of quarterly Investor / Analyst Meet are also made available on the website of the Company and also filed with the Stock Exchanges.

QUARTERLY SHAREHOLDER COMMUNICATION

The Company voluntarily communicates with its shareholders on a quarterly basis by sending its financial results, press release, investor presentation and link of any new television commercial featuring its products to those shareholders whose e-mail addresses are registered with the Company or with the Depositories.

COMPANY'S WEBSITE

The Company's website contains a dedicated section for Investors where Annual Reports, quarterly and annual results, stock exchange filings, press releases, quarterly reports, all statutory policies, unclaimed unpaid dividend are available, apart from the details about the Company and Board of Directors. The website of the Company also displays vital information relating to the Company and its performance, official press releases and presentation to analysts.

ANNUAL REPORT AND AGM

Annual Report containing audited standalone and consolidated financial statements together with Report of Board of Directors, Management Discussion and Analysis Report, Business Responsibility and Sustainability Report, Corporate Governance Report, Auditor's Report and other important information are circulated to the Members. In the AGM, the Shareholders also interact with the Board and the Management.

SEBI AND STOCK EXCHANGES' INVESTOR GRIEVANCE REDRESSAL SYSTEM

SCORES platform of SEBI, 'Investor Complaints' sections of BSE and NSE websites facilitates investors to file complaints online and get end-to-end status updates of their grievances. The Company endeavours to redress the grievances of the investors as soon as it receives the same from the respective forums.

STOCK EXCHANGES

All price sensitive information and matters that are material to Shareholders are disclosed to the respective Stock Exchanges where the securities of the Company are listed. The quarterly results, shareholding pattern and all other mandated corporate communications are filed with Stock Exchanges through NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre, for dissemination on their respective websites. The stock exchange filings are also made available on the website of the Company at <https://www.jyothy labs.com/disclosure-under-regulation-46-of-the-lodr>

GENERAL SHAREHOLDER INFORMATION

- a) Annual General Meeting:** In accordance with the Ministry of Corporate Affairs (MCA) General Circular no. 9/2023 dated September 25, 2023, the 33rd Annual General Meeting of your Company will be held through Video Conferencing (VC) or any other audio-visual means (OAVM) on Thursday, July 25, 2024 at 11:30 a.m.
- b) The Financial year covered by this Annual Report:** April 1, 2023 to March 31, 2024.
- c) Book Closure Dates:** From July 4, 2024 to July 11, 2024 (both days inclusive).
- d) Dividend Payment Date:** On or after July 27, 2024, subject to the approval of Shareholders at the ensuing Annual General Meeting.
- e) Listing on Stock Exchanges and Stock Codes:**
The equity shares of your Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). The annual listing fees for the financial year 2024-25 have been paid to both the stock exchanges. The following table indicates your Company's stock exchange codes.

Name and Address of Stock Exchange	Stock Code
BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	532926
National Stock Exchange of India Limited (NSE) Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051	JYOTHYLAB
ISIN	INE668F01031

- f) Registrar & Share Transfer Agent:**
Link Intime India Private Limited
C-101, 247 Park, LBS Marg,
Vikhroli West, Mumbai- 400083,
Phone: 022-49186000, Fax: 022-49186060
E-mail: rnt.helpdesk@linkintime.co.in

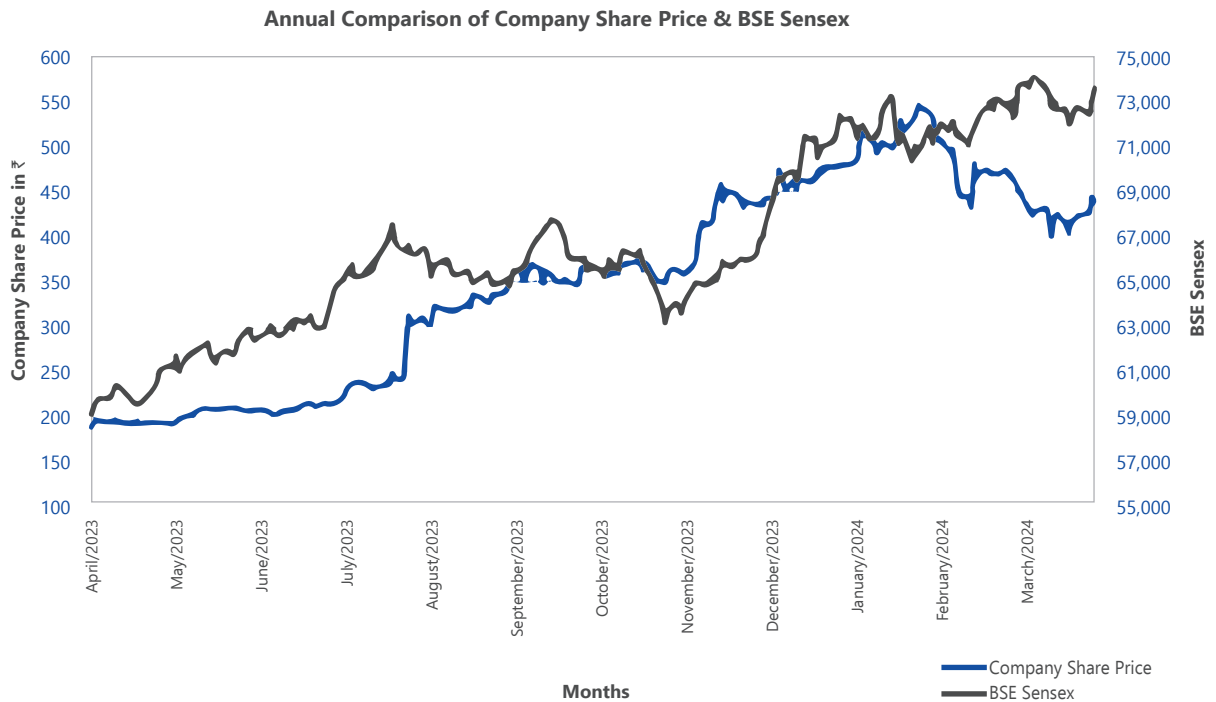
- g) Share Transfer System:**
As per the amended Regulation 40 of the Listing Regulations w.e.f. April 1, 2019, transfer of the securities would be carried out in dematerialized form only. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website i.e. www.jyothy.com. It may be noted that any service request can be processed only after the folio is KYC Compliant. Accordingly, Shareholders holding shares in physical mode are advised to demat their physical share holdings at the earliest.

- h) Shareholder Satisfaction Survey:**
A Shareholder Satisfaction Survey was conducted by your Company during the year with a view to assess and further improve the performance standards of your Company. Out of the total Shareholders who participated in the survey, more than 90% are satisfied with the services provided by your Company, with around 85% rating the services as very good. The feedback / suggestions provided by the Shareholders are being evaluated for appropriate actions.

i) Stock Market Price for the year:

The monthly high/low stock price of your Company's equity shares listed on the BSE Limited and the National Stock Exchange of India Limited (NSE) from April 1, 2023 to March 31, 2024 are given below:

Month	BSE Market Price (₹)		NSE Market Price (₹)	
	High	Low	High	Low
April – 2023	198.70	187.55	199.85	187.40
May – 2023	215.70	191.45	215.70	191.60
June – 2023	219.00	200.55	219.50	200.35
July – 2023	321.55	215.00	321.80	214.95
August – 2023	360.70	295.20	360.55	298.00
September – 2023	390.00	337.25	390.00	337.20
October – 2023	411.30	332.80	411.70	333.00
November – 2023	466.00	357.50	467.40	357.10
December – 2023	498.25	434.45	498.15	434.15
January – 2024	553.95	478.84	554.00	477.20
February – 2024	535.15	428.00	534.95	428.40
March – 2024	460.00	388.15	459.95	388.30

j) Share Price (₹) in comparison with BSE Sensex:

k) Shareholding Pattern as on March 31, 2024:

Shareholding pattern of your Company's equity shares in broad categories as on March 31, 2024 are given below:

Sr. No.	Category of Shareholder	As on 31.03.2024	
		Total Number of Shares	%
1	Promoter and Promoter's Group	23,09,34,685	62.89
	Sub-total - 1	23,09,34,685	62.89
2	Institutions		
a.	Mutual Funds	4,49,92,077	12.25
b.	Alternate Investment Funds	5,10,580	0.14
c.	Venture Capital Funds	0	-
d.	Foreign Portfolio Investor	6,03,29,147	16.43
e.	Financial Institutions/ Banks	2,249	0.00
f.	Insurance Companies	32,79,022	0.89
g.	Foreign Bank	0	-
h.	NBFC registered with RBI	3,376	0.00
	Sub-Total - 2	10,91,16,451	29.71
3	Central Government/ State Government(s)	22,894	0.01
	Sub-Total - 3	22,894	0.01
4	Non-institutions		
a.	Individuals & HUF	2,28,66,762	6.23
b.	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)	32	0.00
c.	IEPF	4,78,217	0.13
d.	Trusts	475	0.00
e.	Non Resident Indians	12,74,379	0.35
f.	Foreign Nationals	50	0.00
g.	Clearing Members	1,350	0.00
h.	Bodies Corporates	25,12,841	0.68
i.	Suspense Escrow A/c	508	0.00
	Sub-Total - 4	2,71,34,614	7.39
	Total	36,72,08,644	100.00

l) Distribution of Shareholding as on March 31, 2024:

Sr. No	Slab of shareholding		Shareholders		Shares Value	
	No. of Equity shares held		Number	In %	Face Value (₹)	In %
	From	To				
1.	1	500	146292	95.88	10596669	2.89
2.	501	1000	3299	2.16	2477639	0.68
3.	1001	2000	1414	0.93	2063078	0.56
4.	2001	3000	488	0.32	1218209	0.33
5.	3001	4000	225	0.15	805431	0.22
6.	4001	5000	174	0.11	804966	0.22
7.	5001	10000	257	0.17	1851065	0.50
8.	10001	& Above	432	0.28	347391587	94.60
Total			152581	100.00	367208644	

m) Suspension of securities from trading: As on March 31, 2024, none of the securities of your Company has been suspended from trading and accordingly explanation in this regard in Director's Report is not required.

n) Dematerialization of shares and Liquidity: As on March 31, 2024, 99.75% of total equity share capital was held in dematerialized form. The equity shares of your Company are actively traded on the BSE and NSE in the dematerialized form.

o) Outstanding GDRs/ADRs/Warrants or any convertible instruments: During the year 2023-24, your Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

p) Plant Locations:

1. Bishnupur (Ujala Unit), Light House More, Bishnupur, West Bengal - 722122
2. Guwahati Detergent Unit, Paschim Boragaon, N.H-37, Assam - 781011
3. Guwahati Unit I, E.P.I.P. Complex, Amingaon, Assam - 781031
4. Guwahati Unit II, E.P.I.P. Complex, Amingaon, Assam - 781031
5. Guwahati -Unit -III, Plot No. 50, Brahmaputra Industrial Park, Gouripur, North Guwahati, Assam - 781031
6. Guwahati -Unit -IV, Plot No. 109, Brahmaputra Industrial Park, Gouripur, North Guwahati, Assam - 781031
7. Guwahati Unit-V, Jagati Mini Industrial Estate, Sila Sinduri Ghopa, Kamalpur, Chowkigate, Changsari, Assam - 781101
8. Jammu Unit I and II, Lane 2 and 4, Phase II, Sidco Industrial Complex, Bari Brahamana, Jammu & Kashmir - 181133
9. Kalingamalai Unit, R.S. No. 63 & 68 (63/8, 63/9, 63/12, 63/13, 63/15 & 68/5), Kalingamalai Village, Pakkripalayam Panchayat, Vazhudavour Post, Villupuram District, Tamil Nadu - 605 502

10. Kandanassery Unit, Kandanassery, Via - Ariyannur, Kerala 680102
11. Karaikal Unit, 131 Peralam Main Road, Thirunallar Post, Puducherry - 609607
12. Mehboobnagar Unit, Telangana Shed No.25/26, Ida, Kothur, Telangana - 509228
13. Pithampur (Maxo & Exo Unit), Plot No.201, Sector I, Pithampur, Madhya Pradesh - 454775
14. Puducherry (Detergent, Exo, Maxo Unit), R.S. No.15, Thethampakkam Village, Suthukeny, Post Puducherry - 605502
15. Puducherry (Ujala & Bottle) 12/1 & 2, Thethampakkam Village, Suthukeny Post, Puducherry - 605502
16. Puducherry (PCD, Floorshine), 12/1 & 2, Thethampakkam Village, Suthukeny Post, Puducherry - 605502
17. Silvassa Engineering Division (EDS), Survey No 910/7/1, Dokmardi, Dadra & Nagar Haveli - 396230
18. Silvassa Unit II, Survey No.369/1/1/1, Rakholi-Sayli Road, Sayli Village, Behind Siyaram Silk Mills, Dadra & Nagar Haveli - 396230
19. Uttaranchal - Unit-I (PCD, Ujala, Maxo Machine), Plot No. 6, 7 & 8 Bearing Khasara Nos. 361, 363, 366, 369 & 370, KIE Industrial Estate, Village Mundiyaiki, Gurukul Narsan, Uttarakhand - 247670
20. Uttaranchal II - Detergent & Dishwash Division, Plot No.18,19,20 & 21, Bearing Khasara Nos 366 & 367, KIE Industrial Estate, Village Mundiyaiki, Roorkee, Uttarakhand - 247670
21. Wayanad (Detergent), MP IV/101 B, Kolagappara Po, Sulthan Bathery, Kerala - 673591
22. S-1 Phase-1, Inside Apparel Park, KIDB Industrial Area, Doddaballapura, Bangalore Rural, Karnataka-561203
23. Kankaria Railway Coaching Yard, Near Sr. CDO's Office, Ahmedabad - 380022

q) Shareholders & Investors Correspondence:

Shareholders should address their correspondence to your Company and/or its Registrars and Share Transfer Agent at the following address:

1. Link Intime India Private Limited

Unit: Jyothy Labs Limited
C-101, 247 Park, LBS Marg,
Vikhroli West, Mumbai- 400083
Phone: 022-49186000, Fax: 022-49186060
E-mail: rnt.helpdesk@linkintime.co.in
Contact Person: Ms. Suman Shetty

2. Mr. Shreyas Trivedi

Head – Legal and Company Secretary
Jyothy Labs Limited
'Ujala House', Ram Krishna Mandir Road,
Kondivita, Andheri (East),
Mumbai – 400 059
Phone: 022-66892800, Fax: 022-66892805
E-mail: secretarial@jyothy.com

CREDIT RATING

Details of Credit Ratings obtained by your Company during the financial year under review are as follows:

Sr. No.	Name of the Rating Agency	Rating	Type of debt instrument
1.	CARE Ratings Limited	CARE A1+	Commercial Paper Issue
2.	CARE Ratings Limited	CARE AA; Stable	Long term Bank Facilities
3.	ICRA Limited	[ICRA] A1+	Commercial Paper Issue

DISCLOSURES

1. During the year under review, there were no materially significant related party transactions that may have potential conflict of interest with the interests of your Company at large. Your Company has formulated the Policy on dealing with related party transactions and the same is available on the website of your Company and a web link thereto is as below:

<https://www.jyothy.com/investor/management-policies-notices/#Management-Policies>

Transactions with related parties, as per requirements of Indian Accounting Standard 24, are disclosed in Notes to Accounts annexed to the Financial Statements.

- Your Company has followed all relevant Accounting Standards while preparing the Financial Statements and no treatment different from that prescribed in an Accounting Standard has been followed.
- No penalties or strictures have been imposed on your Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- Your Company has in place Vigil Mechanism/ Whistle Blower policy and the details of the same are provided in the Boards' Report. Further, it is affirmed that no personnel have been denied access to the Audit Committee.
- Your Company has complied with the applicable mandatory requirements of the Listing Regulations.
- Your Company has laid down procedures to inform Board members about the risk assessment and minimization procedures.
- The policy for determining criteria of material subsidiaries is formulated by your Company and is available on the website of your Company and the web link thereto is as below:

<https://www.jyothy.com/investor/management-policies-notices/#Management-Policies>
- Your Company has formulated the Policy on distribution of dividend and the same is available on the website of your Company and the web link thereto is as below:

<https://www.jyothy.com/investor/management-policies-notices/#Management-Policies>
- During the year under review, your Company has not raised funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A) of the Listing Regulations.
- During the year under review, there has been no instance where the Board has not accepted any recommendation(s) of any of the Committee of the Board which was mandatorily required to be accepted.
- Your Company has paid a total consolidated fee of ₹ 155 Lacs to M/s. B S R & Co. LLP, the Statutory Auditors for all services availed by your Company.

12. There is no outstanding loans and advances in the nature of loans given by your Company and/or its subsidiaries to any firms/ companies in which any of the Director(s) is interested. The detailed particulars of loans and advances has been provided in the Notes to the Standalone Financial Statements of your Company forming part of this Annual Report.

13. Your Company does not have any material subsidiary.

DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF LISTING REGULATIONS:

Your Company has adopted the following discretionary requirements of the Listing Regulations:

Shareholders' Rights-

Since the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on your Company's website, the same are not being sent to the shareholders.

Modified opinion in Auditors' Report-

Your Company's financial statements for the year 2023-24 do not contain any modified audit opinion.

Reporting of Internal Auditor-

The Internal Auditors of your Company directly report to the Audit Committee

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

Your Company has exposure to various commodities involved in the manufacturing of the final products of your Company. Any fluctuation in prices of basic commodities like Benzene, Crude, Naptha, Palm and Palm Kernel may have direct impact on the products falling under detergent, Body soap and dish wash category. Similarly, volatility in prices of Polyethylene terephthalate (PET) and Polypropylene (PP) may lead to increase in prices of container. Any rise in Kraft paper prices can impact the Secondary packaging cost for the products of your Company hence commodity price risk is one of the important market risks for your Company. The commodities are priced using pricing benchmarks.

Your Company has a mechanism in place wherein a dedicated team keeps a close watch on the market behaviour and adopts best purchase practices to minimize the effect of inflation.

Your Company has minimal exposure to foreign exchange risk vis-à-vis, total Sales / Purchases of your

Company and the transactions are significantly in Indian Currency.

Your Company has not undertaken any hedging activities during the year under review. The Company does not enter into any derivative instruments for trading or speculative purposes.

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE PURSUANT TO CLAUSE 10(I) OF PART C OF SCHEDULE V OF THE LISTING REGULATIONS

M/s. Rathi & Associates, Company Secretaries has issued certificate dated May 15, 2024 confirming that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continue to act as directors of Companies by the Board/ Ministry of Corporate Affairs or any such other statutory authorities as on March 31, 2024. The said certificate is annexed and forms part of this Annual Report.

DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Number of complaints filed during the financial year (i.e. from April 1, 2023 to March 31, 2024)	Nil
Number of complaints disposed off during the financial year (i.e. from April 1, 2023 to March 31, 2024)	Nil
Number of complaints pending as on end of the financial year (i.e. as on March 31, 2024)	Nil

CODE OF CONDUCT

The Board has adopted the Code of Conduct for all its Directors and Senior Management Personnel which has been uploaded on your Company's websites www.jyothy.com. All Board members and senior management personnel have affirmed compliance with the code of conduct on annual basis. A declaration to this effect as required under the Listing Regulations regarding compliance with the Code of Conduct by the Chairperson and Managing Director of your Company is annexed and forms part of this Annual Report.

MD/CFO CERTIFICATE

The Chairperson and Managing Director (CMD) and Chief Financial Officer (CFO) have issued the certificate in terms of Regulation 17(8) read with Part B of Schedule II to the Listing Regulations. The said certificate is annexed and forms part of this Annual Report.

DISCLOSURE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS:

Your Company has complied with all the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, wherever applicable to your Company.

Your Company has complied with all the requirements of corporate governance report as specified in sub-

paras (2) to (10) of Schedule V (c) of the Listing Regulations.

For and on behalf of the Board of Directors
For **Jyothy Labs Limited**

sd/-

M. R. Jyothy

Place: Mumbai Chairperson and Managing Director
Date: May 15, 2024 (DIN: 00571828)

May 15, 2024

To,
The Members of
Jyothy Labs Limited ("the Company")
Ujala House, Ram Krishna Mandir Road,
Kondivita, Andheri (East),
Mumbai, Maharashtra-400059.

Sub: Certificate pursuant to Clause 10(i) of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Jyothy Labs Limited (CIN: L24240MH1992PLC128651) having its Registered Office situated at Ujala House, Ram Krishna Mandir Road, Kondivita, Andheri (East), Mumbai, Maharashtra-400059 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para C, sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our knowledge, information and based on the individual confirmations received from the Board of Directors of the Company and the verification (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of the Director	DIN
1.	Ms. Jyothy Ramachandran	00571828
2.	Mr. Ramakrishnan Lakshmi Narayanan [#]	00238887
3.	Ms. Deepthi Moothedath Ramachandran [*]	01746698
4.	Mr. Nilesh Bansilal Mehta [#]	00199071
5.	Ms. Bhumika Batra	03502004
6.	Mr. Aditya Sapru	00501437
7.	Mr. Narayanan Subramaniam ^{**}	00166621

^{*} Ms. Deepthi Moothedath Ramachandran ceased to be director w. e. f. November 24, 2023.

^{**} Mr. Narayanan Subramaniam was appointed as Independent Director of the Company w.e.f. December 15, 2023.

[#] Mr. Ramakrishnan Lakshmi Narayanan and Mr. Nilesh Bansilal Mehta, retired as Independent Directors of the Company, upon completion of their respective second consecutive term of office respectively, at the close of business hours i.e. March 31, 2024.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For RATHI AND ASSOCIATES
COMPANY SECRETARIES

sd/-
HIMANSHU S. KAMDAR
PARTNER
M. NO. FCS 5171
COP NO. 3030
UDIN: F005171F000360394
P.R. Certificate No.: 668/2020

DECLARATION BY THE CHAIRPERSON AND MANAGING DIRECTOR UNDER THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with the Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2024.

For and on behalf of the Board of Directors
For **Jyothy Labs Limited**

sd/-

M. R. Jyothy

Chairperson and Managing Director
(DIN: 00571828)

Place: Mumbai
Date: May 15, 2024

CERTIFICATION BY THE CHAIRPERSON AND MANAGING DIRECTOR AND THE CHIEF FINANCIAL OFFICER (CFO) PURSUANT TO REGULATION 17(8) READ WITH PART B OF SCHEDULE II OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, M. R. Jyothy, Chairperson and Managing Director and Sanjay Agarwal, Chief Financial Officer of Jyothy Labs Limited, certify that:-

1. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2024 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee that there are no
 - a) significant changes in internal control over financial reporting during the year;
 - b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors
For **Jyothy Labs Limited**

sd/-

Sanjay Agarwal

Chief Financial Officer

sd/-

M. R. Jyothy

Chairperson and Managing Director
(DIN: 00571828)

Place: Mumbai
Date: May 15, 2024

**CERTIFICATE ON COMPLIANCE OF CONDITIONS OF
CORPORATE GOVERNANCE**

To,
The Members of
Jyothy Labs Limited

We have examined the compliance of conditions of Corporate Governance by Jyothy Labs Limited (CIN: L24240MH1992PLC128651) having its Registered Office situated at Ujala House, Ram Krishna Mandir Road, Kondivita, Andheri (East), Mumbai, Maharashtra- 400059 ('hereinafter referred to as 'the Company'), for the financial year ended March 31, 2024, as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examinations have been limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the Listing Regulations. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our knowledge, information and according to the explanations given to us and the representations made by the Directors and the Management of the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Chapter IV of the Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of
RATHI & ASSOCIATES
COMPANY SECRETARIES

sd/-
HIMANSHU S. KAMDAR
PARTNER
M. NO.: FCS 5171
C.P. NO.: 3030
UDIN: F005171F000360372
P.R. Certificate No.: 668/2020

Place: Mumbai
Date: May 15, 2024

FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of
Jyothy Labs Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

OPINION

We have audited the standalone financial statements of Jyothy Labs Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTER(S)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key Audit matter	How the matter was addressed in our audit
Revenue Recognition Refer note 2.2(d) of accounting policies and notes 20 and 42 of standalone financial statements. Revenue is recognized when control of the underlying products has been transferred to the customer. Revenue is a key performance indicator for the Company. There is risk of revenue being fraudulently recognized resulting from pressure to meet external investor/stake-holder expectations. Accordingly, recognition of revenue throughout the year and at period-end has been considered to be a key audit matter.	Our audit procedures in respect of recognition of revenue included the following- <ul style="list-style-type: none"> Assessed the Company's accounting policies relating to revenue recognition by comparing them with the applicable accounting standards. Obtained understanding of the process and tested design, implementation and operating effectiveness of the Company's internal controls including general IT controls and key IT application controls over recognition of revenue. Examined underlying sales invoices and dispatch/shipping documents for selected samples of revenue recognized throughout the year and as at period end to determine existence of sales throughout the period and at the period-end. Analysed and tested high risk journal entries that contain unusual combinations of credit to revenue with no associated debit to cash, debtors or another revenue account.

OTHER INFORMATION

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions

that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2B (f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 01 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
- f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A (b) above on reporting under Section 143(3) (b) and paragraph 2B (f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 34 to the standalone financial statements.

- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 45 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 45 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

- e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 14B to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail was not enabled (i) at the database level to log any direct data changes; and (ii) at the application level for the period from 29 June 2023 to 20 July 2023 and from 21 September 2023 to 23 September 2023.

Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sreeja Marar

Partner

Place: Mumbai

Membership No.: 111410

Date: 15 May 2024

ICAI UDIN:24111410BKGQOD3519

Annexure A

to the Independent Auditor's Report on the Standalone Financial Statements of Jyothy Labs Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (in lacs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold land	33.23	Associated Industries Consumers Products Private Limited	No	16-17 years	Ownership transfer pending (undisputed)
Building	658.10	Associated Industries Consumers Products Private Limited	No	16-17 years	Ownership transfer pending (undisputed)

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnerships during the year. The Company has granted unsecured loans to other parties in respect of which the requisite information is as below. The Company has not made any investments, provided guarantee or security or advances in the nature of loans, secured or unsecured, to other parties.

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to other parties as below:

Particulars	Loans (in Lacs)
Aggregate amount during the year	65.89
-Others	
Balance outstanding as at balance sheet date	53.27
-Others	

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion terms and conditions of the loans provided during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loans to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan granted falling due during the

year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party during the year.

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods

and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been generally regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or

Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Income-Tax, Sales tax, Value Added Tax, Duty of Excise or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Period	Forum where dispute is pending (Amount in Lacs)			
			Commissioner, Joint Commissioner Appeals (amount demanded)	High Court (amount Demanded)	Tribunal (amount demanded)	Amount paid under protest
The Central Excise Act , 1944	Excise	2007-18	1,280	-	-	-
		2011-15	-	363	-	-
		2014-17	-	-	2,618	196
The Central Sales Tax Act , 1956 and Value Added Tax	Sales Tax and VAT	2000-17	2,164	-	-	396
		2006-11	-	724	-	292
		2001-15	-	-	518	270
The Goods and Service Act	GST	2017-24	135	-	-	21
The Income Tax Act , 1961	Income Tax	AY 2010-11	-	1,000	-	-
		AY 2011-12	279	-	-	-
		AY 2012-13	97	758	-	-
		AY 2016-17	6,150	-	-	-
		AY 2017-18	195	-	-	50
		AY 2018-19	1,750	-	-	28
		AY 2019-20	4,512	-	-	-
		AY 2021-22	41	-	-	-
		AY 2022-23	3,395	-	-	-

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report

that no funds raised on short-term basis have been used for long-term purposes by the Company.

- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sreeja Marar

Partner

Place: Mumbai

Membership No.: 111410

Date: 15 May 2024

ICAI UDIN:24111410BKGQOD3519

Annexure B

to the Independent Auditor's Report on the standalone financial statements of Jyothy Labs Limited for the year ended 31 March 2024

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

We have audited the internal financial controls with reference to financial statements of Jyothy Labs Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable

detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management

override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sreeja Marar

Partner

Place: Mumbai

Date: 15 May 2024

Membership No.: 111410

ICAI UDIN:24111410BKGQOD3519

Standalone Balance Sheet

as at March 31, 2024

₹ In Lacs

Particulars	Note	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
Property, plant and equipment	3a	28,649	28,041
Capital work in progress	3b	1,329	1,541
Right-of-use assets	3c	4,661	4,309
Goodwill	3d	10,524	10,524
Other intangible assets	3d	545	612
Financial assets			
Investment in subsidiaries	4	580	580
Other financial assets	5	1,589	1,512
Deferred tax assets (net)	6	7,421	9,929
Non-current tax assets (net)	7	569	1,082
Other non-current assets	8	4,191	4,371
		60,058	62,501
Current assets			
Inventories	9	28,210	30,019
Financial assets			
Investments	10	19,152	-
Trade receivables	11	19,578	13,226
Cash and cash equivalents	12a	8,434	10,553
Bank balances other than cash and cash equivalents	12b	8,083	17,702
Other financial assets	5	26,423	233
Other current assets	8	3,241	4,402
		113,121	76,135
Asset held for sale	3e	-	557
		113,121	76,692
Total assets		173,179	139,193
Equity and liabilities			
Equity			
Equity share capital	13	3,672	3,672
Other equity	14	110,451	84,470
Total equity		114,123	88,142
Non-current liabilities			
Financial liabilities			
Lease Liabilities	33	2,591	2,800
Provisions	18	8,024	7,082
Other non-current liabilities	17	403	552
		11,018	10,434
Current liabilities			
Financial liabilities			
Lease Liabilities	33	2,465	1,853
Trade payables	15		
Total outstanding dues of micro enterprises and small enterprises		4,959	5,059
Total outstanding dues of creditors other than micro enterprises and small enterprises		22,631	16,361
Other financial liabilities	16	3,429	3,170
Other current liabilities	17	11,675	11,733
Provisions	18	2,833	2,184
Current tax liabilities (net)	19	46	257
		48,038	40,617
Total liabilities		59,056	51,051
Total equity and liabilities		173,179	139,193
Summary of material accounting policies	2		

The accompanying notes are an integral part of the Standalone financial statements.

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Mumbai
Date: May 15, 2024

For and on behalf of the Board of Directors of
Jyothy Labs Limited
CIN: L24240MH1992PLC128651

M.R. Jyothy
Chairperson and Managing Director
DIN: 00571828

Shreyas Trivedi
Company Secretary
Membership No: A12739

Mumbai
Date: May 15, 2024

Sanjay Agarwal
Chief Financial Officer

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

₹ In Lacs

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	20	275,403	248,195
Other income	21	5,367	3,948
Total income (I)		280,770	252,143
Expenses			
Cost of raw material and components consumed	22	124,080	128,906
Purchase of Stock in Trade		15,498	14,703
Changes in inventories of finished goods, stock in trade and work-in-progress	23	634	(349)
Employee benefits expense	24	30,013	26,397
Finance costs	25	473	1,309
Depreciation and amortisation expense	26	4,995	5,002
Other expenses	27	57,185	46,982
Total expense (II)		232,878	222,950
Profit before exceptional item and tax (I-II)		47,892	29,193
Exceptional item	44	-	703
Profit before tax		47,892	29,896
Income tax	28		
Current tax		7,928	5,400
Tax relating to earlier periods		417	-
Deferred tax charge		2,558	544
Total Income tax		10,903	5,944
Profit for the year attributable to equity shareholders (A)		36,989	23,952
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) of post employment benefit obligation	29	(142)	199
Income tax relative to items that will not be reclassified to profit or loss			
Re-measurement gains/(losses) of post employment benefit obligation	28	50	(69)
Other comprehensive income/(loss) for the year net of tax, attributable to equity shareholders (B)		(92)	130
Total comprehensive income for the year net of tax, attributable to equity shareholders (A+B)		36,897	24,082
EARNINGS PER SHARE (EPS)	36		
Basic (₹)		10.07	6.52
Diluted (₹)		10.07	6.52
Nominal value per share (₹)		1.00	1.00
Summary of material accounting policies	2		

The accompanying notes are an integral part of the Standalone financial statements.

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

For and on behalf of the Board of Directors of
Jyothy Labs Limited
CIN: L24240MH1992PLC128651

M.R. Jyothy
Chairperson and Managing Director
DIN: 00571828

Shreyas Trivedi
Company Secretary
Membership No: A12739

Sanjay Agarwal
Chief Financial Officer

Mumbai
Date: May 15, 2024

Mumbai
Date: May 15, 2024

Standalone Statement of Changes in Equity

for the year ended March 31, 2024

A. EQUITY SHARE CAPITAL

₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
Equity shares of Re 1 each issued, subscribed and fully paid		
At the beginning of the period	3,672.00	3,672.00
Issue of share capital	-	-
At the end of the period	3,672.00	3,672.00

For further details, Refer Note 13

B. OTHER EQUITY

₹ in Lacs

Particulars	Retained earnings	Capital reserves	Securities premium	General reserves	Amalgamation Adjustment Deficit Account	Employee stock option outstanding	Total
As at March 31, 2022	6,334	7,011	69,453	476	(13,706)	-	69,568
Profit for the year	23,952	-	-	-	-	-	23,952
Other comprehensive income	130	-	-	-	-	-	130
-Re-measurement gains/(losses) of post employment benefit obligation							
Total comprehensive income	24,082	-	-	-	-	-	24,082
Cash Dividends (Note 14(B))	(9,180)	-	-	-	-	-	(9,180)
As at March 31, 2023	21,236	7,011	69,453	476	(13,706)	-	84,470
Profit for the year	36,989	-	-	-	-	-	36,989
Other comprehensive income	(92)	-	-	-	-	-	(92)
- Re-measurement gains/(losses) of post employment benefit obligation							
Equity settled share based expenses (Note 46)	-	-	-	-	-	100	100
Total comprehensive income	36,897	-	-	-	-	100	36,997
Cash Dividends (Note 14(B))	(11,016)	-	-	-	-	-	(11,016)
As at March 31, 2024	47,117	7,011	69,453	476	(13,706)	100	110,451

Nature and purpose of reserves

- Retained earnings - Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- Capital reserves - During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve. Capital Reserve is not freely available for distribution and the reserve will be utilised in accordance with the provisions of the Act.
- Securities premium - The amount received in excess of face value of the equity shares is recognised in Securities Premium. This reserve can be utilized only in accordance with the provisions of section 52 of the Companies Act, 2013.
- General reserves -The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956.
- Amalgamation Adjustment Deficit Account - Excess of book value of investment in the equity share capital of Jyothy Fabricare Services Limited ("JFSL") over the face value of such share capital.
- Employee stock option outstanding - The shares option outstanding account is used to recognise the grant date fair value of options issued to employees under the Employee Stock Grant Scheme which are unvested as on the reporting date.

For further details, Refer Note 13 and 46

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Mumbai
Date: May 15, 2024

For and on behalf of the Board of Directors of
Jyothy Labs Limited
CIN: L24240MH1992PLC128651

M.R. Jyothy
Chairperson and Managing Director
DIN: 00571828

Shreyas Trivedi
Company Secretary
Membership No: A12739

Mumbai
Date: May 15, 2024

Sanjay Agarwal
Chief Financial Officer

Standalone Statement of Cash Flows

for the year ended March 31, 2024

₹ In Lacs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES:		
Profit before tax	47,892	29,896
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and impairment of property, plant and equipment	2,790	2,943
Depreciation of right-of-use assets	2,093	1,956
Amortisation and impairment of intangible assets	112	104
Inventory written off net of Provision/(write back) for Inventory	663	(79)
Profit on sale of fixed assets	(1,397)	(1,815)
Interest on Income tax Refund	(120)	-
Gain on financial assets at fair value through profit or loss	(119)	-
Profit on sale of Investment	(294)	-
Finance costs	473	1,309
Interest income	(2,175)	(760)
Unrealised Foreign exchange fluctuation loss/(gain) (net)	(2)	5
Investment subsidy income	(149)	(149)
Equity settled share based expenses (Note 46)	100	-
Operating profit before working capital changes	49,867	33,410
Movements in working capital:		
Decrease/(increase) in trade receivables	(6,350)	477
Decrease/(increase) in other financial assets	(223)	620
Decrease/(increase) in inventories	1,146	(374)
Decrease/(increase) in other assets	1,456	2,275
Increase/(decrease) in trade payables	6,170	(2,211)
Increase/(decrease) in other financial liabilities	267	337
Increase/(decrease) in other liabilities	(58)	2,573
Increase/(decrease) in provisions	1,449	1,441
Cash generated from operations	53,724	38,548
Taxes paid (net)	(7,923)	(5,665)
Net cash generated from operating activities (A)	45,801	32,883
B. CASH FLOWS PROVIDED BY/(USED IN) INVESTING ACTIVITIES:		
Purchase of fixed assets including capital work-in-progress and capital advances	(3,708)	(3,527)
Proceeds from sale of fixed assets	2,265	2,331
Investment in fixed deposit	(117,191)	(218,000)
Maturity proceeds from fixed deposit	100,809	213,665
(Investment) / Maturity proceeds from Mutual Fund (Net)	(18,739)	-
Interest income received	2,125	704
Net cash used in investing activities (B)	(34,439)	(4,827)
C. CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES:		
Finance cost paid	-	(1,042)
Proceeds from short-term borrowings	-	500
Repayment of short-term borrowings	-	(13,000)
Payment of lease liabilities	(2,465)	(2,346)
Dividend paid	(11,016)	(9,180)
Net cash used in financing activities (C)	(13,481)	(25,068)

Standalone Statement of Cash Flows

for the year ended March 31, 2024

₹ In Lacs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
D. Net (Decrease)/Increase in cash and cash equivalents (A+B+C)	(2,119)	2,988
E. Cash and cash equivalents at the beginning of the year	10,553	7,565
F. Cash and cash equivalents at the end of the year	8,434	10,553
G. Components of cash and cash equivalents		
Cash in hand	50	44
Balance with scheduled banks - Current account	8,384	10,509
Cash and cash equivalents considered for cash flow statement	8,434	10,553

H. Changes in liabilities arising from financing activities

₹ In Lacs

Particulars	As at March 31, 2023	Non cash transaction	Cash outflow	As at March 31, 2024
Lease Liabilities (Note 33)	4,653	2,868	(2,465)	5,056

Summary of material accounting policies Note 2

As per our report of even date

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sreeja Marar

Partner

Membership No: 111410

For and on behalf of the Board of Directors of

Jyothy Labs Limited

CIN: L24240MH1992PLC128651

M.R. Jyothy

Chairperson and Managing Director

DIN: 00571828

Shreyas Trivedi

Company Secretary

Membership No: A12739

Sanjay Agarwal

Chief Financial Officer

Mumbai

Date: May 15, 2024

Mumbai

Date: May 15, 2024

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 1 CORPORATE INFORMATION

Jyothy Labs Limited ('the Company') is a public company domiciled in India. Its shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The registered office of the company is located at Ujala House, Ramakrishna Mandir Road, Kondivita, Andheri (E) Mumbai. The Company is principally engaged in manufacturing and marketing of fabric care, dishwashing, personal care and household insecticides products and also provides laundry services. These Financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on May 15, 2024

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The Standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The Standalone financial statements have been prepared on a historical cost basis, except for certain financial assets and employee stock options outstanding which have been measured at fair value. (Refer accounting policy regarding financial instruments).

The Standalone financial statements are presented in INR and all values are rounded to the nearest lacs, except when otherwise indicated.

2.2 Summary of material accounting policies

a. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

b. Foreign currencies

The Company's financial statements are presented in INR, which is also the company's functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c. Fair value measurement

The Company measures financial instruments (Refer Note 2.2(o)) at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

d. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the transaction price of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

However Goods and Service tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue from sale of goods is recognized when control of goods are transferred to the buyer which is generally at the time of dispatch or delivery depending on terms with customers. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. No element of financing is deemed present as the sales are made with normal credit terms consistent with market practice.

Accumulated experience is used to accrue for the discounts considering the terms of the underlying schemes and agreements with the customers.

The Company recognizes revenues on the sale of products, net of returns, discounts, amounts collected on behalf of third parties (such as GST).

Sale of Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised on completion of the transaction at the end of the reporting period provided no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service. Service revenue are net of GST.

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

e. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. By equal annual instalments.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

f. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

f. Taxes (Contd.)

Goods and service tax paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of Goods and service taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

MAT

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognized as an item in deferred tax asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of fifteen succeeding assessment years.

g. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant part of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance cost are recognised in profit or loss as incurred.

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located

The cost of property, plant and equipment at 1st April 2016, the Company's date of transition to IND AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at date of transition to Ind AS.

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

Depreciation is calculated on a straight-line basis, pro rata to the period of use, based on estimated useful lives of the assets as follows:

Category	Management Estimated useful life (in years)	Schedule II Estimated useful life (in years)
Factory Buildings	10 to 30	30
Building (Other than Factory Building)	30 to 60	60
Building (Fences and temporary structure)	3 to 6	3 to 5
Plant and machinery	8 to 15	15
Furniture and fixtures	8 to 10	10

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

g. Property, plant and equipment (Contd.)

Category	Management Estimated useful life (in years)	Schedule II Estimated useful life (in years)
Dies and moulds *	3 to 15	15
Computers	3 to 6	3 to 6
Office equipment's *	3 to 5	5
Vehicles	8 to 10	8 to 10

* The useful lives of these assets are taken as per management estimates.

Freehold land is not depreciated and is recognised at cost less impairment, if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital work-in-progress comprises cost of Property, Plant and Equipments that are not yet ready for their intended use at the year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets".

h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed finite as per table below -

Category	Estimated useful life (in years)
Trademarks and Copyrights	9-10
Brands	10
Software and Licences	10

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

h. Intangible assets (Contd.)

Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is deemed to have an indefinite useful life and is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

j. Leases

The Company applies a single recognition and measurement approach for all leases. The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The lease liabilities were discounted using the incremental borrowing rate (same as company average borrowing rate).

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Building 3 to 15 years
- Land 60 to 999 years

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

j. Leases (Contd.)

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2.2(l) Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate/renew. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

k. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

k. Inventories (Contd.)

- Traded goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

l. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually on reporting date and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Company of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

m. Provisions, Contingent liability and commitment

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- (i) estimated amount of contracts remaining to be executed on capital account and not provided for;
- (ii) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

n. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a decrease in future payment or a cash refund.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

n. Retirement and other employee benefits (Contd.)

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined at the period end by an independent actuary using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Short-term employee benefits

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other Long-term employee benefits

The liabilities for earned leaves are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method based on actuarial valuation.

Re-measurement are recognised in profit or loss in the period in which they arise including actuarial gains and losses.

o. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories -

- 1 Debt instruments at amortised cost
- 2 Debt instruments at fair value through other comprehensive income (FVTOCI)

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

o. Financial instruments (Contd.)

- 3 Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- 4 Equity instruments measured at fair value through other comprehensive income (FVTOCI)

The Company does not have any financial assets falling under category 2 and 4 above.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

Investment in subsidiaries are carried at cost less accumulated impairment losses, if any.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL and are measured at fair value with all changes recognised in the profit or loss. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) The Company has transferred substantially all the risks and rewards of the asset, or
 - (b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

o. Financial instruments (Contd.)

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Investment in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and financial guarantee contracts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

Impairment of financial assets (Contd.)

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

The Company does not have any financial liabilities at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

p. Trade Receivables

Trade receivables do not include uncollected debts which have been factored as the contractual term specifies that these debts are factored without recourse.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

r. Cash dividend to equity holders of the Company

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

s. Assets Held for Sale:

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

t. Earnings Per Share:

(i) Basic earnings per share:

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share:

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

2.3 Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 3A PROPERTY, PLANT AND EQUIPMENT

Particulars	Freehold land #	Building #	Plant and machinery	Dies and moulds	Furniture and fixture	Office equipments	Vehicle	Total tangible assets
Cost								
As at April 1, 2022	4,829	17,106	21,998	2,097	1,029	1,199	755	49,013
Additions	252	646	949	231	49	160	-	2,287
Disposals	11	11	1,016	2	10	31	25	1,106
As at March 31, 2023	5,070	17,741	21,931	2,326	1,068	1,328	730	50,194
Additions	-	1,259	1,977	154	41	189	89	3,709
Disposals	108	473	1,574	56	70	43	37	2,361
As at March 31, 2024	4,962	18,527	22,334	2,424	1,039	1,474	782	51,542
Depreciation and impairment								
As at April 1, 2022	-	5,067	11,492	1,306	656	924	562	20,007
Depreciation charge for the year	-	698	1,884	80	81	138	61	2,942
Disposals	-	5	725	2	9	31	24	796
As at March 31, 2023	-	5,760	12,651	1,384	728	1,031	599	22,153
Depreciation charge for the year	-	731	1,729	67	59	153	51	2,790
Disposals	-	447	1,403	56	68	39	37	2,050
As at March 31, 2024	-	6,044	12,977	1,395	719	1,145	613	22,893
Net book value								
As at March 31, 2024	4,962	12,483	9,357	1,029	320	329	169	28,649
As at March 31, 2023	5,070	11,981	9,280	942	340	297	131	28,041

Includes ₹374 lacs (2023 - ₹374 lacs) represented by unquoted fully paid shares at cost in various co-operative societies.

a. The Company has not capitalised any borrowing cost in the current and previous year.

@ The Company undisputedly possesses the title deeds for all properties (except mentioned below) held by the Company. Further, the Company does not hold any property where-in the title deed does not convey ownership interest in favour of the Company with respect to such property.

Sr No	Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
1	Property, plant and equipment	Freehold land and building	691	Associated Industries Consumers Products Pvt Ltd (AICPPL)	No	07-09-2007	Ownership transfer pending

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 3B CAPITAL WORK IN PROGRESS (CWIP)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	1,541	750
Additions during the year	3,497	3,077
Capitalised during the year	3,709	2,286
Closing Balance	1,329	1,541

CWIP Ageing Schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Year	2-3 Year	More than 3 years	
As at March 31, 2024					
Projects in progress	851	458	20	-	1,329
Projects temporarily suspended*	-	-	-	-	-
Total	851	458	20	-	1,329
As at March 31, 2023					
Projects in progress	1,517	24	-	-	1,541
Projects temporarily suspended*	-	-	-	-	-
Total	1,517	24	-	-	1,541

* There are no projects which are temporarily suspended or whose completion is overdue. There are no projects whose costs are exceeding the original budget.

For contractual commitment with respect to property, plant and equipment refer note 34A.

NOTE 3C RIGHT-OF-USE ASSETS

Particulars	Leasehold Land	Building	Total
Cost			
As at April 1, 2022	225	9,662	9,887
Additions	71	2,393	2,464
Disposals	(71)	(235)	(306)
As at March 31, 2023	225	11,820	12,045
Additions	-	2,551	2,551
Disposals	-	(106)	(106)
As at March 31, 2024	225	14,265	14,490
Depreciation and impairment			
As at April 1, 2022	24	5,756	5,780
Depreciation charge for the year	3	1,953	1,956
As at March 31, 2023	27	7,709	7,736
Depreciation charge for the year	3	2,090	2,093
As at March 31, 2024	30	9,799	9,829
Net book value			
As at March 31, 2024	195	4,466	4,661
As at March 31, 2023	198	4,111	4,309

The Company undisputedly possesses the title deeds for all leases held by the Company. Further, the Company does not hold any property where-in the title deed does not convey ownership interest in favour of the Company with respect to such lease.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 3D INTANGIBLE ASSETS

Particulars	Goodwill	Other intangible assets			Total Other intangible assets
		Brands	Trademarks and Copyrights @	Softwares and Licences	
Cost					
As at April 1, 2022	10,524	21,256	106	1,075	22,437
Additions	-	-	-	334	334
Disposals	-	-	-	71	71
As at March 31, 2023	10,524	21,256	106	1,338	22,700
Additions	-	-	-	45	45
Disposals	-	-	-	1	1
As at March 31, 2024	10,524	21,256	106	1,382	22,744
Amortisation and impairment					
As at April 1, 2022	-	21,256	106	681	22,043
Amortisation charge for the year	-	-	-	104	104
Disposals	-	-	-	59	59
As at March 31, 2023	-	21,256	106	726	22,088
Amortisation charge for the year	-	-	-	112	112
Disposals	-	-	-	1	1
As at March 31, 2024	-	21,256	106	837	22,199
Net book value					
As at March 31, 2024 *	10,524	-	-	545	545
As at March 31, 2023 *	10,524	-	-	612	612

@ Includes trademarks and copyrights of ₹101 lacs (2023 - ₹101 lacs) pending for registration in the name of the Company.

* Other than internally generated

IMPAIRMENT

Goodwill is tested for impairment annually as at March 31st. No impairment charges were identified as at March 31, 2024.

Goodwill of ₹ 10,038 lacs relates to the acquisition of erstwhile business of Henkel India Limited consisting of multiple brands. For the purpose of impairment testing, the Company considers each brand as a separate CGU and compares the recoverable amount of each CGU with the carrying value of the respective CGU. Further, an amount of ₹ 250 lacs relates to the acquisition of Fabric Care segment and has been entirely allocated to this reportable segment. Goodwill of ₹236 lacs relates to the merger of laundry services segment and has been entirely allocated to this segment.

Impairment assessment was done by comparing carrying value vs fair value. Fair value is value in use or realisable value whichever is higher. Value in use is calculated basis Discounted Cash Flow (DCF) Method.

For DCF, following key assumptions were considered while performing impairment testing:

Terminal value growth rate: 5% (2023: 5%)

Growth rate: 1% - 20% (2023: 1% - 15%)

Weighted Average Cost of Capital % (WACC) (Discount rate after tax): 13% (2023: 13%)

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 3D INTANGIBLE ASSETS (Contd.)

The projections cover a period of five years, as we believe this to be the most appropriate timescale over which to review and consider annual performances, before applying a fixed terminal value growth rate to the final year cash flows. The growth rates used to estimate future performance (revenue, cost of services, expenses etc) are based on the estimates after considering past performance and after considering financial budgets/forecasts.

The recoverable amounts of the above CGU's have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows.

The Company has performed sensitivity analysis around the base assumptions and have concluded that no reasonable possible change in key assumptions would result in the recoverable amount of CGU to be less than the carrying value.

NOTE 3E ASSETS HELD FOR SALE

Refer Note 2.2 (s) for accounting policy on Assets Held for Sale

Particulars	As at March 31, 2024	As at March 31, 2023
Freehold land	-	188
Buildings	-	369
Total	-	557

The Company had identified certain non operational properties for disposal which have been reclassified as asset held for sale.

NOTE 4 INVESTMENT IN SUBSIDIARIES

Particulars	NON CURRENT	
	As at March 31, 2024	As at March 31, 2023
Unquoted (fully paid) at cost		
Jyothy Kallol Bangladesh Limited ^	580	580
8,485,431 (2023 - 8,485,431) equity shares of BDT 10 (2023 - BDT 10) each fully paid up	580	580
	580	580
Aggregate value of unquoted investments	580	580

^ Jyothy Kallol Bangladesh Limited is incorporated in Bangladesh. The company holds 75% equity shares as at March 31, 2024 (2023 - 75%)

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 5 OTHER FINANCIAL ASSETS

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Security deposit considered good	1,071	942	75	75
Fixed deposit with Banks having original maturity of more than 12 months (Note 12(b))	90	142	26,045	-
Other Receivable	-	-	196	51
Investment Subsidy Receivable	428	428	107	107
	1,589	1,512	26,423	233

Break up of financial assets carried at amortised cost / cost

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Investment in subsidiaries (at cost) (Note 4)	580	580	-	-
Trade receivables (Note 11)	-	-	19,578	13,226
Other financial assets (Note 5)	1,589	1,512	26,423	233
Cash and cash equivalent and other bank balances (Note 12(a) and 12(b))	-	-	16,517	28,255
Total financial assets carried at amortised cost	2,169	2,092	62,518	41,714

The Company's exposure to credit and currency risk, and loss allowance related to other financial assets are disclosed in Note 40.

NOTE 6 DEFERRED TAX ASSETS (NET)

Particulars	NON CURRENT	
	As at March 31, 2024	As at March 31, 2023
a) Deferred tax liability		
Depreciation	4,774	4,403
Right-of-use assets	1,629	1,506
	6,403	5,909
b) Deferred tax assets		
Provision for gratuity	2,161	1,891
Provision for leave encashment	721	651
Provision for doubtful debts	414	414
Other provisions	337	379
Lease liability	1,767	1,626
Tax credit (MAT)	8,424	10,877
	13,824	15,838
Net deferred tax assets	7,421	9,929

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 7 NON-CURRENT TAX ASSETS (NET)

Particulars	NON CURRENT	
	As at March 31, 2024	As at March 31, 2023
Income tax assets (net of provisions of ₹45,370 lacs (2023 - ₹31,625 lacs))	569	1,082
	569	1,082

NOTE 8 OTHER ASSETS

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Capital Advances	261	95	-	-
Advance to suppliers	-	-	370	1,245
Balance with government authorities and protest payments	3,930	4,276	2,112	2,351
Prepaid Expenses	-	-	751	776
Other receivables	-	-	8	30
	4,191	4,371	3,241	4,402

NOTE 9 INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)

Particulars	CURRENT	
	As at March 31, 2024	As at March 31, 2023
Raw and packing materials	7,673	8,497
Work in progress	724	898
Finished goods	17,582	17,790
Stock in trade (including goods in transit ₹52 lacs (2023 - ₹53 lacs))	1,726	1,978
Stores and spare parts	505	856
	28,210	30,019

Inventories are net of provision of ₹1,366 lacs (2023 - ₹ 703 lacs) on account of damage and slow moving inventories.

NOTE 10 INVESTMENTS

Particulars	CURRENT	
	As at March 31, 2024	As at March 31, 2023
Investment at Fair value through profit and loss		
Investment in Mutual Funds (quoted)	19,152	-
	19,152	-
Aggregate book and market value of quoted investments	19,152	-
For determination of fair values, refer Note 41		

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 11 TRADE RECEIVABLES (UNSECURED)

Particulars	CURRENT	
	As at March 31, 2024	As at March 31, 2023
(i) Undisputed Trade Receivables – considered good	19,578	13,276
(ii) Undisputed Trade Receivables – considered doubtful	-	-
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-
(iv) Undisputed Trade Receivables – credit impaired	909	896
(v) Disputed Trade Receivables – considered good	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-
(vii) Disputed Trade Receivables – credit impaired	275	238
	20,762	14,410
Less: Loss allowance	(1,184)	(1,184)
	19,578	13,226

Ageing of trade receivable as at March 31, 2024

Particulars	Outstanding for following period from due date						
	Not Due	Less than 6 Months	6 Months- 1 Year	1-2 Year	2-3 Year	More than 3 Year	As at March 31, 2024
(i) Undisputed Trade Receivables – considered good	10,794	7,602	1,182	-	-	-	19,578
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Undisputed Trade Receivables – credit impaired	-	-	217	-	-	692	909
(v) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	275	275
Less: Loss allowance	-	-	(217)	-	-	(967)	(1,184)
Total	10,794	7,602	1,182	-	-	-	19,578

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 11 TRADE RECEIVABLES (Contd.)

Ageing of trade receivable as at March 31, 2023

Particulars	Outstanding for following period from due date						
	Not Due	Less than 6 Months	6 Months-1 Year	1-2 Year	2-3 Year	More than 3 Year	As at March 31, 2023
(i) Undisputed Trade Receivables – considered good	8,719	4,482	65	10	-	-	13,276
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	896	896
(v) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	238	238
Less: Loss allowance	-	-	(40)	(10)	-	(1,134)	(1,184)
Total	8,719	4,482	25	-	-	-	13,226

The above balance of trade receivable includes balance receivable from related party. (Note 32)

Trade receivable are non interest bearing and are generally on advance term or for a credit term of 15-60 days.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

For terms and conditions relating to related party receivables,(Note 32)

The Company's exposure to credit and currency risk, and loss allowance related to trade receivables are disclosed in Note 40.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 12 CASH AND BANK BALANCES

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
(a) Cash and cash equivalents				
Cash in hand	-	-	50	44
Balance with banks - Current account	-	-	8,384	10,509
	-	-	8,434	10,553
(b) Bank balances other than cash and cash equivalents				
Unclaimed dividend accounts	-	-	232	240
Deposits with original maturity for more than 3 months and less than 12 months*	-	-	7,851	17,462
Deposits with original maturity for more than 12 months*	90	142	26,045	-
Amount disclosed under 'other financial assets' (Note 5)	(90)	(142)	(26,045)	-
	-	-	8,083	17,702
	-	-	16,517	28,255

* Includes deposits provided as securities against bank guarantees and letter of credits - ₹577 lacs (2023 - ₹327 lacs)

NOTE 13 SHARE CAPITAL

Particulars	As at March 31, 2024	As at March 31, 2023
AUTHORISED CAPITAL		
301,95,00,000 (2023 - 301,95,00,000) equity shares of Re 1 (2023 - Re.1) each	30,195	30,195
66,00,000 (2023 - 66,00,000) preference shares of ₹10 (2023 - ₹10) each	660	660
30,000 (2023 - 30,000) 11% cumulative preference shares of ₹100 (2023 - ₹100) each	30	30
	30,885	30,885

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Re.1 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 13 SHARE CAPITAL (Contd.)

a) Reconciliation of the shares outstanding and at the end of the reporting period

Issued, subscribed and fully paid up equity capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	No.	Amount	No.	Amount
Equity shares of Re.1 each issued, subscribed and fully paid				
At the beginning of the period	367,208,644	3,672	367,208,644	3,672
Issued during the year	-	-	-	-
Outstanding at the end of the period	367,208,644	3,672	367,208,644	3,672

b) Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No.	% Holding in the class	No.	% Holding in the class
Equity shares of Re.1 each fully paid				
M. P. Ramachandran	143,640,871	39.12%	143,640,871	39.12%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c) Shares reserved for issue under Employee stock option

Particulars	As at March 31, 2024		As at March 31, 2023	
	No.	Amount	No.	Amount
Issue under Employee stock option Employee Stock Units Plan 2023 ("RSU Plan 2023") (Note 46)	96,444	10	-	-

d) Disclosures of shareholding of promoters

Promoter Name	Share held by promoters as at March 31, 2024		Share held by promoters as at March 31, 2023		% change during current year
	No of shares (in Lacs)	% of total shares	No of shares (in Lacs)	% of total shares	
M P Ramachandran	1,436.41	39.12%	1,436.41	39.12%	0.00%
M P Divakaran	144.72	3.94%	144.72	3.94%	0.00%
M P Sidharthan	104.30	2.84%	104.30	2.84%	0.00%
M.R. Deepthi	103.62	2.82%	103.62	2.82%	0.00%
M R Jyothy	95.38	2.60%	95.38	2.60%	0.00%
M G Shanthakumari	72.36	1.97%	72.36	1.97%	0.00%
U B Beena	68.93	1.88%	68.93	1.88%	0.00%
K Ullas Kamath	29.03	0.79%	29.03	0.79%	0.00%
K K Sujatha	1.62	0.04%	1.62	0.04%	0.00%
Moothedath Sidharthan Srihari	26.40	0.72%	26.40	0.72%	0.00%
Jithin Moothedath Divakaran	19.04	0.52%	19.04	0.52%	0.00%
Geetha Moothedath Divakaran	19.04	0.52%	19.04	0.52%	0.00%
Sahyadri Agencies Limited	145.00	3.95%	145.00	3.95%	0.00%
Jaya Trust	43.50	1.18%	43.50	1.18%	0.00%

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 13 SHARE CAPITAL (Contd.)

Promoter Name	Share held by promoters as at March 31, 2023		Share held by promoters as at March 31, 2022		% change during current year
	No of shares (in Lacs)	% of total shares	No of shares (in Lacs)	% of total shares	
M P Ramachandran	1,436.41	39.12%	1,436.41	39.12%	0.00%
M P Divakaran	144.72	3.94%	144.72	3.94%	0.00%
M P Sidharthan	104.30	2.84%	104.30	2.84%	0.00%
M.R. Deepthi	103.62	2.82%	103.62	2.82%	0.00%
M R Jyothy	95.38	2.60%	95.38	2.60%	0.00%
M G Shanthakumari	72.36	1.97%	72.36	1.97%	0.00%
U B Beena	68.93	1.88%	68.93	1.88%	0.00%
M P Divakaran Huf	-	0.00%	38.08	1.04%	-1.04%
K Ullas Kamath	29.03	0.79%	29.03	0.79%	0.00%
M P Sidharthan Huf	-	0.00%	26.40	0.72%	-0.72%
K K Sujatha	1.62	0.04%	1.62	0.04%	0.00%
Moothedath Sidharthan Srihari	26.40	0.72%	-	-	0.72%
Jithin Moothedath Divakaran	19.04	0.52%	-	-	0.52%
Geetha Moothedath Divakaran	19.04	0.52%	-	-	0.52%
Sahyadri Agencies Limited	145.00	3.95%	145.00	3.95%	0.00%
Jaya Trust	43.50	1.18%	43.50	1.18%	0.00%

NOTE 14 OTHER EQUITY

A. Other Equity consist of following:

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings		
Balance, beginning of the year	21,236	6,334
Profit for the year	36,989	23,952
Other Comprehensive Income - Re-measurement gains/(losses) of post employment benefit obligation	(92)	130
Cash dividend (Note 14(B))	(11,016)	(9,180)
Net surplus in the statement of profit and loss	47,117	21,236
Other Reserves		
Capital Reserve		
Balance, beginning of the year	7,011	7,011
Balance, end of the year	7,011	7,011
Securities premium		
Balance, beginning of the year	69,453	69,453
Balance, end of the year	69,453	69,453
General reserves		
Balance, beginning of the year	476	476
Balance, end of the year	476	476

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 14 OTHER EQUITY (Contd.)

Particulars	As at March 31, 2024	As at March 31, 2023
Amalgamation Adjustment Deficit Account		
Balance, beginning of the year	(13,706)	(13,706)
Balance, end of the year	(13,706)	(13,706)
Employee stock option outstanding (Note 46)		
Balance, beginning of the year	-	-
Add: Equity settled share based expenses during the year	100	-
Balance, end of the year	100	-
	110,451	84,470

B. Distribution made and Proposed

Particulars	As at March 31, 2024	As at March 31, 2023
Cash dividend on equity shares declared and paid:		
Final dividend for the year ended March 31, 2023 ₹ 3 per share, (2022 ₹ 2.5 per share)*	11,016	9,180
	11,016	9,180
Proposed dividends on equity shares:		
Final dividend for the year ended March 31, 2024 ₹3.50 per share, (2023 ₹ 3 per share)*	12,852	11,016
	12,852	11,016

* The Board of Directors has recommended final dividend of ₹ 3.50 (2023 - ₹ 3) per equity share of face value Re 1 each for the financial year ended March 31, 2024 at their meeting held on May 15, 2024, The same is subject to approval of the shareholders at the ensuing Annual General Meeting.

NOTE 15 TRADE PAYABLES

Particulars	CURRENT	
	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 35 for details of dues to micro and small enterprises)	4,959	5,059
Total outstanding dues of creditors other than micro enterprises and small enterprises	22,631	16,361
	27,590	21,420

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 15 TRADE PAYABLES (Contd.)

Ageing of trade payable as at March 31, 2024

Particulars	Outstanding for following period from due date						As at March 31, 2024
	Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	3,077	1,882	-	-	-	4,959
Others	7,023	6,499	9,083	26	-	-	22,631
Disputed Due-MSME	-	-	-	-	-	-	-
Disputed Due-Others	-	-	-	-	-	-	-
Total	7,023	9,576	10,965	26	-	-	27,590

Ageing of trade payable as at March 31, 2023

Particulars	Outstanding for following period from due date						As at March 31, 2023
	Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	-	2,914	2,145	-	-	-	5,059
Others	3,575	6,468	6,307	11	-	-	16,361
Disputed Due-MSME	-	-	-	-	-	-	-
Disputed Due-Others	-	-	-	-	-	-	-
Total	3,575	9,382	8,452	11	-	-	21,420

NOTE 16 OTHER FINANCIAL LIABILITIES

Particulars	CURRENT	
	As at March 31, 2024	As at March 31, 2023
Security deposits	75	122
Payable to Employees	3,122	2,808
Unclaimed dividend *	232	240
	3,429	3,170

* There are no amounts payable / due to be credited to Investor Education and Protection Fund.

For explanation on the Companies liquidity risk management processes, refer Note 40

Terms and conditions of the above financial liabilities:

- 1) Trade payables are non-interest bearing and are normally settled on 0-60 days term.
- 2) Other payable are non interest bearing and are settled within a year.
- 3) Interest payable is settled as per the term of the borrowings.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 16 OTHER FINANCIAL LIABILITIES (Contd.)

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Break up of financial liabilities carried at amortised cost				
Trade payables (Note 15)	-	-	27,590	21,420
Lease Liabilities (Note 33)	2,591	2,800	2,465	1,853
Other financial liabilities (Note 16)	-	-	3,429	3,170
Total of financial liabilities carried at amortised cost	2,591	2,800	33,484	26,443

NOTE 17 OTHER LIABILITIES

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Statutory dues	-	-	2,040	1,625
Deferred investment subsidy (a)	403	552	149	149
Advances from customers and others	-	-	1,754	3,930
Contractual Obligation	-	-	7,732	6,029
	403	552	11,675	11,733

- (a) In earlier years the Company has been awarded grants on account of Central capital investment subsidy (CCIS) of ₹ 1,348 lacs and grants recognised as deferred income, is being amortised over the useful life of the assets in proportion to the usage of the related assets.

NOTE 18 PROVISIONS

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits				
Provision for leave encashment	1,841	1,670	223	193
Provision for gratuity (Note 29(i))	6,183	5,412	-	-
	8,024	7,082	223	193
Other provisions #				
Provision for litigation*	-	-	2,610	1,991
	8,024	7,082	2,833	2,184

* Provision for litigation pertain to various disputed indirect tax matters for which timing of outflow is not determinable and will be based on outcome of ongoing litigation.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 18 PROVISIONS (Contd.)

# Movements in other provisions	As at March 31, 2024	As at March 31, 2023
Balance as at 1 st April	1,991	1,083
Arising during the year	619	908
Reversal during the year	-	-
Balance as at 31st March	2,610	1,991

NOTE 19 CURRENT TAX LIABILITIES (NET)

Particulars	CURRENT	
	As at March 31, 2024	As at March 31, 2023
Provision for income tax (net of advance tax of ₹ 4,699 lacs (2023 - ₹9,888 lacs))	46	257
	46	257

NOTE 20 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of goods (Note 42)	269,438	243,141
Sale of Services (Note 42)	5,769	4,870
	275,207	248,011
Other operating revenues		
Sale of scrap	196	184
	196	184
	275,403	248,195

NOTE 21 OTHER INCOME

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Foreign exchange fluctuation gain (net)	8	23
Profit on sale of fixed assets	1,397	1,815
Gain on financial assets at fair value through profit or loss	119	-
Profit on sale of Investment	294	-
Investment subsidy income	149	149
Interest on fixed deposit	2,090	677
Interest on Income tax Refund	120	-
Interest others	85	83
Budgetary support benefit	1,031	1,164
Miscellaneous income	74	37
	5,367	3,948

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 22 COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventory at the beginning of the year	8,497	8,514
Add: Purchases	123,256	128,889
	131,753	137,403
Less: Inventory at the end of the year	7,673	8,497
	124,080	128,906

NOTE 23 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Closing inventory		
Finished goods	17,582	17,790
Traded goods	1,726	1,978
Work in progress	724	898
	20,032	20,666
Opening inventory		
Finished goods	17,790	16,284
Traded goods	1,978	2,434
Work in progress	898	1,599
	20,666	20,317
	634	(349)

NOTE 24 EMPLOYEE BENEFITS EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	24,613	21,925
Contribution to provident and other funds (Note 29(ii) and 29(iii))	1,544	1,385
Gratuity (Note 29(i))	831	733
Staff welfare expenses	492	482
Directors' remuneration (Note 32 (e))	503	444
Field staff incentives	1,930	1,428
Equity settled share based expenses (Note 46)	100	-
	30,013	26,397

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 25 FINANCE COST

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on bank overdraft and loan	-	882
Interest on lease liability	473	421
Other borrowing cost	-	6
	473	1,309

NOTE 26 DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on tangible assets	2,790	2,942
Amortization of intangible assets	112	104
Depreciation of right of use assets	2,093	1,956
	4,995	5,002

NOTE 27 OTHER EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Power and fuel expenses	3,450	3,208
Rent (Note 33)	197	179
Insurance	427	383
Repairs and maintenance		
- Building	49	34
- Plant and machinery	287	259
- Others	258	251
Consumption of stores and spares	919	672
Printing and stationery	59	60
Communication costs	209	195
Legal and professional fees (Note 30(A))	1,488	1,062
Rates and taxes	954	167
Directors' sitting fees (Note 32(e))	25	24
Vehicle maintenance	342	332
Conversion charges	913	850
Advertisement and sales promotion	22,823	17,433
Freight, handling and forwarding charges	16,244	15,487
Field staff expenses	2,594	2,059
Travelling and conveyance	555	423
Royalty	431	401
Corporate social responsibility expenses (Note 30(B))	459	382
Donation	7	4
Miscellaneous expenses	4,495	3,117
	57,185	46,982

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 28 INCOME TAX

The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a. Profit or loss		
Income tax expenses		
Current tax		
Current period	7,928	5,400
Tax relating to earlier periods	417	-
	8,345	5,400
Deferred tax		
Relating to origination and reversal of temporary differences	2,558	544
Total	10,903	5,944
b. OCI		
Deferred tax related to items recognised in OCI during the year:		
Net (gain) / loss on remeasurements of defined benefit plans	50	(69)
	50	(69)
c. Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate		
Accounting profit before tax	47,892	29,896
Tax rate	34.94%	34.94%
Tax at statutory rate	16,735	10,447
Tax impact:- Profit exempt from tax	(5,583)	(4,603)
Corporate social responsibility expenditure disallowed	160	67
Tax impact related to JFSL (merged with the Company)	-	(283)
Tax relating to earlier periods	417	-
MAT credit (reinstated)/lapsed	(609)	472
Others	(217)	(156)
Adjusted tax expense	10,903	5,944
Tax expense	10,903	5,944

- d. During the year the Company has received orders of ₹15,616 lacs under Section 147 read with Section 143(3) of the Income Tax Act, 1961 from AY 2016-2017 to AY 2022-2023. These demand notices are due to computational errors and recurring issues in which the Company has received favorable orders from the Hon'ble Income Tax Appellate Tribunal (ITAT) during earlier years. The Company has filed an application for rectification of the computational errors and an appeal against the said demands. The Company does not foresee any material impact on its financials consequent to the said orders.

e. Deferred tax Assets and Liabilities

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net deferred tax assets and (liabilities)	7,421	9,929

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 28 INCOME TAX (Contd.)

f. Movement in Deferred tax Assets and Liabilities

Movement during the year ended March 31, 2024

Particular	As at March 31, 2023	Credit/ (charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2024
Deferred tax assets/(liability)				
Depreciation	(4,403)	(371)	-	(4,774)
Right-of-use assets	(1,506)	(123)	-	(1,629)
Provision for gratuity	1,891	220	50	2,161
Provision for leave encashment	651	70	-	721
Provision for doubtful debts	414	-	-	414
Other provisions	379	(42)	-	337
Lease liability	1,626	141	-	1,767
Tax credit (MAT) (net)	10,877	(2,453)	-	8,424
	9,929	(2,558)	50	7,421

Movement during the year ended March 31, 2023

Particular	As at March 31, 2022	Credit/ (charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2023
Deferred tax assets/(liability)				
Depreciation	(4,756)	353	-	(4,403)
Right-of-use assets	(1,287)	(219)	-	(1,506)
Provision for gratuity	1,727	233	(69)	1,891
Provision for leave encashment	596	55	-	651
Provision for doubtful debts	410	4	-	414
Other provisions	379	-	-	379
Lease liability	1,400	226	-	1,626
Tax credit (MAT) (net)	12,073	(1,196)	-	10,877
	10,542	(544)	(69)	9,929

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 29(I) GRATUITY

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The Ceiling limit of gratuity is ₹ 20 lacs. The scheme is funded with Life Insurance Corporation of India (LIC).

The following tables summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Particulars	March 31, 2024	March 31, 2023
	Gratuity Funded	Gratuity Funded
(A) Summary of the Actuarial Assumptions		
Mortality	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Discount rate	7.20%	7.40%
Rate of increase in compensation	8.00%	8.00%
Withdrawal rates	8.00%	8.00%
Rate of return (expected) on plan assets	6.68%-7.67%	6.69%-7.35%
The estimates of future salary increases considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
The overall expected rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation is to be settled.		
(B) Changes in present value of obligations (PVO)		
PVO at beginning of period	5,494	5,243
Interest cost	407	345
Current Service Cost	430	402
Benefits Paid	(202)	(278)
Re-measurement changes arising from changes in demographic assumptions	1	-
Re-measurement changes arising from changes in financial assumptions	82	(222)
Experience adjustments	58	4
PVO at end of period	6,270	5,494
(C) Changes in fair value of plan assets		
Fair value of plan assets at the beginning of period	82	103
Investment Income	6	6
Benefit paid	-	(8)
Return on plan assets	(1)	(19)
Fair value of plan assets at end of period	87	82
(D) Expenses recognised in the statement of profit and loss		
Current service cost	430	402
Net Interest cost on the Net Defined Benefit Liability/(Asset)	401	339
Other Adjustments	-	(8)
Expense recognised in the statement of profit and loss	831	733
(E) Remeasurement gains/(losses) in other comprehensive income		
Return on plan assets	1	19
Actuarial changes arising from changes in demographic assumptions	1	-

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 29(I) GRATUITY (Contd.)

Particulars	March 31, 2024	March 31, 2023
	Gratuity Funded	Gratuity Funded
Re-measurement changes arising from changes in financial assumptions	82	(222)
Experience adjustments	58	4
Total amount recognised in OCI	142	(199)
(F) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investment with Insurer	100%	100%
(G) Net Assets/(Liabilities) recognised in the balance sheet		
PVO at end of period	(6,270)	(5,494)
Fair value of plan assets at end of period	87	82
Funded status (deficit in fair value of plan assets over PVO)	(6,183)	(5,412)
Net assets/(Liability) recognised in the balance sheet	(6,183)	(5,412)

These defined benefit plan exposed to actuarial risk, such as longevity risk, currency risk, interest rate risk and market risk.

Fund is Managed by LIC as per Insurance Regulatory and Development Authority guidelines. The plan assets of the defined benefit plan have been primarily invested in insurer managed funds and the asset allocation for plan assets is determined based on the investment criteria prescribed under the relevant regulations applicable to pension funds and the insurer managers. The insurers' investment are well diversified and also provide for guaranteed interest rates arrangements.

(H) Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The results of sensitivity analysis is given below:

Particulars	As at March 31, 2024	As at March 31, 2023
Defined Benefit Obligation (Base)	6,270	5,494

Particulars	As at March 31, 2024		As at March 31, 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (-/+ 1%)	6,735	5,862	5,909	5,124
(% change compared to base due to sensitivity)	7.0%	-6.5%	8.0%	-6.7%
Salary Growth Rate (-/+ 1%)	5,907	6,666	5,159	5,853
(% change compared to base due to sensitivity)	-5.8%	6.3%	-6.1%	6.5%
Attrition Rate (-/+ 50% of attrition rates)	6,321	6,240	5,517	5,477
(% change compared to base due to sensitivity)	0.8%	-0.5%	0.4%	-0.3%
Mortality Rate (-/+ 10% of mortality rates)	6,274	6,274	5,494	5,494
(% change compared to base due to sensitivity)	0.0%	0.1%	0.0%	0.0%

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 29(I) GRATUITY (Contd.)

(I) Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

Particulars	March 31, 2024		March 31, 2023	
	Decrease	Increase	Decrease	Increase
Interest Rate (- / + 1%)	76	98	70	94
(% change compared to base due to sensitivity)	-12.64%	12.64%	-14.63%	14.63%

(J) Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to meet the liabilities on account of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows)	7 years
Expected cash flows over the next (valued on undiscounted basis):-	₹
1 year	710
2 to 5 years	2,677
6 to 10 years	3,316
More than 10 years	4,660

- c) The company does not anticipate any outflow towards the fund or payout in the subsequent year.

NOTE 29(II) SUPERANNUATION

The Company Contributed ₹ 12 lacs and ₹ 14 lacs to the superannuation plan during the years ended March 31, 2024 and March 31, 2023, respectively and same has been recognized in the Statement of Profit and Loss under the head employee benefit expense.

NOTE 29(III) PROVIDENT FUND AND OTHER FUNDS

The Company Contributed ₹ 1,532 lacs and ₹ 1,371 lacs to the employee provident fund and other funds during the years ended March 31, 2024 and March 31, 2023, respectively and same has been recognized in the Statement of Profit and Loss under the head employee benefit expense.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 30 (A) PAYMENT TO AUDITORS (EXCLUDING GST)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
As Auditors		
Audit fee	71	43
Tax audit fees and certification	21	14
Limited review of quarterly results	54	48
Reimbursement of expenses	9	6
	155	111

NOTE 30 (B) EXPENDITURE RELATED TO CORPORATE SOCIAL RESPONSIBILITY AS PER SECTION 135 OF THE COMPANIES ACT, 2013 READ WITH SCHEDULE VII IS AS GIVEN BELOW:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Amount required to be spent by the company during the year	459	382
(ii) Amount of expenditure incurred	459	508
(iii) Shortfall/(Excess) at the end of the year	-	(126)
(iv) Total of previous years shortfall/(Excess)	-	126
(v) Reason for shortfall*	NA	NA
(vi) Nature of CSR activities.		
Promoting health care including preventive health care	400	250
Promoting education and enhancing vocation skills	37	255
Ensuring environmental sustainability, ecological balance	18	-
Eradicating of hunger, poverty and malnutrition	4	3

NOTE 31 SEGMENT REPORTING

The Company has presented segment information in the consolidated financial statements which are presented in the same annual report. Accordingly, in terms of Paragraph 4 of Ind AS 108 'Operating Segments', no disclosures related to segments are presented in this standalone financial statements.

NOTE 32 RELATED PARTY DISCLOSURES

a) Parties where control exists/Significant influence exists:

Subsidiaries

Jyothy Kallol Bangladesh Limited

b) Key Management Personnel:

M.R. Jyothy	Managing Director
M.R. Deepthi	Whole Time Director upto November 24, 2023
Sanjay Agarwal	Chief Financial Officer
Shreyas Trivedi	Head-Legal & Company Secretary

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 32 RELATED PARTY DISCLOSURES (Contd.)

Other Directors

Bhumika Batra	Independent Director
Aditya Sapru	Independent Director
Narayanan Subramaniam	Independent Director (w.e.f. December 15, 2023)
Suresh Balakrishna	Independent Director (w.e.f. April 1, 2024)
Nilesh B. Mehta	Independent Director upto March 31, 2024
R. Lakshminarayanan	Independent Director upto March 31, 2024

c) Close member of Key Management Personnel

M.P. Ramachandran	Chairman Emeritus
M. G. Shanthakumari	
Ananth Rao T	Whole Time Director (w.e.f. April 1, 2024)
Ravi Razdan	Whole Time Director (w.e.f. April 1, 2024)

d) Entities where Key Management Personnel and their relatives have significant influence

Quilon Trading Co.
Jaya Trust
Sahyadri Bio Labs Private Limited
Sahyadri Agencies Ltd.

e) Promoter group

K. Ullas Kamath
M.P. Sidharthan
M.P. Divakaran
U B Beena
K K Sujatha
Jithin Moothedath Divakaran
Geetha Moothedath Divakaran
Moothedath Sidharthan Srihari

f) Transactions with related parties during the year

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Parties where control exists/Significant influence exists		
Sales of raw materials and packing material and finished goods	102	92
Key management personnel		
Short term employee benefits*	1,093	893
Dividend	597	497
Commission	64	48
Close member of Key Management Personnel		
Short term employee benefits*	366	333
Dividend	4,526	3,772
Entities where Key Management Personnel and their close member have significant influence		
Rent expenses	1	1
Dividend	565	471
Rent received	6	6
Promoter group		
Short term employee benefits*	-	8
Dividend	1,239	1,033

* As the future liabilities for gratuity is provided on an actuarial basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 32 RELATED PARTY DISCLOSURES (Contd.)

g) Related party balances outstanding

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Key Management Personnel:		
Short term employee benefits [^]	-	1
Commission	64	48
Entities where Key Management Personnel and their relatives have significant influence		
Payables [^]	1	1

[^] Amount less than ₹1 lacs.

Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

NOTE 33 LEASES

a In case of assets taken on lease

The Company has lease contracts for leasehold land and building used in its operations.

The Company also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Carrying amounts of right-of-use assets recognised and the movements during the period:

Refer note: 3c

b Carrying amounts of lease liabilities and the movement during the period

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balances at beginning of the year	4,653	4,470
Additions	2,551	2,393
Deletions	(106)	(235)
Accretion of interest*	423	371
Payments	(2,465)	(2,346)
Balances at end of the year	5,056	4,653
Current	2,465	1,853
Non current	2,591	2,800

*Accretion of interest is net off impact of unwinding discount on security deposit.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 33 LEASES (Contd.)

The maturity analysis of lease liabilities is disclosed below:

Particulars	As at March 31, 2024	As at March 31, 2023
Maturity analysis of contractual undiscounted cash flow		
Less than 1 year	2,330	2,465
1 to 2 years	1,879	1,683
2 to 3 years	932	1,258
3 to 4 years	547	533
4 to 5 years	201	318
More than 5 years	157	162
Total undiscounted lease liabilities	6,046	6,419

c Total cash outflow

The Company has a total cash outflow (including short term and low value assets) for leases of ₹ 2,662 lacs in 2023-24 (2022-23 - ₹ 2,525 lacs). The Company also had non cash additions to right to use assets and lease liabilities of ₹ 2,445 lacs in 2023-24 (2022-23 - ₹ 2,158 lacs).

d Lease commitments for leases accounted as short term lease and low value assets.

The company is committed to short term lease of ₹ 197 lacs (2023 - ₹ 179 lacs) and lower value assets ₹ Nil lacs (2023 - ₹ Nil lacs).

NOTE 34 COMMITMENTS AND CONTINGENCIES

A) Capital Commitments (Net of Advances)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	490	585
Other Commitments (Refer note 33d)	197	179
	687	764

B) Contingent Liabilities

In respect of the following, the Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Claims against the Company not acknowledge as debt:		
(I) Tax matters		
(a) Disputed sales tax demands – matters under appeal	682	1,445
(b) Disputed excise duty and service tax demand - matter under appeal	4	481
(c) Disputed income tax demand - matter under appeal	279	279

Company believes that all these matters have a strong possibility of being dismissed in favour of the Company and accordingly no provisions has been considered necessary.

The above disclosure does not cover matters where the exposure has been assessed to be remote.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 35 MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ('MSMED')

The disclosure pursuant to the said Act is as under:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Principal and interest amount remaining unpaid	4,959	5,059
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
Interest accrued and remaining unpaid	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE 36 EARNING PER SHARE (₹)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net Profit for calculation of basic and diluted EPS	36,989	23,952
Weighted average number of shares for calculation of basic EPS (i)	367,208,644	367,208,644
Effect of dilution of stock option issue	54,154	-
Weighted average number of shares for calculation of diluted EPS (ii)	367,262,798	367,208,644
Basic EPS (₹)	10.07	6.52
Diluted EPS (₹)	10.07	6.52

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 37 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Balance with Government Authorities and Protest Payment

The Company has significant receivable from government authorities in respect of payment made under protest in earlier years towards VAT matters. The Company has received favourable orders from the Honourable Supreme Court / High Court in these matters and accordingly Company believes that all the amounts are fully recoverable.

Taxes

Refer Note 28 (d)

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of non-financial assets, Investment in subsidiaries and Goodwill

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cash flow (DCF) model. The cash flows are derived from the budget and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/judgements about these factors could affect the reported fair value of financial instruments.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 37 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Contd.)

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other long term leave benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further, the Company has recognised Minimum Alternate tax Credit (MAT) which can utilised for a period of 15 years from the assessment year to which it relates to. Based on future projections of taxable profit and MAT, the Company has assessed that the entire MAT credit can be utilised.

NOTE 38 FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying values		Fair values	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Financial Assets				
Investment	19,152	-	19,152	-
Total	19,152	-	19,152	-

The management assessed that fair value of cash and cash equivalents, Bank balances other than cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Long-term receivables/advances given are evaluated by the Company based on parameters such as interest rates and individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 39 FAIR VALUES HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities:

Quantitative disclosures fair value measurement hierarchy for assets:

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Fair value of financial assets/ Liabilities disclosed					
Investment	March 31, 2024	19,152	19,152	-	-
Investment	March 31, 2023	-	-	-	-

NOTE 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company has constituted a core Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

A. Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended March 31, 2024 and March 31, 2023. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

For long term borrowings, the Company also focuses on maintaining / improving its credit ratings to ensure that appropriate financing options are available as and when required.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

The table below summarises the maturity profile of the Company financial liabilities based on contractual undiscounted payments (excluding interest).

Particulars	Less than 1 Year	1 to 5 years	5 years and above	Total
As at March 31, 2024				
Other financial liabilities	3,429	-	-	3,429
Lease liabilities	2,330	3,559	157	6,046
Trade and other payables	27,590	-	-	27,590
	33,349	3,559	157	37,065
As at March 31, 2023				
Other financial liabilities	3,170	-	-	3,170
Lease liabilities	1,853	2,800	-	4,653
Trade and other payables	21,420	-	-	21,420
	26,443	2,800	-	29,243

In addition, the Company maintains the following lines of credit.

- ₹ 50,500 lacs facility that is unsecured and can be drawn down to meet short-term financing needs.

The facility has a yearly maturity that renews automatically at the option of the Company Interest would be payable at a rate of 7 % - 8% (March 31, 2023: 7% - 8%).

The company has cash and cash equivalents or ₹ 8,434 (Note 12a) and investments in mutual funds ₹ 19,152 (Note 10).

B. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This risk exist mainly on account of borrowings of the Company. However, all these borrowings are at fixed interest rate and hence the exposure to change in interest rate is insignificant.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company is not exposed to significant foreign currency risk as at the respective reporting dates.

Price risk

The Company is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

Particulars	March 31, 2024		March 31, 2023	
	Decrease	Increase	Decrease	Increase
Net asset value (- / + 10%)	17,237	21,067	-	-

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 40 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

C. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and other financial assets including bank balances. Bank balances are maintained with banks with high credit rating.

Movements of loss allowance

Trade receivables	As at March 31, 2024	As at March 31, 2023
Balance as at 1 st April	1,184	1,184
Provision no longer required write back	-	-
Balance as at 31st March	1,184	1,184

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major trade receivables. (Note 11)

Other financial assets

Credit risk from balances with banks and financial institutions is managed by the Company in accordance with the Company's policy. Investments of surplus funds are made only in highly marketable debt instruments with appropriate maturities to optimise the cash return on instruments while ensuring sufficient liquidity to meet its liabilities. The Company maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 is the carrying value of each class of financial assets.

D. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Refer Note 42(d)

NOTE 41 CAPITAL MANAGEMENT

For the purpose of the Company capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Company monitors capital using a gearing ratio, which is net debt divided by total equity plus net debt which is calculated as borrowing less cash and cash equivalent, other bank balances and mutual funds investments.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 41 CAPITAL MANAGEMENT (Contd.)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Borrowings	-	-
Less: Cash and cash equivalents, other bank balances (Note 11(a) and 11(b))	(16,517)	(28,255)
Net debt (A)	(16,517)	(28,255)
Equity	114,123	88,142
Capital and Net Debt (B)	97,606	59,887
Gearing ratio (A/B)	0%	0%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2023

NOTE 42 IND AS 115: REVENUE FROM CONTRACTS WITH CUSTOMERS

a. Reconciliation the amount of revenue recognised in the statement of profit and loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gross Sales	331,770	296,434
Less: Schemes and discounts	(62,332)	(53,293)
Sale of goods	269,438	243,141
Sale of Services	5,769	4,870
Net Sales	275,207	248,011

b. Disaggregation of revenue-Segment wise

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a) Fabric Care	118,609	105,202
(b) Dishwashing	93,660	86,480
(c) Household Insecticides	21,225	21,168
(d) Personal Care	30,782	25,422
(e) Others	10,931	9,739
	275,207	248,011

c. Contract balances

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Trade receivables (Note 11)	19,578	13,226
Contract Liabilities (Note 17)		
Advances from customers	1,754	3,930
Contractual Obligation	7,732	6,029

The amount of ₹ 1,754 lacs included in contract liabilities at March 31, 2024 (2023: ₹ 3,930 lacs) has been recognised as revenue in the subsequent year.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 42 IND AS 115: REVENUE FROM CONTRACTS WITH CUSTOMERS (Contd.)

Movements in Contractual Obligation

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Balance as at 1 st April	6,029	4,770
Incurred during the year	26,420	20,822
Paid / reversal during the year	(24,717)	(19,563)
Balance as at 31st March	7,732	6,029

- d. Revenue from one customer which contributed more than 10% of company's total revenue amounted to ₹ 35,118 lacs (2023 - ₹ 30,244 lacs) arising from sales in various segments.
- e. Revenue from sale of goods is recognised on point in time basis, when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch or delivery depending on terms with customers

NOTE 43

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

NOTE 44 EXCEPTIONAL ITEM

During the year ended March 31, 2023 the Company has received a one-time settlement for extinguishing indemnity pertaining to an erstwhile business transaction of ₹ 1,642 lacs provided earlier which has been written back and an amount of ₹ 939 lacs has been provided towards litigation settlement under VAT amnesty scheme.

NOTE 45 ADDITIONAL REGULATORY INFORMATION

(a) Relationship with struck off company

The company has transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 as under,

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at current period	Relationship with the struck off company, if any, to be disclosed	Balance outstanding as at previous period	Relationship with the struck off company, if any, to be disclosed
Shirdi Sai Financial Services Pvt Ltd	Shares held by struck off company	50 shares	Shareholder	50 shares	Shareholder
Priti Puja Commercial Pvt Ltd	Shares held by struck off company	25 shares	Shareholder	25 shares	Shareholder
Growth Investment And Property Company private Limited	Shares held by struck off company	50 shares	Shareholder	50 shares	Shareholder
Fair Growth Financial Services Limited	Shares held by struck off company	25 shares	Shareholder	25 shares	Shareholder
Stockyard Investment Services Private Limited	Shares held by struck off company	2 shares	Shareholder	2 shares	Shareholder
Suraj Enterprises Private Limited	Shares held by struck off company	24 shares	Shareholder	24 shares	Shareholder

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 45 ADDITIONAL REGULATORY INFORMATION (Contd.)

(b) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(c) Utilisation of borrowings availed from banks

There are no borrowings availed by the Company from banks and financial institutions during the year.

(d) Details of benami property held

No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(e) Wilful defaulter

The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(f) Compliance with number of layers of companies

The company has complied with the number of layers prescribed under the Companies Act, 2013.

(g) Compliance with approved scheme(s) of arrangements

The effect of scheme of merger have been accounted in the books of accounts of the Company in accordance with Accounting Standard

(h) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(i) Utilisation of borrowed funds and share premium

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(j) Valuation of PP&E, intangible asset and investment property

The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(k) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(l) The quarterly returns or statements filed by the Company with banks or financial institutions are in agreement with the books of account of the Company.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 45 ADDITIONAL REGULATORY INFORMATION (Contd.)

(m) Key Ratio

Particulars	Numerator	Denominator	Year ended March 31, 2024	Year ended March 31, 2023	% Variance	Reason for Variance for +/- 25% variation
a. Current Ratio	Current Assets	Current Liabilities	2.35	1.89	24.7%	Current Ratio has improved due to higher Current Assets backed by increase in cash/bank balance and Investments
b. Debt Equity Ratio	Total Debt	Shareholder's Equity	-	-	-	Nil debt, hence not applicable
c. Debt service coverage ratio	Earning available for debt service	Debt Service	17.29	16.41	5.4%	Due to increase in net profit
d. Return on Equity	Net profits after taxes.	Average Shareholder's equity	36.6%	29.68%	23.2%	Return on Equity has improved due better margin on higher sales achieved during the year and lower raw material prices
e. Inventory turnover ratio	Cost of goods sold	Average Inventory	4.82	4.81	0.15%	In line with sales growth
f. Trade receivables turnover ratio	Net Sales	Closing Debtors	14.07	18.77	-25.04%	Trade receivable increased due to institutional sales
g. Trade payables turnover ratio	Net Purchases	Closing Trade Payable	5.03	6.70	-24.98%	Trade payable increased due to increase in expenses payable
h. Net capital turnover ratio	Net Sales	Working Capital	4.23	6.88	-38.49%	Decrease due to higher working capital on account of increase in cash and bank balance and mutual fund investment
i. Net profit ratio	Net profits after taxes.	Net Sales	13.43%	9.65%	39.17%	Net profit ratio has improved due better margin on higher sales achieved during the year and lower raw material prices
j. Return on capital employed	Earning before Interest and taxes	Capital Employed	46.93%	40.52%	15.81%	Return on Equity has improved due better margin on higher sales achieved during the year and lower raw material prices
k. Return on investment	Income generated from invested funds	Average invested funds in treasury investments	2.16%	N.A.	2.16%	During the year investment in mutual fund

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 46 SHARE-BASED PAYMENTS

The Board of Director's and Shareholders of the Company had approved the grant Employee Stock Units Plan 2023 ("RSU Plan 2023") on June 9, 2023 and July 25, 2023 respectively, in accordance with the terms and conditions of the Jyothy Labs Employees "RSU Plan 2023".

The fair value of the "RSU Plan 2023" was determined using the Black Scholes model using the following inputs at the grant date September 4, 2023.

Particulars	RSU Plan 2023
Vesting Period	From 2023 to 2026
No of option granted	96,444
Market Price of the shares on date of grant	362.35
Fair value on date of grant	361.35
Expected Life	3.50
Expected volatility (%)	32.49%
Risk-free interest rate (%)	7.31%
Exercise Price Re per share	1
Weighted average exercise Price Re per share	1
Dividend Yield (%)	0.70%

Summary of options granted under the plan is as follows:

Particulars	As at March 31, 2024			As at March 31, 2023		
	No of shares	Weighted average exercise price (₹)	Weighted average fair value (₹)	No of shares	Weighted average exercise price (₹)	Weighted average fair value (₹)
Outstanding at the beginning of the year	-	-	-	-	-	-
Granted During the year	96,444	1	361.35	-	-	-
Forfeited/lapsed during the period	(2,052)	1	-	-	-	-
Exercised during the period	-	-	-	-	-	-
Exercised during the period	-	-	-	-	-	-
Outstanding at the end of the year	94,392	1	352.80	-	-	-

Expense arising from RSU Plan 2023

Total expenses arising from stock based payment transactions recognised in Profit and Loss as part of employee benefit expense were as follows.

Particulars	As at March 31, 2024	As at March 31, 2023
Equity settled share based expenses	100	-

Carrying amount of liability- included in Employee stock option outstanding (Note 14)

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

NOTE 47

During the previous year, the National Company Law Tribunal vide its Order dated March 02, 2023, approved the Scheme of Merger of Jyothy Fabricare Services Limited "JFSL" with the Company with effect from the Appointed date of October 1, 2022. The merger has been accounted in accordance with the 'Business combinations of entities under common control' as described in (Ind AS) 103 "Business Combinations" and accordingly as per approved scheme, the said merger has been accounted retrospectively from April 1, 2021. Pursuant to the above merger, JFSL-JLL(JV) (a partnership firm of Jyothy Fabricare Services Limited and Jyothy Labs Limited) have been also merged with the Company. Accordingly, the financial results of the Company restated from April 1, 2021 to include the financial information of JFSL and JFSL-JLL(JV).

NOTE 48

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

NOTE 49

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Signatures to Notes 1 to 49

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Mumbai
Date: May 15, 2024

For and on behalf of the Board of Directors of
Jyothy Labs Limited
CIN: L24240MH1992PLC128651

M.R. Jyothy
Chairperson and Managing Director
DIN: 00571828

Shreyas Trivedi
Company Secretary
Membership No: A12739

Mumbai
Date: May 15, 2024

Sanjay Agarwal
Chief Financial Officer

Independent Auditor's Report

To the Members of
Jyothy Labs Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

OPINION

We have audited the consolidated financial statements of Jyothy Labs Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of the other auditor on separate financial statements of such subsidiary as was audited by the other auditor, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, of its consolidated profit and other

comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of report of the other auditor referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTER(S)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key Audit matter	How the matter was addressed in our audit
Revenue Recognition Refer note 2.2(d) of accounting policies and notes 20 and 44 of consolidated financial statements. Revenue is recognized when control of the underlying products has been transferred to the customer. Revenue is a key performance indicator for the Group. There is risk of revenue being fraudulently recognized resulting from pressure to meet external investor/ stake-holder expectations. Accordingly, recognition of revenue throughout the year and at period-end has been considered to be a key audit matter.	Our audit procedures in respect of recognition of revenue included the following- <ul style="list-style-type: none"> Assessed the Group's accounting policies relating to revenue recognition by comparing them with the applicable accounting standards. Obtained understanding of the process and tested design, implementation and operating effectiveness of the Group's internal controls including general IT controls and key IT application controls over recognition of revenue. Examined underlying sales invoices and dispatch/ shipping documents for selected samples of revenue recognized throughout the year and as at period end to determine existence of sales throughout the period and at the period-end. Analysed and tested high risk journal entries that contain unusual combinations of credit to revenue with no associated debit to cash, debtors or another revenue account

OTHER INFORMATION

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's reports thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive loss, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the Independent auditors for the other entity included in the consolidated financial statements which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER(S)

- We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 785 Lakhs as at 31 March 2024, total revenues (before consolidation adjustments) of ₹ 392 lakhs and net cash out flows (before consolidation adjustments) amounting to ₹ 7 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements has been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditor.

This subsidiary is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which has been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the report of the other auditor.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. A. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated financial statements have been kept so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors of the Holding Company as on 1 April 2024 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3) (b) and paragraph 2B (f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 33 to the consolidated financial statements.
 - b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.
 - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2024.
 - d. (i) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 46 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented to us that, to the best of its knowledge and belief, as disclosed in the Note 46 to the consolidated financial statements, no funds have been received by the Holding Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 14B to the consolidated financial statements, the Board of Directors of the Holding Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of

the Act to the extent it applies to declaration of dividend.

- f. Based on our examination which included test checks, the Holding Company has used an accounting software for maintaining its books of account which has a feature of audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail was not enabled (i) at the database level to log any direct data changes; and (ii) at the application level for the period from 29 June 2023 to 20 July 2023 and from 21 September 2023 to 23 September 2023. Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with.
- C. In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sreeja Marar

Partner

Place: Mumbai

Membership No.: 111410

Date: 15 May 2024

ICAI UDIN:24111410BKGQOF9678

Annexure A

to the Independent Auditor's Report on the Consolidated Financial Statements of Jyothy Labs Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) According to the information and explanations given to us and based on our examination, there are no companies included in the consolidated financial statements of the Holding Company which are companies incorporated in India except the Holding Company. The Companies (Auditor's Report) Order, 2020 of the Holding Company includes the following unfavourable answers or qualifications or adverse remarks.

Sr. No.	Name of the entities	CIN	Holding Company/ Sub sidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Jyothy Labs Limited	L24240MH1992 PLC128651	Holding Company	i(c)

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sreeja Marar

Partner

Membership No.: 111410

ICAI UDIN:24111410BKGQOF9678

Place: Mumbai

Date: 15 May 2024

Annexure B

to the Independent Auditor's Report on the Consolidated Financial Statements of Jyothy Labs Limited for the year ended 31 March 2024

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE AFORESAID CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

In conjunction with our audit of the consolidated financial statements of Jyothy Labs Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company, as of that date.

In our opinion, the Holding Company, has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Holding Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions

and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to

error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Sreeja Marar

Partner

Place: Mumbai

Membership No.: 111410

Date: 15 May 2024

ICAI UDIN:24111410BKGQOF9678

Consolidated Balance Sheet

as at March 31, 2024

₹ In Lacs

Particulars	Note	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
Property, plant and equipment	4a	28,687	28,080
Capital work in progress	4b	1,337	1,548
Right of use assets	4c	4,661	4,309
Goodwill	4d	78,633	78,633
Other Intangible assets	4d	545	612
Financial assets			
Other financial assets	6	1,589	1,512
Deferred tax assets (net)	7	5,944	8,452
Non current tax assets (net)	8	586	1,139
Other non-current assets	9	4,191	4,371
		126,173	128,656
Current assets			
Inventories	10	28,350	30,186
Financial assets			
Investments	5	19,152	-
Trade receivables	12	20,139	13,781
Cash and cash equivalents	11a	8,439	10,565
Bank balances other than cash and cash equivalents	11b	8,166	17,782
Other financial assets	6	26,424	234
Other current assets	9	3,250	4,410
		113,920	76,958
Asset held for sale	4e	-	557
		113,920	77,515
Total assets		240,093	206,171
Equity and liabilities			
Equity			
Equity Share Capital	13	3,672	3,672
Other Equity	14	177,159	151,227
Equity attributable to equity holders of the parent		180,831	154,899
Non-controlling interests		190	206
Total equity		181,021	155,105
Non-current liabilities			
Financial Liabilities			
Lease Liabilities	33A	2,591	2,800
Provisions	16	8,024	7,082
Other non-current liabilities	17	403	552
		11,018	10,434
Current liabilities			
Financial Liabilities			
Lease Liabilities	33A	2,465	1,853
Trade payables	19		
Total outstanding dues of micro enterprises and small enterprises		4,959	5,059
Total outstanding dues of creditors other than micro enterprises and small enterprises		22,647	16,376
Other financial liabilities	15	3,429	3,170
Other current liabilities	17	11,675	11,733
Provisions	16	2,833	2,184
Current tax liabilities (net)	18	46	257
		48,054	40,632
Total liabilities		59,072	51,066
Total equity and liabilities		240,093	206,171
Summary of material accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sreeja Marar

Partner

Membership No: 111410

For and on behalf of the Board of Directors of

Jyothy Labs Limited

CIN: L24240MH1992PLC128651

M.R. Jyothy

Chairperson and Managing Director

DIN: 00571828

Shreyas Trivedi

Company Secretary

Membership No: A12739

Sanjay Agarwal

Chief Financial Officer

Mumbai

Date: May 15, 2024

Mumbai

Date: May 15, 2024

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

₹ In Lacs

Particulars	Note	Year ended March 31, 2024	Year ended March 31, 2023
Income			
Revenue from operations	20	275,693	248,602
Other income	21	5,373	3,953
Total income (I)		281,066	252,555
Expenses			
Cost of raw material and components consumed	22	124,260	129,119
Purchases of stock in trade		15,498	14,703
Changes in inventories of finished goods, stock in trade and work-in-progress	23	626	(334)
Employee benefits expense	24	30,052	26,441
Finance costs	25	473	1,309
Depreciation and amortisation expense	26	4,996	5,012
Other expenses	27	57,277	47,086
Total Expense (II)		233,182	223,336
Profit before exceptional item and tax (I-II)		47,884	29,219
Exceptional item	43	-	703
Profit before tax		47,884	29,922
Income tax	28		
Current tax		7,979	5,405
Tax relating to earlier periods		417	-
Deferred tax charge		2,558	544
Total Income tax		10,954	5,949
Profit for the year (A)		36,930	23,973
Other comprehensive income			
Items that will be reclassified to profit or loss			
Foreign Currency Translation Reserve		(6)	(108)
		(6)	(108)
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) of post employment benefit obligation	29 (I)	(142)	199
Income tax relative to items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) of post employment benefit obligation	28	50	(69)
		(92)	130
Other comprehensive income/ (loss) for the year, net of tax (B)		(98)	22
Total comprehensive income for the year, net of tax (A+B)		36,832	23,995
Non controlling interest		(16)	(28)
Total Comprehensive income attributable to equity holders of the parent		36,848	24,023
Profit for the year		36,930	23,973
Attributable to :			
Equity holders of the parent		36,945	23,973
Non-controlling interests		(15)	-
Other comprehensive income		(98)	22
Attributable to :			
Equity holders of the parent		(97)	50
Non-controlling interests		(1)	(28)
Total comprehensive income		36,832	23,995
Attributable to :			
Equity holders of the parent		36,848	24,023
Non-controlling interests		(16)	(28)
Earnings per share (EPS)	32		
Basic (₹)		10.06	6.53
Diluted (₹)		10.06	6.53
Nominal value per share (₹)		1.00	1.00
Summary of material accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Mumbai
Date: May 15, 2024

For and on behalf of the Board of Directors of
Jyothy Labs Limited
CIN: L24240MH1992PLC128651

M.R. Jyothy
Chairperson and Managing Director
DIN: 00571828

Shreyas Trivedi
Company Secretary
Membership No: A12739

Mumbai
Date: May 15, 2024

Sanjay Agarwal
Chief Financial Officer

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

A. EQUITY SHARE CAPITAL

₹ in Lacs

Particulars	As at March 31, 2024	As at March 31, 2023
Equity shares of Re 1 each issued, subscribed and fully paid		
At the beginning of the period	3,672	3,672
Issue of share capital	-	-
At the end of the period	3,672	3,672

For further details, refer Note 13.

B. OTHER EQUITY

₹ in Lacs

Particulars	Attributable to equity holders of the parent							Non Controlling Interest	Total Equity
	Retained Earnings	Foreign Currency Translation Reserve	Capital Reserve	Securities premium	General reserves	Employee stock option outstanding	Total		
As at April 1, 2022	84,325	58	5,480	50,407	414	-	140,684	(4,066)	136,618
Profit for the year	23,973	-	-	-	-	-	23,973	-	23,973
Other Comprehensive Income									
Re-measurement gains/ (losses) of post employment benefit obligation	158	-	-	-	-	-	158	(28)	130
Minority Interest absorbed by parent company	(4,300)	-	-	-	-	-	(4,300)	4,300	-
Foreign Currency Translation Reserve	-	(108)	-	-	-	-	(108)	-	(108)
Total comprehensive income	19,831	(108)	-	-	-	-	19,723	4,272	23,995
Transaction with owners recorded directly in equity									
Contribution by and distribution to owners									
Cash dividends (Note 14(B))	(9,180)	-	-	-	-	-	(9,180)	-	(9,180)
As at March 31, 2023	94,976	(50)	5,480	50,407	414	-	151,227	206	151,433
Profit for the year	36,945	-	-	-	-	-	36,945	(15)	36,930
Other Comprehensive Income									
Re-measurement gains/ (losses) of post employment benefit obligation	(91)	-	-	-	-	-	(91)	(1)	(92)
Foreign Currency Translation Reserve	-	(6)	-	-	-	-	(6)	-	(6)
Equity settled share based expense (Note 47)	-	-	-	-	-	100	100	-	100
Total comprehensive income	36,854	(6)	-	-	-	100	36,948	(16)	36,932
Transaction with owners recorded directly in equity									
Contribution by and distribution to owners									
Cash dividends (Note 14(B))	(11,016)	-	-	-	-	-	(11,016)	-	(11,016)
As at March 31, 2024	120,814	(56)	5,480	50,407	414	100	177,159	190	177,349

Consolidated Statement of Changes in Equity (Contd.)

for the year ended March 31, 2024

C. Nature and purpose of reserves

₹ in Lacs

- a) Retained earnings - Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- b) Capital reserves - During amalgamation, the excess of net assets taken, over the cost of consideration paid is treated as capital reserve. Capital Reserve is not freely available for distribution and the reserve will be utilised in accordance with the provisions of the Act.
- c) Securities premium - The amount received in excess of face value of the equity shares is recognised in Securities Premium. This reserve can be utilized only in accordance with the provisions of section 52 of the Companies Act, 2013.
- d) General reserves -The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956.
- e) Foreign Currency Translation Reserve - The exchange differences arising from the translation of financial statements of foreign operations with functional currency other than Indian rupees is recognised in other comprehensive income and is presented within equity in the foreign currency translation reserve.
- f) Employee stock option outstanding - The shares option outstanding account is used to recognise the grant date fair value of options issued to employees under the Employee Stock Grant Scheme which are unvested as on the reporting date.

For further details, refer Note 14.

As per our report of even date

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sreeja Marar

Partner

Membership No: 111410

For and on behalf of the Board of Directors of

Jyothy Labs Limited

CIN: L24240MH1992PLC128651

M.R. Jyothy

Chairperson and Managing Director

DIN: 00571828

Shreyas Trivedi

Company Secretary

Membership No: A12739

Sanjay Agarwal

Chief Financial Officer

Mumbai

Date: May 15, 2024

Mumbai

Date: May 15, 2024

Consolidated Statement of Cash Flows

for the year ended March 31, 2024

₹ In Lacs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A. CASH FLOWS PROVIDED BY/(USED IN) OPERATING ACTIVITIES:		
Profit before tax	47,884	29,922
Adjustments to reconcile profit before tax to net cash flows :		
Depreciation and impairment of property, plant and equipment	2,791	2,952
Depreciation of right-of-use assets	2,093	1,956
Amortisation and impairment of intangible assets	112	105
Equity settled share based expense (Note 47)	100	-
Profit on fixed assets sold	(1,397)	(1,815)
Profit on sale of investment	(294)	-
Gain on financial assets at fair valued through profit or loss	(119)	-
Finance costs	473	1,309
Interest on Income tax refund	(120)	-
Interest income	(2,181)	(765)
Unrealised foreign exchange fluctuation gain (net)	(2)	5
Inventory written off net of provision/(write back) for inventory	663	(79)
Investment subsidy income	(149)	(149)
Operating profit before working capital changes	49,854	33,441
Movements in working capital :-		
Increase/ (decrease) in trade payables	6,171	(2,207)
Increase / (decrease) in provisions	1,443	1,332
Increase/ (decrease) in other liabilities	(58)	2,573
Increase/ (decrease) in other financial liabilities	267	337
Decrease / (increase) in trade receivables	(6,356)	522
Decrease / (increase) in inventories	1,173	(385)
Decrease / (increase) in other financial assets	(223)	568
Decrease / (increase) in other assets	1,455	2,354
Cash generated from operations	53,726	38,535
Taxes paid (net)	(7,934)	(5,669)
NET CASH PROVIDED BY OPERATING ACTIVITIES (A)	45,792	32,866
B. CASH FLOWS PROVIDED BY/(USED IN) INVESTING ACTIVITIES:		
Purchase of fixed assets including capital work-in-progress and capital advances	(3,709)	(3,548)
Proceeds from sale of fixed assets	2,265	2,331
Maturity proceeds from fixed deposit	101,232	214,083
Investment in fixed deposit	(117,617)	(218,410)
(Investment) / Maturity proceeds from Mutual Fund (Net)	(18,739)	-
Interest income received	2,131	709
NET CASH USED IN INVESTING ACTIVITIES (B)	(34,437)	(4,835)
C. CASH FLOWS PROVIDED BY/(USED IN) FINANCING ACTIVITIES:		
Interest and finance charges paid	-	(1,042)
Payment of lease liabilities	(2,465)	(2,346)
Proceeds from borrowings	-	500
Repayment of borrowings	-	(13,000)
Dividend paid	(11,016)	(9,180)
NET CASH USED IN FINANCING ACTIVITIES (C)	(13,481)	(25,068)

Consolidated Statement of Cash Flows (Contd.)

for the year ended March 31, 2024

₹ In Lacs

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
D. Net (decrease) / increase in cash and cash equivalents (A+B+C)	(2,126)	2,963
E. Cash and cash equivalents at the beginning of the year	10,565	7,602
F. Cash and cash equivalents at the end of the year	8,439	10,565
G. Components of cash and cash equivalents		
Cash in hand	53	45
Balance with scheduled banks - Current account	8,386	10,520
Cash and cash equivalents (Note 11a)	8,439	10,565
Cash and cash equivalents considered for cash flow statement	8,439	10,565

The consolidated cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7), Statement of Cash Flows.

H. Changes in liabilities arising from financing activities

₹ In Lacs

Particulars	As at March 31, 2023	Non cash transaction	Cash outflow	As at March 31, 2024
Lease Liabilities (Note 33A)	4,653	2,868	(2,465)	5,056

Summary of material accounting policies Note 2

As per our report of even date

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Sreeja Marar
Partner
Membership No: 111410

Mumbai
Date: May 15, 2024

For and on behalf of the Board of Directors of
Jyothy Labs Limited
CIN: L24240MH1992PLC128651

M.R. Jyothy
Chairperson and Managing Director
DIN: 00571828

Shreyas Trivedi
Company Secretary
Membership No: A12739

Mumbai
Date: May 15, 2024

Sanjay Agarwal
Chief Financial Officer

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

NOTE 1 CORPORATE INFORMATION

Jyothy Labs Limited ('the Company' or 'the Parent') is a public company domiciled in India. Its shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The registered office of the company is located at Ujala House, Ramkrishna Mandir Road, Kondivita, Andheri (E) Mumbai.

The Consolidated financials statement comprise the financial statements of Jyothy Labs Limited ('the Company' or 'the Parent') and its subsidiaries hereinafter referred to as 'the Group'. The Group is principally engaged in manufacturing and marketing of fabric care, dishwashing, personal care, household insecticides products and also provides laundry services.

These Financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on May 15, 2024.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified, under the Companies (Indian Accounting Standards) Rules, 2015 as amended.

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and employee stock option outstanding which have been measured at fair value. (Refer accounting policy regarding financial instruments).

The consolidated financial statements are presented in INR and all values are rounded to nearest lacs except where otherwise indicated.

Basis of consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

2.1 Basis of preparation (Contd.)

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

The consolidated financial statements of the Group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits / losses, unless cost / revenue cannot be recovered. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

The excess of the cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said goodwill is not amortised, however, it is tested for impairment at each balance sheet date and the impairment loss, if any, is provided for. The share of equity in subsidiaries as on the date of investment is in excess of the cost of investments of the Group, it is recognised as 'Capital reserve'.

Non-controlling interests in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity. Non-controlling interests in the net assets of consolidated subsidiaries consists of :- The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and the non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

The Consolidated Financial Statements includes the financial statements of the following subsidiaries:

Name of the Company	Principal place of incorporation / business	Percentage of equity interest	
		March 31, 2024	March 31, 2023
(a) Direct Subsidiaries			
1. Jyothy Kallol Bangladesh Limited	Bangladesh	75.00	75.00

* Effective holding % of Company directly and indirectly through its subsidiaries.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

2.2 Summary of material accounting policies

The material accounting policies adopted by the Group, in respect of the consolidated financial statements are as follows:

a. Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b. Foreign currencies

The Group's consolidated financial statements are presented in INR, which is also the parent company's functional currency. For each entity the group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at their functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Group uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

b. Foreign currencies (Contd.)

Group Companies

On consolidation, the assets and liabilities of foreign subsidiary's operation are translated into INR at the rate of exchange prevailing at reporting date and their statement of profit or loss are translated at exchange prevailing at date of transactions. For practical reasons, the Group uses an average rate to translate income and expense item. If the average rate approximates the exchange rates at date of transactions. The exchange differences arising on translation for consolidation are recognised in OCI and accumulated in the equity as 'Foreign Currency Translation Reserve', except to the extent that the exchange differences are allocated to NCI.

c. Fair value measurement

The Group measures financial instruments (refer Note 2.2(o)) at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets liabilities that are recognised in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

d. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the transaction price of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks.

However, Goods & Service Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on service provided or value added to the commodity by the seller or service provider on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

Revenue from the sale of goods towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Revenue from sale of goods is recognized when control of goods are transferred to the buyer which is generally at the time of dispatch or delivery depending on terms with customers. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. No element of financing is deemed present as the sales are made with normal credit terms consistent with market practice. Accumulated experience is used to accrue for the discounts considering the terms of the underlying schemes and agreements with the customers.

The Group recognizes revenues on the sale of products, net of returns, discounts, amounts collected on behalf of third parties (such as GST).

Sale of Services

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised on completion of the transaction at the end of the reporting period provided no significant uncertainty exists regarding the amount of the consideration that will be derived from rendering the service. Service revenue are net of GST.

Interest income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the consolidated statement of profit and loss.

e. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

e. Government grants (Contd.)

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

f. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country where the Group operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

f. Taxes (Contd.)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

MAT

Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115JB of the Income tax Act, 1961) over normal income-tax is recognized as an item in deferred tax asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of fifteen succeeding assessment years.

Goods & Service Tax (GST) paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of Goods & Service Tax (GST) paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

g. Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. When significant part of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance cost are recognised in profit and loss as incurred.

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of property, plant and equipment at 1st April 2016, the Group's date of transition to IND AS, was determined with reference to its carrying value recognized as per the previous GAAP (deemed cost), as at date of transition to Ind AS.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

g. Property, plant and equipment (Contd.)

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Depreciation is calculated on a straight-line basis, pro rata to the period of use, based on estimated useful lives of the assets as follows:

Category	Useful life as per Schedule II (in years)	Management's estimate of useful life (in years)
Factory Buildings	30	10 - 30
Building (Other than Factory Building)	60	30 - 60
Building (Fences and temporary structure)	3-5	3-6
Plant and machinery	15	8 - 15
Furniture and fixtures	10	8 - 10
Dies and moulds	15	3 - 15
Computers	3-6	3-6
Office equipments	5	3 - 5
Vehicles	10	8 - 10

Freehold land is not depreciated and is recognised at cost less impairment, if any.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Capital Work in Progress

Capital work-in-progress comprises cost of Property, Plant and Equipments that are not yet ready for their intended use at the year end.

Capital Advance

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other Non-Current Assets".

h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed finite as per table below -

Category	Estimated useful life (in years)
Trademarks and Copyrights	9-10
Brands	10
Software and Licences	10

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

h. Intangible assets (Contd.)

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the consolidated statement of profit or loss when the asset is derecognised.

Goodwill

Goodwill represents the excess of the consideration paid to acquire a business over underlying fair value of the identified assets acquired. Goodwill is carried at cost less accumulated impairment losses, if any. Goodwill is deemed to have an indefinite useful life and is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

i. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

j. Leases

The Group applies a single recognition and measurement approach for all leases. The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

The lease liabilities were discounted using the incremental borrowing rate (same as Group average borrowing rate).

The Group also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

j. Leases (Contd.)

i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Building 3 to 15 years
- Land 60 to 999 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as property, plant and equipment.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in note 2.2 (I) Impairment of non-financial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate \ renew. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

j. Leases (Contd.)

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

k. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.
- Traded goods: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Provision is made for cost of obsolescence and other anticipated losses, whenever considered necessary.

l. Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Group's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

I. Impairment of non-financial assets (Contd.)

cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses including impairment on inventories, are recognised in the consolidated statement of profit and loss.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the consolidated statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually on reporting date and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or Company of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

m. Provisions, Contingent Liabilities and Commitments

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

m. Provisions, Contingent Liabilities and Commitments (Contd.)

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small. A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- (i) estimated amount of contracts remaining to be executed on capital account and not provided for; and
- (ii) other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

n. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined at the period end by an independent actuary using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

n. Retirement and other employee benefits (Contd.)

Short-term employee benefits

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the consolidated statement of profit and loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other Long-term employee benefits

The liabilities for earned leaves are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method based on actuarial valuation.

Re-measurement are recognised in the consolidated statement of profit or loss in the period in which they arise including actuarial gains and losses.

o. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories -

1. Debt instruments at amortised cost
2. Debt instruments at fair value through other comprehensive income (FVTOCI)
3. Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
4. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

The Group does not have any financial assets falling under category 2 and 4 above.

Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

o. Financial instruments (Contd.)

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as measured at fair value with all changes recognized in the P&L.)

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL and are measured at fair value with all changes recognised in the profit or loss. For all other equity instruments, the group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of the Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
 - (a) The Group has transferred substantially all the risks and rewards of the asset, or
 - (b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

o. Financial instruments (Contd.)

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the consolidated statement of profit and loss.

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the consolidated statement of profit and loss.

This category generally applies to borrowings.

The Group does not have any financial liabilities at fair value through profit or loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of profit or loss.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

o. Financial instruments (Contd.)

Reclassification of financial assets

The group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior management determines change in the business model as a result of external or internal changes which are significant to the group's operations. Such changes are evident to external parties. A change in the business model occurs when the group either begins or ceases to perform an activity that is significant to its operations.

If the group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

p. Trade Receivable

Trade receivables do not include uncollected debts which have been factored as the contractual term specifies that these debts are factored without recourse.

q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

r. Cash dividend to equity holders of the Company

The Company recognises a liability to make cash or non-cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

s. Assets held for sale:

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ In Lacs

t. Earnings Per Share:

(i) Basic earnings per share:

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share:

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

NOTE 3 RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 4A PROPERTY, PLANT AND EQUIPMENTS

Particulars	Freehold land [@]	Building # [@]	Plant and machinery	Dies and moulds	Furniture and fixture	Office equipments	Vehicle	Total tangible assets
Cost								
As at April 1, 2022	4,131	16,974	21,679	2,097	1,047	1,229	784	47,941
Additions	252	646	954	231	49	160	-	2,292
Disposals	11	11	1,015	2	9	31	25	1,104
As at March 31, 2023	4,372	17,609	21,618	2,326	1,087	1,358	759	49,129
Additions	-	1,259	1,977	154	41	189	89	3,709
Disposals	108	473	1,574	56	70	43	37	2,361
As at March 31, 2024	4,264	18,395	22,021	2,424	1,058	1,504	811	50,477
Depreciation and impairment								
As at April 1, 2022	-	4,745	10,637	1,306	661	952	591	18,892
Depreciation charge for the year	-	699	1,893	80	81	138	61	2,952
Disposals	-	5	724	2	9	31	24	795
As at March 31, 2023	-	5,439	11,806	1,384	733	1,059	628	21,049
Depreciation charge for the year	-	731	1,729	67	60	153	51	2,791
Disposals	-	447	1,403	56	68	39	37	2,050
As at March 31, 2024	-	5,723	12,132	1,395	725	1,173	642	21,790
Net book value								
As at March 31, 2024	4,264	12,672	9,889	1,029	333	331	169	28,687
As at March 31, 2023	4,372	12,170	9,812	942	354	299	131	28,080

Includes ₹ 374 lacs (2023: ₹ 374 lacs) represented by unquoted fully paid shares at cost in various co-operative societies.

The Group has not capitalised any borrowing cost in current and previous year.

The Group undisputedly possesses the title deeds for all properties (except mentioned below) held by the Group. Further, the Group does not hold any property where-in the title deed does not convey an ownership interest in favour of the Group with respect to such property.

@ Freehold land and building includes asset which are not transferred in the name of the Group amounting to ₹ 691 lacs (Gross block) (2023: ₹ 954 lacs). These are held in the name of the entities which have been merged with the Group in earlier years.

Sr No	Relevant line item in the Balance sheet (i.e., PP&E, investment property, Non-current asset held for sale or others)	Description of item of property	Gross carrying value (₹ in lacs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company (also indicate if in dispute)
1	Property, plant and equipment	Freehold land and building	691	Associated Industries Consumers Products Pvt Ltd (AICPPL)	No	07/09/2007	Ownership transfer pending

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 4B CAPITAL WORK IN PROGRESS

Particulars	Amount
As at April 1, 2022	758
Additions	3,076
Capitalised during the year	(2,286)
As at March 31, 2023	1,548
Additions	3,498
Capitalised during the year	(3,709)
As at March 31, 2024	1,337

CWIP Ageing Schedule

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Year	2-3 Year	More than 3 years	
As at March 31, 2024					
Projects in progress	859	458	20	-	1,337
Projects temporarily suspended*	-	-	-	-	-
Total	859	458	20	-	1,337
As at March 31, 2023					
Projects in progress	1,524	24	-	-	1,548
Projects temporarily suspended*	-	-	-	-	-
Total	1,524	24	-	-	1,548

* There are no projects which are temporarily suspended or whose completion is overdue. There are no projects whose costs are exceeding the original budget.

For contractual commitment with respect to property, plant and equipment refer note 33B.

NOTE 4C RIGHT-OF-USE ASSETS

The Group undisputedly possesses the title deeds for all leases held by the Group. Further, the Group does not hold any lease where-in the title deed does not convey a ownership interest in favour of the Group with respect to such lease arrangement.

Particulars	Leasehold Land	Building	Total
Cost			
As at April 1, 2022	225	9,662	9,887
Additions	71	2,393	2,464
Disposals	(71)	(235)	(306)
As at March 31, 2023	225	11,820	12,045
Additions	-	2,551	2,551
Disposals	-	(106)	(106)
As at March 31, 2024	225	14,265	14,490
Depreciation and impairment			
As at April 1, 2022	24	5,756	5,780
Depreciation charge for the year	3	1,953	1,956
As at March 31, 2023	27	7,709	7,736
Depreciation charge for the year	3	2,090	2,093
As at March 31, 2024	30	9,799	9,829
Net book value			
As at March 31, 2024	195	4,466	4,661
As at March 31, 2023	198	4,111	4,309

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 4D INTANGIBLE ASSETS

Particulars	Goodwill	Other Intangible assets		Total other intangible assets
		Trademarks and Copyrights \$	Softwares and Licences	
Cost				
As at April 1, 2022	78,633	105	1,075	1,180
Additions	-	1	335	336
Disposals	-	-	71	71
As at March 31, 2023	78,633	106	1,339	1,445
Additions	-	-	45	45
Disposals	-	-	1	1
As at March 31, 2024	78,633	106	1,383	1,489
Amortisation and impairment				
As at April 1, 2022	-	106	681	787
Amortisation charge for the year	-	-	105	105
Disposals	-	-	59	59
As at March 31, 2023	-	106	727	833
Amortisation charge for the year	-	-	112	112
Disposals	-	-	1	1
As at March 31, 2024	-	106	838	944
Net book value				
As at March 31, 2024 *	78,633	-	545	545
As at March 31, 2023 *	78,633	-	612	612

\$ Includes trademarks and copyrights of ₹ 101.45 (2023: ₹101.45) pending for registration in the name of the Company.

* Other than internally generated

Impairment

Goodwill is tested for impairment annually as at March 31st. No impairment charges were identified as at March 31, 2024.

- A) Goodwill of ₹ 70,926 lacs relates to the acquisition of erstwhile business of Henkel India Limited consisting of multiple brands. For the purpose of impairment testing, the Company considers each brand as a separate CGU and compares the recoverable amount of each CGU with the carrying value of the respective CGU. Further, an amount of ₹ 250 lacs relates to the acquisition of Fabric Care segment and has been entirely allocated to this reportable segment.

The following key assumptions were considered while performing the above impairment testing :-

Terminal value growth rate: 5% (2023: 5%)

Growth rate: 1% - 20% (2023: 1% - 15%)

Weighted Average Cost of Capital % (WACC) (Discount rate after tax): 13% (2023: 13%)

The projections cover a period of five years, as we believe this to be the most appropriate timescale over which to review and consider annual performances, before applying a fixed terminal value growth rate to the final year cash flows. The growth rates used to estimate future performance (revenue, cost of services, expenses etc) are based on the estimates after considering past performance and after considering financial budgets/forecasts.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 4D INTANGIBLE ASSETS (Contd.)

The recoverable amounts of the above CGU's have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows.

The Group has performed sensitivity analysis around the base assumptions and have concluded that no reasonable possible change in key assumptions would result in the recoverable amount of CGU to be less than the carrying value.

- B) Goodwill of ₹ 7,457 lacs relates to various acquisitions in the laundry services segment and has been entirely allocated to this segment.

The following key assumptions were considered while performing the above impairment testing : -

Terminal value growth rate: 5% (2023: 5%)

Growth rate: 1% - 20% (2023: 26% - 43%)

Weighted Average Cost of Capital % (WACC) (Discount rate after tax): 13% (2023: 16.17%)

The projections cover a period of five years, as we believe this to be the most appropriate timescale over which to review and consider annual performances, before applying a fixed terminal value growth rate to the final year cash flows. The growth rates used to estimate future performance (revenue, cost of services, expenses etc) are based on the conservative estimates after considering past performance.

The recoverable amounts of the above CGU's have been assessed using a value-in-use model. Value in use is generally calculated as the net present value of the projected post-tax cash flows plus a terminal value of the cash generating unit to which the goodwill is allocated. Initially a post-tax discount rate is applied to calculate the net present value of the post-tax cash flows.

The Group has performed sensitivity analysis around the base assumptions and have concluded that no reasonable change in key assumptions would result in the recoverable amount of CGU to be less than the carrying value.

NOTE 4E ASSETS HELD FOR SALE

Refer Note 2.2 (s) for accounting policy on Assets Held for Sale

Particulars	As at March 31, 2024	As at March 31, 2023
Freehold land	-	188
Buildings	-	369
Total	-	557

The Group had identified certain non operational properties for disposal which have been reclassified as asset held for sale.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 5 INVESTMENTS

Particulars	CURRENT	
	As at March 31, 2024	As at March 31, 2023
Investment at fair value through profit and loss		
Investment in Mutual funds (quoted)	19,152	-
	19,152	-
Aggregate book and market value of quoted investments	19,152	-
For determination of fair values, Refer Note 39		

NOTE 6 OTHER FINANCIAL ASSETS

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Security Deposits considered good	1,071	942	76	76
Fixed deposit with Banks having original maturity of more than 12 months (Note 11b)	90	142	26,045	-
Other receivables	-	-	196	51
Investment Subsidy Receivable	428	428	107	107
	1,589	1,512	26,424	234

The Group exposure to credit and currency risk, and loss allowance related to other financial assets are disclosed in note 41.

NOTE 7 DEFERRED TAX ASSETS (NET)

Particulars	NON CURRENT	
	As at March 31, 2024	As at March 31, 2023
a) Deferred tax liability		
Depreciation	6,280	5,909
Right-of-use assets	1,629	1,506
	7,909	7,415
b) Deferred tax assets		
Provision for gratuity	2,161	1,891
Provision for leave encashment	721	651
Provision for doubtful debts / advances	414	414
Other provisions	337	379
Lease liability	1,767	1,626
Tax Credits (MAT)	8,453	10,906
	13,853	15,867
Net deferred tax asset	5,944	8,452

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 8 NON CURRENT TAX ASSETS (NET)

Particulars	NON CURRENT	
	As at March 31, 2024	As at March 31, 2023
Income tax assets (net of provisions of ₹ 45,370 lacs (2023 - ₹31,625 lacs))	586	1,139
	586	1,139

NOTE 9 OTHER ASSETS

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Capital Advances	261	95	-	-
Advance to suppliers	-	-	370	1,244
Balance with government authorities and protest payments	3,930	4,276	2,121	2,360
Prepaid Expenses	-	-	751	776
Other receivables	-	-	8	30
	4,191	4,371	3,250	4,410

NOTE 10 INVENTORIES (VALUED AT LOWER OF COST OR NET REALISABLE VALUE)

Particulars	CURRENT	
	As at March 31, 2024	As at March 31, 2023
Raw and packing materials	7,770	8,628
Work in progress	735	911
Finished goods	17,599	17,798
Stock in Trade (including goods in transit ₹52 lacs (2023: ₹ 53 lacs))	1,726	1,978
Stores, Operating supplies and spare parts	520	871
	28,350	30,186

Inventories are net of provision of ₹1,366 lacs (2023: ₹ 703 lacs) on account of damage and slow moving inventories.

NOTE 11 CASH AND BANK BALANCES

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
a) Cash and cash equivalents				
Cash in hand	-	-	53	45
Balance with banks	-	-	-	-
- Current account	-	-	8,386	10,520
- Deposit account (Original maturity of less than three months)	-	-	-	-
	-	-	8,439	10,565

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 11 CASH AND BANK BALANCES (Contd.)

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
b) Bank balances other than cash and cash equivalents				
Unclaimed dividend accounts	-	-	232	240
Deposits with original maturity for more than 3 months and less than 12 months*	-	-	7,934	17,542
Deposits with original maturity for more than 12 months*	90	142	26,045	-
Amount disclosed under 'Other financial assets' (Note 6)	(90)	(142)	(26,045)	-
	-	-	8,166	17,782
	-	-	16,605	28,347

* Includes deposits provided as securities against bank guarantees and letter of credits ₹ 577 lacs (2023: ₹ 327 lacs)

Breakup of financial assets carried at amortised cost	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Trade receivable (Note 12)	-	-	20,139	13,781
Other financial assets (Note 6)	1,589	1,512	26,424	234
Cash and cash equivalents and other bank balances (Note 11a & 11b)	-	-	16,605	28,347
Total financial assets carried at amortised cost	1,589	1,512	63,168	42,362

NOTE 12 TRADE RECEIVABLES (UNSECURED)

Particulars	CURRENT	
	As at March 31, 2024	As at March 31, 2023
(i) Undisputed Trade Receivables – considered good	20,139	13,832
(ii) Undisputed Trade Receivables – considered doubtful	-	-
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-
(iv) Undisputed Trade Receivables – credit impaired	909	896
(v) Disputed Trade Receivables – considered good	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-
(vii) Disputed Trade Receivables – credit impaired	275	237
Total Trade Receivables	21,323	14,965
Less: Loss allowance	(1,184)	(1,184)
Net Trade Receivables	20,139	13,781

Trade receivable are non interest bearing and are generally on advance term or for a credit term of 15-60 days.

The Group exposure to credit and currency risk, and loss allowance related to trade receivables are disclose in note 41.

Refer Note 35 for receivables from related party.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 12 TRADE RECEIVABLES (UNSECURED) (Contd.)

Ageing Schedule

Particulars	Outstanding for following period from due date						Total
	Not Due	Less than 6 Months	6 Months-1 Year	1-2 Year	2-3 Year	More than 3 Year	
March 24							
(i) Undisputed Trade Receivables – considered good	11,355	7,602	1,182	-	-	-	20,139
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Undisputed Trade Receivables – credit impaired	-	-	217	-	-	692	909
(v) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	275	275
Less: Loss allowance	-	-	(217)	-	-	(967)	(1,184)
Total	11,355	7,602	1,182	-	-	-	20,139

Particulars	Outstanding for following period from due date						Total
	Not Due	Less than 6 Months	6 Months-1 Year	1-2 Year	2-3 Year	More than 3 Year	
March 23							
(i) Undisputed Trade Receivables – considered good	9,274	4,482	65	11	-	-	13,832
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iv) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	896	896
(v) Disputed Trade Receivables – considered good	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vii) Disputed Trade Receivables – credit impaired	-	-	-	-	-	237	237
Less: Loss allowance	-	-	(40)	(11)	-	(1,133)	(1,184)
Total	9,274	4,482	25	-	-	-	13,781

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 13 SHARE CAPITAL

Authorised capital

Particulars	As at March 31, 2024	As at March 31, 2023
AUTHORISED CAPITAL		
301,95,00,000 (2023: 301,95,00,000) equity shares of Re 1 (2023: Re.1) each	30,195	30,195
66,00,000 (2023: 66,00,000) preference shares of ₹10 (2023: ₹10) each	660	660
30,000 (2023: 30,000) 11% cumulative preference shares of ₹ 100 (2023: ₹ 100) each	30	30
	30,885	30,885

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of 1 Re per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued, subscribed and fully paid up equity capital

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2024		As at March 31, 2023	
	No.	Amount	No.	Amount
At the beginning of the period	367,208,644	3,672	367,208,644	3,672
Issued during the year	-	-	-	-
Outstanding at the end of the period	367,208,644	3,672	367,208,644	3,672

b. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No.	% Holding in the class	No.	% Holding in the class
Equity shares of Re 1 each fully paid				
M. P. Ramachandran	143,640,871	39.12%	143,640,871	39.12%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

c. Shares reserved for issue under Employee stock option

Particulars	As at March 31, 2024		As at March 31, 2023	
	No.	Amount	No.	Amount
Issue under Employee stock option Employee Stock Units Plan 2023 ("RSU Plan 2023") (Note 47)	96,444	10.00	-	-

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 13 SHARE CAPITAL (Contd.)

d) Disclosures of shareholding of promoters

Promoter Name	Share held by promoters at the end of the year 31.03.2024		Share held by promoters at the end of the year 31.03.2023		% change during the year
	No of shares (in Lacs)	% of total shares	No of shares (in Lacs)	% of total shares	
M P Ramachandran	1,436.41	39.12%	1,436.41	39.12%	0.00%
M P Divakaran	144.72	3.94%	144.72	3.94%	0.00%
M P Sidharthan	104.30	2.84%	104.30	2.84%	0.00%
M R Deepthi	103.62	2.82%	103.62	2.82%	0.00%
M R Jyothy	95.38	2.60%	95.38	2.60%	0.00%
M G Shanthakumari	72.36	1.97%	72.36	1.97%	0.00%
U B Beena	68.93	1.88%	68.93	1.88%	0.00%
K Ullas Kamath	29.03	0.79%	29.03	0.79%	0.00%
K K Sujatha	1.62	0.04%	1.62	0.04%	0.00%
Moothedath Sidharthan Srihari	26.40	0.72%	26.40	0.72%	0.00%
Jithin Moothedath Divakaran	19.04	0.52%	19.04	0.52%	0.00%
Geetha Moothedath Divakaran	19.04	0.52%	19.04	0.52%	0.00%
Sahyadri Agencies Limited	145.00	3.95%	145.00	3.95%	0.00%
Jaya Trust	43.50	1.18%	43.50	1.18%	0.00%

Promoter Name	Share held by promoters at the end of the year 31.03.2023		Share held by promoters at the end of the year 31.03.2022		% change during the year
	No of shares (in Lacs)	% of total shares	No of shares (in Lacs)	% of total shares	
M P Ramachandran	1,436.41	39.12%	1,436.41	39.12%	0.00%
M P Divakaran	144.72	3.94%	144.72	3.94%	0.00%
M P Sidharthan	104.30	2.84%	104.30	2.84%	0.00%
M R Deepthi	103.62	2.82%	103.62	2.82%	0.00%
M R Jyothy	95.38	2.60%	95.38	2.60%	0.00%
M G Shanthakumari	72.36	1.97%	72.36	1.97%	0.00%
U B Beena	68.93	1.88%	68.93	1.88%	0.00%
M P Divakaran Huf	-	0.00%	38.08	1.04%	-1.04%
K Ullas Kamath	29.03	0.79%	29.03	0.79%	0.00%
M P Sidharthan Huf	-	0.00%	26.40	0.72%	-0.72%
K K Sujatha	1.62	0.04%	1.62	0.04%	0.00%
Moothedath Sidharthan Srihari	26.40	0.72%	-	0.00%	0.72%
Jithin Moothedath Divakaran	19.04	0.52%	-	0.00%	0.52%
Geetha Moothedath Divakaran	19.04	0.52%	-	0.00%	0.52%
Sahyadri Agencies Limited	145.00	3.95%	145.00	3.95%	0.00%
Jaya Trust	43.50	1.18%	43.50	1.18%	0.00%

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 14 OTHER EQUITY

A. Other Equity consist of following :

Particulars	As at March 31, 2024	As at March 31, 2023
Retained earnings		
Balance, beginning of the year	94,976	84,325
Profit for the year	36,945	23,973
Other Comprehensive Income -	(91)	158
Re-measurement gains/ (losses) of post employment benefit obligation		
Minority Interest absorbed by parent company	-	(4,300)
Less : Appropriations		
Cash dividend (Note 14(B))	(11,016)	(9,180)
Net surplus in the consolidated statement of profit and loss	120,814	94,976
Other Reserves		
Foreign Currency Translation Reserve		
Balance, beginning of the year	(50)	58
Add: Addition during the year	(6)	(108)
Balance, end of the year	(56)	(50)
Capital Reserve		
Balance, beginning of the year	5,480	5,480
Balance, end of the year	5,480	5,480
Securities premium		
Balance, beginning of the year	50,407	50,407
Balance, end of the year	50,407	50,407
General reserves		
Balance, beginning of the year	414	414
Balance, end of the year	414	414
Employee stock option outstanding		
Balance, beginning of the year	-	-
Add: Equity settled share based expense during the year (Note 47)	100	-
Balance, end of the year	100	-
	177,159	151,227

B. Distribution made and Proposed

Particulars	As at March 31, 2024	As at March 31, 2023
Cash dividend on equity shares declared and paid		
Final dividend for the year ended March 31, 2023: ₹3.00 per share, (2022: ₹2.50 per share)	11,016	9,180
	11,016	9,180
Proposed dividends on equity shares		
Final dividend for the year ended March 31, 2024 ₹3.50 per share, (2023: ₹3.00 per share) *	12,852	11,016
	12,852	11,016

* The Board of Directors has recommended final dividend of ₹3.50 per equity share of face value Re. 1 each for the financial year ended March 31, 2024 at their meeting held on May 15, 2024. The same is subject to approval of the shareholders at the ensuing Annual General Meeting.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 15 OTHER FINANCIAL LIABILITIES

Particulars	CURRENT	
	As at March 31, 2024	As at March 31, 2023
Security deposits	75	122
Unclaimed dividend *	232	240
Payable to Employees	3,122	2,808
	3,429	3,170

* There are no amounts payable / due to be credited to Investor Education and Protection Fund.

NOTE 16 PROVISIONS

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits				
Provision for leave encashment	1,841	1,670	223	193
Provision for gratuity (Note 29) (I)	6,183	5,412	-	-
	8,024	7,082	223	193
Other provisions #				
Provision for litigation *	-	-	2,610	1,991
	-	-	2,610	1,991
	8,024	7,082	2,833	2,184

*Provision for litigation pertains to various disputed indirect tax matters for which timing of outflow is not determinable and will be based on outcome of ongoing litigation.

# Movement in other provisions	CURRENT	
	As at March 31, 2024	As at March 31, 2023
As at 1 st April	1,991	1,083
Arising during the year	619	908
Reversal during the year	-	-
As at 31st March	2,610	1,991

NOTE 17 OTHER LIABILITIES

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Statutory Dues	-	-	2,040	1,625
Deferred Investment Subsidy ^	403	552	149	149
Advances from customers and others	-	-	1,754	3,930
Contractual Obligation	-	-	7,732	6,029
	403	552	11,675	11,733

^ In earlier years, the Company has been awarded grants on account of Central capital investment subsidy (CCIS) and grants recognised as deferred income, is being amortised over the useful life of the assets in proportion to the usage of the related assets.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 18 CURRENT TAX LIABILITIES (NET)

Particulars	CURRENT	
	As at March 31, 2024	As at March 31, 2023
Provision for income tax (net of advance tax of ₹ 4,699 lacs (2023: ₹ 9,888 lacs))	46	257
	46	257

NOTE 19 TRADE PAYABLES

Particulars	CURRENT	
	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 34 for details of dues to micro enterprises and small enterprises)	4,959	5,059
Total outstanding dues of creditors other than micro enterprises and small enterprises	22,647	16,376
	27,606	21,435

Ageing Schedule

Particulars	Outstanding for following period from due date						
	Unbilled Dues	Not Due	Less than 1 year	1-2 Year	2-3 Year	More than 3 Year	Total
March 24							
MSME	-	3,077	1,882	-	-	-	4,959
Others	7,023	6,515	9,083	26	-	-	22,647
Total	7,023	9,592	10,965	26	-	-	27,606
March 23							
MSME	-	2,914	2,145	-	-	-	5,059
Others	3,575	6,483	6,307	11	-	-	16,376
Total	3,575	9,397	8,452	11	-	-	21,435

Particulars	NON CURRENT		CURRENT	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Breakup of financial liabilities carried at amortised cost				
Trade payable (Note 19)	-	-	27,606	21,435
Lease Liabilities (Note 33A)	8,024	7,082	2,465	1,853
Other financial liabilities (Note 15)	-	-	3,429	3,170
Total financial liabilities carried at amortised cost	8,024	7,082	33,500	26,458

Terms and conditions of financial liabilities:

- 1) Trade payables are non-interest bearing and are normally settled on 0 - 60 days term.
- 2) Other payable are non interest bearing and are settled within a year.
- 3) Interest payable is settled as per the term of borrowings.

For explanation on the Group's liquidity risk management processes, refer Note 41.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 20 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Sale of goods (Note 44)	269,728	243,548
Sale of services (Note 44)	5,769	4,870
	275,497	248,418
Other Operating Income		
Sale of scrap	196	184
Others	-	-
	196	184
	275,693	248,602

NOTE 21 OTHER INCOME

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Foreign exchange fluctuation gain (net)	8	23
Profit on sale of fixed assets	1,397	1,815
Gain on financial assets at fair valued through profit or loss	119	-
Profit on sale of investments	294	-
Investment subsidy income	149	149
Interest on fixed deposit	2,096	682
Interest on Income tax refund	120	-
Interest on Others	85	83
Budgetary support benefit	1,031	1,164
Miscellaneous income	74	37
	5,373	3,953

NOTE 22 COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Inventory at the beginning of the year	8,607	8,620
Add: Purchases	123,402	129,106
	132,009	137,726
Less: Inventory at the end of the year	7,749	8,607
	124,260	129,119

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 23 CHANGE IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE AND WORK-IN-PROGRESS

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Closing inventory		
Finished goods	17,599	17,798
Traded Goods	1,726	1,978
Work in progress	735	910
Sub-total (A)	20,060	20,686
Opening inventory		
Finished goods	17,798	16,306
Traded Goods	1,978	2,434
Work in progress	910	1,612
Sub-total (B)	20,686	20,352
Total (A-B)	626	(334)

NOTE 24 EMPLOYEE BENEFITS EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, wages and bonus	24,652	21,968
Contribution to provident and other funds (Note 29 II & III)	1,544	1,385
Gratuity (Note 29 I)	831	733
Staff welfare expenses	492	483
Directors' remuneration (Note 35(b))	503	444
Field staff incentives	1,930	1,428
Equity settled share based expense (Note 47)	100	-
	30,052	26,441

NOTE 25 FINANCE COST

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest on term loan and bank overdraft	-	882
Interest on lease liability	473	421
Other borrowing cost	-	6
	473	1,309

NOTE 26 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Depreciation on tangible assets	2,791	2,952
Amortization of intangible assets	112	105
Depreciation of right of use assets	2,093	1,956
	4,996	5,012

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 27 OTHER EXPENSES

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Power and fuel expenses	3,462	3,222
Rent* (Note 33A)	256	242
Insurance	428	384
Repairs and maintenance		
- Building	49	34
- Plant and machinery	287	259
- Others	259	252
Consumption of stores and spares	919	672
Printing and stationery	59	60
Communication costs	209	196
Legal and professional fees (Note 30)	1,494	1,070
Rates and taxes	954	167
Directors' sitting fees (Note 35(b))	25	24
Vehicle maintenance	342	332
Conversion charges	913	850
Advertisement and Sales Promotion	22,823	17,433
Freight, handling and forwarding charges	16,244	15,487
Field staff expenses	2,594	2,059
Travelling and conveyance	556	425
Royalty	431	401
Corporate social responsibility expenses (Note 31)	459	382
Donation	7	4
Miscellaneous expenses	4,507	3,131
	57,277	47,086

*Expense pertains to short-term lease and low value assets

NOTE 28 INCOME TAX

The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a. Profit or loss		
Income tax expense		
Current tax		
Current period	7,979	5,405
Tax relating to earlier periods	417	-
	8,396	5,405
Deferred tax		
Relating to origination and reversal of temporary differences	2,558	544
	10,954	5,949
b. OCI		
Deferred tax related to items recognised in OCI during in the year		
Net loss /(gain) on remeasurements of defined benefit plans	50	(69)
	50	(69)
c. Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate		
Accounting profit before tax	47,884	29,922
Tax rate	34.944%	34.944%
Tax at statutory rate	16,733	10,456

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 28 INCOME TAX (Contd.)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Tax impact : - Profit exempt from tax	(5,583)	(4,603)
Corporate social responsibility expenditure disallowed	160	67
Tax relating to earlier periods	417	-
Mat credit (reinstated) / lapsed	(609)	472
Others	(164)	(443)
Adjusted tax expense	10,954	5,949
Tax expense	10,954	5,949

- d. During the year the Company has received orders of ₹ 15,616 lacs under Section 147 read with Section 143(3) of the Income Tax Act, 1961 from AY 2016-2017 to AY 2022-2023. These demand notices are due to computational errors and recurring issues in which the Company has received favorable orders from the Hon'ble Income Tax Appellate Tribunal (ITAT) during earlier years. The Company has filed an application for rectification of the computational errors and an appeal against the said demands. The Company does not foresee any material impact on its financials consequent to the said orders.

e. Movement in Deferred Tax Assets and Liabilities

Movement during the year ended March 31, 2024	As at March 31, 2023	Credit / (charge) in the Consolidated Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at March 31, 2024
Depreciation	(5,909)	(371)	-	(6,280)
Right-of-use assets	(1,506)	(123)	-	(1,629)
Provision for gratuity	1,891	220	50	2,161
Provision for leave encashment	651	70	-	721
Provision for doubtful debts	414	-	-	414
Other provisions	379	(42)	-	337
Lease liability	1,626	141	-	1,767
Tax credit (MAT) (net)	10,906	(2,453)	-	8,453
	8,452	(2,558)	50	5,944

Movement during the year ended March 31, 2023	As at March 31, 2022	Credit / (charge) in the Consolidated Statement of Profit and Loss	Credit / (charge) in Other Comprehensive Income	As at March 31, 2023
Depreciation	(6,261)	352	-	(5,909)
Right-of-use assets	(1,287)	(219)	-	(1,506)
Provision for gratuity	1,727	233	(69)	1,891
Provision for leave encashment	596	55	-	651
Provision for doubtful debts	410	4	-	414
Other provisions	379	-	-	379
Lease liability	1,400	226	-	1,626
Tax credit (MAT) (net)	12,102	(1,196)	-	10,906
	9,066	(545)	(69)	8,452

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 29(I) GRATUITY

The Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The ceiling limit of gratuity is ₹ 20 lacs. The scheme is funded with Life Insurance Corporation of India (LIC).

The following tables summarise the components of net benefit expense recognised in the consolidated statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Particulars	March 31, 2024	March 31, 2023
	Gratuity	Gratuity
	Funded, except for certain subsidiaries where it is non funded	
(A) Summary of the actuarial assumptions		
Mortality	Indian Assured Lives Mortality (2012-14) Ult	Indian Assured Lives Mortality (2012-14) Ult
Discount rate	7.20%	7.40%
Rate of increase in compensation	8.00%	8.00%
Withdrawal rates	8.00%	8.00%
Rate of return (expected) on plan assets	6.68% - 7.67%	6.69% - 7.35%
The estimates of future salary increases, considered in actuarial valuation take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The overall expected rate of return on assets is determined based on the market price prevailing on that date, applicable to the period over which the obligation is to be settled.		
(B) Changes in present value of obligations (PVO)		
PVO at beginning of period	5,494	5,243
Interest cost	407	345
Current Service Cost	430	402
Benefits Paid	(202)	(278)
Remeasurement gains/(losses) arising from changes in demographic assumptions	1	-
Remeasurement gains/(losses) arising from changes in financial assumptions	82	(222)
Experience adjustments	58	4
PVO at end of period	6,270	5,494
(C) Changes in fair value of plan assets		
Fair value of plan assets at the beginning of period	82	103
Investment Income	6	6
Benefit paid	-	(8)
Return on plan assets	(1)	(19)
Fair value of plan assets at end of period	87	82
(D) Expenses recognised in the consolidated statement of profit and loss		
Current service cost	430	402
Net Interest cost on the Net Defined Benefit Liability / (Asset)	401	339
Benefits paid directly paid by the group	-	(8)
Expense recognised in the consolidated statement of profit and loss	831	733

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 29(I) GRATUITY (Contd.)

Particulars	March 31, 2024	March 31, 2023
	Gratuity	Gratuity
	Funded, except for certain subsidiaries where it is non funded	
(E) Remeasurement gains/(losses) in other comprehensive income		
Return on plan assets	1	19
Remeasurement gains/(losses) arising from changes in demographic assumptions	1	-
Remeasurement gains/(losses) arising from changes in financial assumptions	82	(222)
Experience adjustments	58	4
Total amount recognised in OCI	142	(199)
(F) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:		
Investment with insurer	100.00%	100.00%
(G) Net assets/(liabilities) recognised in the balance sheet		
PVO at end of period	(6,270)	(5,494)
Fair value of plan assets at end of period	87	82
Funded status (deficit in fair value of plan assets over PVO)	(6,183)	(5,412)
Net asset / (liability) recognised in the balance sheet	(6,183)	(5,412)

These defined benefit plan exposed to actuarial risk, such as longevity risk, currency risk, interest rate risk and market risk. Fund is Managed by LIC as per Insurance Regulatory and Development Authority guidelines. The plan assets of the defined benefit plan have been primarily invested in insurer managed funds and the asset allocation for plan assets is determined based on the investment criteria prescribed under the relevant regulations applicable to pension funds and the insurer managers. The insurers' investment are well diversified and also provide for guaranteed interest rates arrangements.

(H) Sensitivity analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The results of sensitivity analysis is given below:

Particulars	March 31, 2024	March 31, 2023
Defined Benefit Obligation (Base)	6,270	5,494

Particulars	March 31, 2024		March 31, 2023	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	6,735	5,862	5,909	5,124
(% change compared to base due to sensitivity)	7.42%	-6.51%	7.55%	-6.73%
Salary Growth Rate (- / + 1%)	5,907	6,666	5,159	5,853
(% change compared to base due to sensitivity)	-5.79%	6.32%	-6.09%	6.54%
Attrition Rate (- / + 50% of attrition rates)	6,321	6,240	5,517	5,477
(% change compared to base due to sensitivity)	0.81%	-0.48%	0.43%	-0.30%
Mortality Rate (- / + 10% of mortality rates)	6,274	6,274	5,494	5,494
(% change compared to base due to sensitivity)	0.06%	0.06%	0.00%	0.00%

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 29(I) GRATUITY (Contd.)

(I) Asset Liability Matching Strategies

The Group has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

Particulars	March 31, 2024		March 31, 2023	
	Decrease	Increase	Decrease	Increase
Interest Rate (- / + 1%)	76	98	70	94
(% change compared to base due to sensitivity)	-12.64%	12.64%	-14.63%	14.63%

(J) Effect of Plan on Entity's Future Cash Flows

a) Funding arrangements and Funding Policy

The Group has purchased an insurance policy to meet the liability on account of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Group. Any deficit in the assets arising as a result of such valuation is funded by the Group.

b) Maturity Profile of Defined Benefit Obligation

Weighted average duration	7 years
(based on discounted cashflows)	
Expected cash flows over the next (valued on undiscounted basis)	Amount
1 year	710
2 to 5 years	2,677
6 to 10 years	3,316
More than 10 years	4,660

c) The Group does not anticipate any outflow towards the fund or payout in the subsequent year.

NOTE 29(II) SUPERANNUATION

The Group contributed ₹ 12 lacs and ₹ 14 lacs to the superannuation plan during the years ended March 31, 2024 and March 31, 2023 respectively and same has been recognized in the consolidated statement of profit and loss under the head Employee benefit expense.

NOTE 29(III) PROVIDENT FUND AND OTHER FUNDS

The Group contributed ₹ 1,532 lacs and ₹ 1,371 lacs to the employee provident fund during the years ended March 31, 2024 and March 31, 2023, respectively and same has been recognized in the consolidated statement of profit and loss under the head Employee benefit expense.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 30 PAYMENT TO AUDITORS (EXCLUDING GST)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
As Auditors		
Audit fee	71	43
Tax audit fees and certification	21	14
Limited review of quarterly results	54	48
Reimbursement of expenses	9	6
Total	155	111

NOTE 31 EXPENDITURE RELATED TO CORPORATE SOCIAL RESPONSIBILITY AS PER SECTION 135 OF THE COMPANIES ACT, 2013 READ WITH SCHEDULE VII IS AS GIVEN BELOW:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(i) Amount required to be spent during the year	459	382
(ii) Amount of expenditure incurred	459	508
(iii) Shortfall / (Excess) at the end of the year	-	(126)
(iv) Total of previous years shortfall/(excess)	-	126
(v) Reason for shortfall*	NA	NA
(vi) Nature of CSR activities		
Promoting health care including preventive health care	400	250
Promoting education and enhancing vocation skills	37	255
Ensuring environmental sustainability, ecological balance	18	-
Eradicating of hunger, poverty and malnutrition	4	3

NOTE 32 EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Net Profit for calculation of basic and diluted EPS	36,945	23,973
Weighted average number of shares for calculation of basic EPS (i)	367,208,644	367,208,644
Effect of dilution of stock option issue	54,154	-
Weighted average number of shares for calculation of diluted EPS (ii)	367,262,798	367,208,644
Basic EPS (₹)	10.06	6.53
Diluted EPS (₹)	10.06	6.53

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 33 COMMITMENTS AND CONTINGENCIES

A) Leases

In case of assets taken on lease

- i. The Group has lease contracts for leasehold land and building used in its operations.

The Group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Carrying amounts of right-of-use assets recognised and the movements during the period: Refer Note 4c.

ii. Carrying amounts of lease liabilities and the movement during the period

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	4,653	4,470
Net Additions	2,551	2,393
Deletions	(106)	(235)
Accretion of interest *	423	371
Payments	(2,465)	(2,346)
Closing Balance	5,056	4,653
Non current	2,591	2,800
Current	2,465	1,853

* Accretion of interest is net off impact of unwinding discount on security deposit.

The maturity analysis of lease liabilities is disclosed below:

Particulars	As at March 31, 2024	As at March 31, 2023
Maturity analysis of contractual undiscounted cash flow		
Less than 1 year	2,330	2,465
1 to 2 years	1,879	1,683
2 to 3 years	932	1,258
3 to 4 years	547	533
4 to 5 years	201	318
More than 5 years	157	162
Total undiscounted lease liabilities	6,046	6,419

- iii. The Group has a total cash outflow (including short term lease and low value assets) for leases of ₹ 2,662 lacs (2023: ₹ 2,525 lacs). The Group also had non cash additions to right to use assets and lease liabilities of ₹ 2,445 lacs (2023: ₹ 2,158 lacs).

iv. Lease commitments for leases accounted as short term lease and low value assets

The company is committed to short term lease of ₹ 197 lacs (2023: ₹ 179 lacs) and lower value assets ₹ Nil lacs (2023: ₹ Nil lacs).

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 33 COMMITMENTS AND CONTINGENCIES (Contd.)

B) Capital commitments (net of advances)

Particulars	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	490	585
Other commitments (Refer Note 33A (iv))	197	179
	687	764

C) Contingent liabilities

In respect of the following, the Group has assessed that it is only possible, but not probable, that outflow of economic resources will be required :

Particulars	As at March 31, 2024	As at March 31, 2023
Claims against the Group not acknowledged as debt		
(i) Tax matters		
(a) Disputed sales tax demands – matters under appeal	682	1,445
(b) Disputed excise duty and service tax demand - matter under appeal	4	481
(c) Disputed income tax demand - matter under appeal	279	279

The Group believes that all these matters have a strong possibility of being dismissed in favour of the Group and accordingly no provisions has been considered necessary.

The above disclosure does not cover matters where the exposure has been assessed to be remote.

NOTE 34 MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ('MSMED')

The disclosure pursuant to the said Act is as under :

Particulars	As at March 31, 2024	As at March 31, 2023
Principal and interest amount remaining unpaid	4,959	5,059
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day	-	-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
Interest accrued and remaining unpaid	-	-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Group.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 35 RELATED PARTY DISCLOSURES

a) Related party relationships where transactions have taken place during the year

Key management personnel as per IND-AS / Companies Act, 2013

M.R. Jyothy	Managing Director
M.R. Deepthi	Whole Time Director upto November 24, 2023
Sanjay Agarwal	Chief Financial Officer
Shreyas Trivedi	Head-Legal & Company Secretary

Other Directors

Nilesh B. Mehta	Independent Director upto March 31, 2024
R. Lakshminarayanan	Independent Director upto March 31, 2024
Bhumika Batra	Independent Director
Aditya Sapru	Independent Director
Narayanan Subramaniam	Independent Director wef December 15, 2023
Suresh Balakrishna	Independent Director wef April 1, 2024

Close member of Key Management Personnel

M.P. Ramachandran	Chairman Emeritus
M.G. Shathakumari	
Ravi Razdan	Whole Time Director wef April 1, 2024
Ananth Rao T	Whole Time Director wef April 1, 2024

Enterprises significantly influenced by Key Management Personnel or their close members

Quilon Trading Co.
Jaya Trust
Sahyadri Agencies Ltd.
Sahyadri Bio Labs Pvt.Ltd
Promoter Group
K. Ullas Kamath
M.P. Sidharthan
M.P. Divakaran
U B Beena
K K Sujatha
Jithin Moothedath Divakaran
Geetha Moothedath Divakaran
Moothedath Sidharthan Srihari

Enterprises under common control

Kallol Trading Corporation
Kallol Trading Limited
Kallol Chemicals Limited
Kallol Industries Limited

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 35 RELATED PARTY DISCLOSURES (Contd.)

b) Transactions with related parties during the year

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Key management personnel		
Short term employee benefits*	1,093	893
Dividend	597	497
Commission	64	48
Close member of Key Management Personnel		
Short term employee benefits*	366	333
Dividend	4,526	3,772
Enterprises significantly influenced by Key Management Personnel or their close members		
Rent & Other Expense	83	86
Rent received	6	6
Dividend	565	471
Sale of finished goods	392	498
Promoter Group		
Short term employee benefits*	-	8
Dividend	1,239	1,033

* As the future liabilities for gratuity is provided on an actuarial basis for the Group as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

c) Related party balances

Particulars	As at March 31, 2024	As at March 31, 2023
Amounts receivable		
Enterprises under common control		
Trade receivable	64	58
Amounts payable		
Key Management Personnel		
Short term employee benefits*	-	1
Commission	64	48
Enterprises significantly influenced by Key Management Personnel or their close members		
Rent ^	1	1
Enterprises under common control		
Rent & Other Expense	16	8

^ Amount is less than ₹ 1 lacs

Terms and conditions of transactions with related parties

Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 36 INFORMATION REQUIRED FOR CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO SCHEDULE III OF COMPANIES ACT, 2013

Particulars	31-Mar-24							
	Net Assets, i.e. Total Asset minus Total Liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Parent								
Jyothy Labs Limited	99.68%	180,254	100.16%	36,989	93.88%	(92)	100.18%	36,897
Subsidiaries								
Foreign								
Jyothy Kallol Bangladesh Limited	0.42%	767	-0.12%	(44)	5.10%	(5)	-0.13%	(49)
Non controlling interest	-0.11%	(190)	-0.04%	(15)	1.02%	(1)	-0.04%	(16)
GRAND TOTAL	100.00%	180,831	100.00%	36,930	100.00%	(98)	100.00%	36,832

Particulars	31-Mar-23							
	Net Assets, i.e. Total Asset minus Total Liabilities		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other comprehensive income	Amount	As % of Consolidated total comprehensive income	Amount
Parent								
Jyothy Labs Limited	99.60%	154,273	99.92%	23,953	590.91%	130	100.37%	24,083
Subsidiaries								
Foreign								
Jyothy Kallol Bangladesh Limited	0.54%	832	0.08%	20	-363.64%	(80)	-0.25%	(60)
Non controlling interest	-0.13%	(206)	0.00%	-	-127.27%	(28)	-0.12%	(28)
GRAND TOTAL	100.00%	154,899	100.00%	23,973	100.00%	22	100.00%	23,995

Net assets and share of profits and losses reported in the above table have been considered from the respective audited financial statements after making necessary changes for consolidation adjustments having impact on the consolidated net assets and net profits.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 37 SEGMENT REPORTING

Based on the "management approach" as defined in Ind AS 108 - 'Operating Segments', the Chief Operating Decision Maker evaluates the Groups performance and allocate resources based on an analysis of various 'performance indicators by business segments and segment information is presented accordingly as follows :

1. Dishwashing includes dish wash bar, gel, liquid, dish wash scrubber, dishwash steel scrubber and dishwash powder.
2. Fabric Care includes fabric whitener, fabric enhancer, detergent powder, detergent liquid and bar soap.
3. Household Insecticides includes mosquito repellent coil, liquid and insect repellent sticks.
4. Personal Care includes body soap, toothpaste, deodorants, talcum powder, after shave and hand wash.
5. Others includes Laundry services, incense sticks, toilet cleaner and floor cleaner.

Segment assets include all operating assets used by a segment and consist principally of debtors, inventories, advances and fixed assets. Assets at corporate level are not allocable to segments on a reasonable basis and thus the same have not been allocated. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liability.

Goodwill identifiable to operating segments are included in segment assets. However, where goodwill relates to multiple operating segments and it is not practicable to allocate between segments, it is included in 'unallocated assets. Finance cost, finance income and fair value gains and loss on financial assets are not allocated to any operating segments as the Group reviews the treasury and finance cost at the group level.

Accordingly, borrowings are also considered in unallocated liabilities.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to segments as they are also managed on group basis.

Capital expenditure consists of addition of property, plant and equipment and intangible assets.

Transfer pricing between operating segments are on as arm length basis in a manner similar to transaction with third parties.

Intersegment revenue are eliminated upon consolidation and reflected in the 'adjustment and eliminations' column. All other adjustment and eliminations are part of detailed reconciliation presented further below.

Year ended March 31, 2024

Particulars	Fabric care	Dishwashing	Household insecticides	Personal care	Other products	Total Operating segments	Adjustments and eliminations	Total segments
Revenue								
External revenue	118,899	93,660	21,225	30,782	11,127	275,693	-	275,693
Total revenue from operation	118,899	93,660	21,225	30,782	11,127	275,693	-	275,693
Income/(Expenses)								
Depreciation and amortisation	(1,016)	(857)	(421)	(319)	(450)	(3,063)	(1,933)	(4,996)
Segment profit	28,740	18,044	(3,413)	3,971	175	47,517	367	47,884
Total assets	33,447	26,284	11,409	7,514	10,845	89,499	150,594	240,093
Total liabilities	22,746	18,813	5,319	6,099	1,980	54,957	4,115	59,072
Capital expenditure	1,906	877	433	148	36	3,400	309	3,709

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to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 37 SEGMENT REPORTING (Contd.)

Year ended March 31, 2023

Particulars	Fabric care	Dishwashing	Household insecticides	Personal care	Other products	Total Operating segments	Adjustments and eliminations	Total segments
Revenue								
External revenue	105,610	86,480	21,168	25,422	9,922	248,602	-	248,602
Total revenue from operation	105,610	86,480	21,168	25,422	9,922	248,602	-	248,602
Income/(Expenses)								
Depreciation and amortisation	(966)	(902)	(432)	(292)	(663)	(3,255)	(1,757)	(5,012)
Segment profit	17,259	13,265	(2,022)	2,588	(484)	30,606	(684)	29,922
Total assets	32,676	24,282	10,403	6,719	12,094	86,174	119,997	206,171
Total liabilities	18,327	16,554	5,408	4,490	2,132	46,911	4,155	51,066
Capital expenditure	1,589	629	205	53	186	2,662	886	3,548

Reconciliations to amount reflected in the consolidated financial statements :

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A) Reconciliation of profit		
Segment profit	47,517	30,606
Other Income (Note 21)	2,301	765
Other unallocable income	2,041	2,024
Finance cost (Note 25)	(473)	(1,309)
Exceptional Item (Note 43)	-	703
Other unallocable expenses	(3,502)	(2,867)
Profit before tax	47,884	29,922

Particulars	As at March 31, 2024	As at March 31, 2023
B) Reconciliations of assets		
Segment operating assets	89,499	86,174
Investment	19,152	-
Other financial assets (Note 6)	26,135	142
Non current tax assets (net) (Note 8)	586	1,139
Deferred tax asset (net) (Note 7)	5,944	8,452
Cash and cash equivalent	16,605	28,347
Other unallocable assets	679	656
Tangible and Intangible assets	81,493	81,261
Total assets	240,093	206,171
C) Reconciliations of liabilities		
Segment operating liabilities	54,957	46,911
Current tax liabilities (net) (Note 18)	46	257
Lease Liability	1,741	1,426
Other unallocable liabilities	2,328	2,472
Total liabilities	59,072	51,066

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to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 37 SEGMENT REPORTING (Contd.)

Particulars	April 1, 2023 to March 31, 2024	April 1, 2022 to March 31, 2023
D) Revenue from external customers		
India	267,454	242,178
Outside India	8,239	6,423
Total revenue as per consolidated statement of profit or loss	275,693	248,602

The revenue information above is based on the location of the customers.

Revenue from one customer amounted to ₹ 35,118 lacs (2023: ₹ 30,244 lacs) arising from sales in various segment.

Particulars	As at March 31, 2024	As at March 31, 2023
E) Non-current operating assets		
India	113,858	113,178
Outside India	5	4
Total	113,863	113,182

Non-current assets for this purpose consist of property, plant and equipment, capital work in progress and intangible assets.

NOTE 38 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Balance with government authorities and protest payment

The Group has significant receivable from government authorities in respect of payment made under protest in earlier years towards VAT matters. The Group has received favourable orders from the Honourable Supreme Court / High Court in these matters and accordingly Company believes that all the amounts are fully recoverable.

Taxes

Refer Note 28(d)

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 38 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (Contd.)

Impairment of non-financial assets and Goodwill

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted cash flow model. The cash flows are derived from the budget and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the Discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using appropriate valuation techniques. The inputs for these valuations are taken from observable sources where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of various inputs including liquidity risk, credit risk, volatility etc. Changes in assumptions/judgements about these factors could affect the reported fair value of financial instruments.

Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and other post-employment leave benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Further, the Group has recognised Minimum Alternate Tax Credit (MAT) which can be utilised for a period of 15 years from the assessment year to which it relates to. Based on future projections of taxable profit and MAT, the Group has assessed that the entire MAT credit can be utilised.

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to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 39 FAIR VALUES

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

Particulars	Carrying values		Fair values	
	Year ended March 31, 2024	Year ended March 31, 2023	Year ended March 31, 2024	Year ended March 31, 2023
Financial Assets				
Investments	19,152	-	19,152	-
Total	19,152	-	19,152	-

The management assessed that fair value of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Long-term receivables/advances given are evaluated by the Group based on parameters such as interest rates and individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

NOTE 40 FAIR VALUES HIERARCHY

The Group does not have any financial assets and financial liabilities fair valued through profit & loss.

NOTE 41 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group's senior management has the overall responsibility for establishing and governing the Group's risk management framework. The Group has constituted a core Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee.

A. Liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2024 and 31st March, 2023. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis. The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits and other highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

For long term borrowings, the Group also focuses on maintaining / improving its credit ratings to ensure that appropriate financing options are available as and when required.

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to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 41 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

Particulars	Less than 1 Year	1 to 5 years	5 years and above	Total
As at March 31, 2024				
Other financial liabilities	3,429	-	-	3,429
Lease Liabilities	2,330	3,559	157	6,046
Trade and other payables	27,606	-	-	27,606
	33,365	3,559	157	37,081
As at March 31, 2023				
Other financial liabilities	3,170	-	-	3,170
Lease Liabilities	1,853	2,800	-	4,653
Trade and other payables	21,435	-	-	21,435
	26,458	2,800	-	29,258

In addition, the Group maintains the following lines of credit.

- ₹ 50,500 lacs facility that is unsecured and can be drawn down to meet short-term financing needs.

The facility has a yearly maturity that renews automatically at the option of the Group. Interest would be payable at a rate of 7% - 8% (31 March 2023: 7% - 8%).

The Group has cash and cash equivalents of ₹ 8,439 lacs (Note 11a) and investment in mutual funds of ₹ 19,152 lacs (Note 5).

B. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings and deposits.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This risk exist mainly on account of borrowings of the Group. However, all these borrowings are at fixed interest rate and hence the exposure to change in interest rate is insignificant.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group is not exposed to significant foreign currency risk as at the respective reporting dates.

Price risk

The Group is mainly exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments. The Group has internal guidelines to ensure that the price risk arising from investment in mutual fund is kept minimal.

Particulars	March 31, 2024		March 31, 2023	
	Decrease	Increase	Decrease	Increase
Net Asset value (- / +10%)	17,237	21,067	-	-

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 41 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Contd.)

C. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and other financial assets including bank balances. The bank balances are maintained with banks with high credit rating.

Refer note 37(D).

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major trade receivables. (Refer Note 12)

Movements of loss allowance

Particulars	As at March 31, 2024	As at March 31, 2023
Balance as at 1 st April	(1,184)	(1,184)
Provision no longer required write back	-	-
Balance as at 31st March	(1,184)	(1,184)

Other financial assets

Credit risk from balances with banks and financial institutions is managed by the Group in accordance with the Group's policy. Investments of surplus funds are made only in highly marketable debt instruments with appropriate maturities to optimise the cash return on instruments while ensuring sufficient liquidity to meet its liabilities.

The Group's maximum exposure to credit risk as at March 31, 2024 and March 31, 2023 is the carrying value of each class of financial assets.

D. Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

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₹ in Lacs

NOTE 42 CAPITAL MANAGEMENT

For the purpose of the Group capital management, capital includes issued equity capital and other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Group is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt which is calculated as borrowing less cash and cash equivalent, other bank balances and mutual fund investments.

Particulars	March 31, 2024	March 31, 2023
Borrowings	-	-
Less: Cash and cash equivalents and other bank balances (Note 11a and 11b)	(16,605)	(28,347)
Net debt (A)	(16,605)	(28,347)
Equity	180,831	154,899
Capital and net debt (B)	164,226	126,552
Gearing ratio (A/B)	0%	0%

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2024 and 31 March 2023.

NOTE 43 EXCEPTIONAL ITEM

During the year ended March 31, 2023 the Company has received a one-time settlement for extinguishing indemnity pertaining to an erstwhile business transaction of ₹ 1,642 lacs provided earlier which has been written back and an amount of ₹ 939 lacs has been provided towards litigation settlement under VAT amnesty scheme.

NOTE 44 IND AS 115 : REVENUE FROM CONTRACTS WITH CUSTOMERS

a. Reconciliation the amount of revenue recognised in the consolidated statement of profit and loss

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Gross Sales	332,060	296,842
Less : Scheme and discounts	(62,332)	(53,294)
Sale of goods	269,728	243,548
Sale of services	5,769	4,870
Net Sales	275,497	248,418

b. Disaggregation of revenue-segment wise

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
A Fabric Care	118,899	105,610
B Dishwashing	93,660	86,480
C Household Insecticides	21,225	21,168
D Personal Care	30,782	25,422
E Others	10,931	9,738
	275,497	248,418

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to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 44 IND AS 115 : REVENUE FROM CONTRACTS WITH CUSTOMERS (Contd.)

c. Contract Balances

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Receivables (Note 12)	20,139	13,781
Advances from customers (Note 17)	1,754	3,930
Contractual Obligation (Note 17)	7,732	6,029

The amount of ₹ 1,754 lacs included in contract liabilities at 31 March 2024 (2023: ₹ 3,930 lacs) has been recognised as revenue in the subsequent year.

Movement in Contractual Obligation

Particulars	As at March 31, 2024	As at March 31, 2023
As at 1 st April	6,029	4,770
Incurred during the year	26,420	20,822
Paid / Reversal during the year	(24,717)	(19,563)
As at 31st March	7,732	6,029

Revenue from sale of goods is recognised on point in time basis, when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch or delivery depending on terms with customers

NOTE 45

The National Company Law Tribunal vide its Order dated March 02, 2023, approved the Scheme of Merger of Jyothy Fabricare Services Limited (JFSL) with the Jyothy Labs Limited (JLL) with effect from the Appointed date of October 1, 2022. The merger has been accounted in accordance with the 'Business combinations of entities under common control' as described in (Ind AS) 103 "Business Combinations". Pursuant to the above merger, JFSL-JLL (JV), a partnership firm of Jyothy Fabricare Services Limited and Jyothy Labs Limited have been also merged with Jyothy Labs Limited. The merger does not have any financial impact on consolidated financial statements.

NOTE 46 ADDITIONAL REGULATORY INFORMATION

(a) Relationship with struck off company

The company has transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956 as under,

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding as at current period	Relationship with the struck off company, if any, to be disclosed	Balance outstanding as at previous period	Relationship with the struck off company, if any, to be disclosed
Shirdi Sai Financial Services Pvt Ltd	Shares held by struck off company	50 shares	Shareholder	50 shares	Shareholder
Priti Puja Commercial Pvt Ltd	Shares held by struck off company	25 shares	Shareholder	25 shares	Shareholder
Growth Investment And Property Company Private Limited	Shares held by struck off company	50 shares	Shareholder	50 shares	Shareholder
Fair Growth Financial Services Limited	Shares held by struck off company	25 shares	Shareholder	25 shares	Shareholder
Stockyard Investment Services Private Limited	Shares held by struck off company	2 shares	Shareholder	2 shares	Shareholder
Suraj Enterprises Private Limited	Shares held by struck off company	24 shares	Shareholder	24 shares	Shareholder

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 46 ADDITIONAL REGULATORY INFORMATION (Contd.)

(b) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(c) Utilization of borrowings availed from banks and financial institutions

There are no borrowings availed by the Group from banks and financial institutions during the year.

(d) Disclosures of benami property if any

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(e) Disclosures of wilful defaulter

None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

(f) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(g) Compliance with approved scheme(s) of arrangements

Scheme of arrangement is recorded in the books of accounts is in accordance with the accounting standards.

(h) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year

(i) Utilisation of borrowed funds and share premium

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(j) Valuation of PP&E, intangible asset and investment property

The group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(k) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(l) The quarterly returns or statements filed by the Company with banks or financial institutions are in agreement with the books of account of the Company.

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 46 ADDITIONAL REGULATORY INFORMATION (Contd.)

(m) Key Ratio

Particulars	Numerator	Denominator	As at Mar 31, 2024	As at Mar 31, 2023	% change	Reason for Variance for + / (-) 25% variation
a. Current Ratio	Current Assets	Current Liabilities	2.37	1.91	24%	Current Ratio has improved due to higher Current Assets backed by increase in cash / bank balance and investments.
b. Debt Equity Ratio	Total Debt	Shareholder's Equity	-	-	0%	Nil debt, hence not applicable
c. Debt service coverage ratio	Earning available for debt service	Debt Service	17.27	16.43	5%	Due to increase in net profit
d. Return on Equity	Net profits after taxes.	Average Shareholder's equity	21.97%	16.02%	37%	Return on Equity has improved due better margin on higher sales achieved during the year and lower raw material prices
e. Inventory turnover ratio	Cost of goods sold or Sales	Average Inventory	4.80	4.79	0%	In line with sales growth
f. Trade receivables turnover ratio	Net Sales	Trade Receivable Closing Balance	13.69	18.04	-24%	Trade receivable increased due to institutional sales
g. Trade payables turnover ratio	Purchases	Trade Payable Closing Balance	5.03	6.71	-25%	Trade payable increased due to increase in expenses payable
h. Net capital turnover ratio	Net Sales	Working Capital	4.19	6.74	-38%	Decrease due to higher working capital on account of increase in cash and bank balance and mutual fund investment
i. Net profit ratio	Net profits after taxes	Net Sales	13.40%	9.64%	39%	Net profit ratio has improved due better margin on higher sales achieved during the year and lower raw material prices
j. Return on capital employed	Earning before Interest and taxes	Capital Employed	47.57%	41.28%	15%	Return on capital employed has improved due better margin on higher sales achieved during the year and lower raw material prices
k. Return on investment	Income generated from invested funds	Average invested funds in treasury investments	2.16%	NA	NA	During the year invested in mutual fund.

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₹ in Lacs

NOTE 47 SHARE-BASED PAYMENTS

The Board of Director's and Shareholders of the Company had approved the grant Employee Stock Units Plan 2023 ("RSU Plan 2023") on June 9, 2023 and July 25, 2023 respectively, in accordance with the terms and conditions of the Jyothy Labs Employees "RSU Plan 2023".

The fair value of the "RSU Plan 2023" was determined using the Black Scholes model using the following inputs at the grant date September 4, 2023.

Particulars	RSU Plan 2023
Vesting Period	From 2023 to 2026
No of option granted	96,444
Market Price of the share on date of grant	362.35
Fair value of the share on date of grant	361.35
Expected Life	3.50
Expected volatility (%)	32.49%
Risk-free interest rate (%)	7.31%
Exercise Price Re per share	1
Weighted average exercise Price Re per share	1
Dividend Yield (%)	0.70%

Summary of options granted under the plan is as follows:

Particulars	As at March 31, 2024			As at March 31, 2023		
	No of shares	Weighted average exercise price (₹)	Weighted average fair value (₹)	No of shares	Weighted average exercise price (₹)	Weighted average fair value (₹)
Outstanding at the beginning of the year	-	-	-	-	-	-
Granted During the year	96,444	1	361.35	-	-	-
Forfeited/lapsed during the period	(2,052)	1	-	-	-	-
Exercised during the period	-	-	-	-	-	-
Exercised during the period	-	-	-	-	-	-
Outstanding at the end of the year	94,392	1	352.80	-	-	-

Expense arising from RSU Plan 2023

Total expenses arising from stock based payment transactions recognised in Profit and Loss as part of employee benefit expense were as follows

Particulars	As at March 31, 2024	As at March 31, 2023
Equity settled share based expense	100	-

Carrying amount of liability- included in Employee stock option outstanding (Note 14)

Notes

to the Consolidated Financial Statements for the year ended March 31, 2024

₹ in Lacs

NOTE 48

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

NOTE 49

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified. The Group will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Signatures to Notes 1 to 49

As per our report of even date

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Sreeja Marar

Partner

Membership No: 111410

For and on behalf of the Board of Directors of

Jyothy Labs Limited

CIN: L24240MH1992PLC128651

M.R. Jyothy

Chairperson and Managing Director

DIN: 00571828

Shreyas Trivedi

Company Secretary

Membership No: A12739

Sanjay Agarwal

Chief Financial Officer

Mumbai

Date: May 15, 2024

Mumbai

Date: May 15, 2024

FORM AOC – 1

STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARY / ASSOCIATES / JOINT VENTURES.

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014)

PART “A”: SUBSIDIARIES

(₹ in Lacs)

Sr. No	Name of the Subsidiary Company	Jyothy Kallol Bangladesh Limited
	Date since when subsidiary was acquired	October 14, 2010
	Country	Bangladesh
	Financial Year / Period	April 1, 2023 to March 31, 2024
	Local Currency	BDT
	Exchange rate as on March 31, 2024	1 BDT = 0.75 INR
1	Share Capital	802.00
2	Reserves & Surplus	-35.00
3	Total Assets	785.00
4	Total Liabilities	18.00
5	Investment (except investment in subsidiaries)	-
6	Turnover (Net)	392.00
7	Profit / (Loss) before taxation	-8.00
8	Provision for taxation	51.00
9	Profit / (Loss) after taxation	-59.00
10	Proposed / Interim Dividend	Nil
11	% of shareholding	75%

Notes:

- None of the subsidiaries of the Company are yet to commence operations.

STATEMENT PURSUANT TO SECTION 129 (3) OF THE COMPANIES ACT, 2013 RELATED TO ASSOCIATE COMPANIES AND JOINT VENTURES

PART "B": ASSOCIATES AND JOINT VENTURES

(₹ in Lacs)

Name of Associates or Joint Venture	Not applicable
Latest audited Balance Sheet Date	
Date on which the Associate or Joint Venture was associated or acquired	
Shares of Associate/Joint Ventures held by the company on the year end:	
1. No.	
2. Amount of Investment in Joint Venture	
3. Extent of Holding (%)	
Description of how there is significant influence	
Reason why the joint venture is not consolidated	
Net worth attributable to Shareholding as per latest audited Balance Sheet	
Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

1. The Company does not have any joint venture or associate company.

**For and on behalf of the Board of Directors of
Jyothy Labs Limited**

Sd/-

M. R. Jyothy

Chairperson and Managing Director
(DIN: 00571828)

Sd/-

Shreyas Trivedi

Head – Legal & Company Secretary
Membership No.: A12739

Sd/-

Sanjay Agarwal

Chief Financial Officer

Place: Mumbai

Date: May 15, 2024



Jyothy labs

Jyothy Labs Limited

CIN: L24240MH1992PLC128651

Corporate & Registered Office

'Ujala House', Ram Krishna Mandir Road, Kondivita,
Andheri (East), Mumbai-400 059, Maharashtra
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Website: www.jyothylabs.com