

# Jyothy Laboratories Limited

## Analyst Presentation

### Q3 FY 17

### 20<sup>th</sup> January 2017



## Market Scenario

- *Q3 Impacted by Demonetisation.*
- *Overall demand getting back to normal. Business operations through wholesale channel in North and East remains challenging.*
- *Input costs rising on the back of increase in crude prices ( Q3 FY17 impact 270 bps on gross margins).*
- *Company committed on delivering growth ahead of Industry*



## Nov'16 – Demonetization Impact

- *Total Standstill Situation for two weeks of wholesale markets (40% of total sales All India)*
- *Retailers caught unaware (Offtakes drop)*
- *Consumers got into cash conservation mode (Problem across India)*
- *Modern trade (10% of All India Sales) reacts fast – introduces slew of cashless options.*
  - *Significant increase in MT business*



## Our Response to Demonetisation

- *Daily Monitoring Cell Set up in Mumbai post Demonetisation to track situation and support on-ground sales teams to cope with crisis.*
- *Identified key towns & increased service – Daily in some cases*
  - *Helped reduce payment burden on retailers*
  - *Helped increase stock availability in a scenario where retailers were hesitant to up stock.*
- *Identified “down trading” trend – switched production plans to maximize small sku’s production*
- *Re-crafted media plans to conserve spends*



## Our Response to Demonetisation (contd.)

- *Rolled out a national plan with channel partners to drive sales & improve servicing. (No credit extended to channel partners)*

*JLL Programme for All India Channel Partners  
Nov-Dec 2016-17*



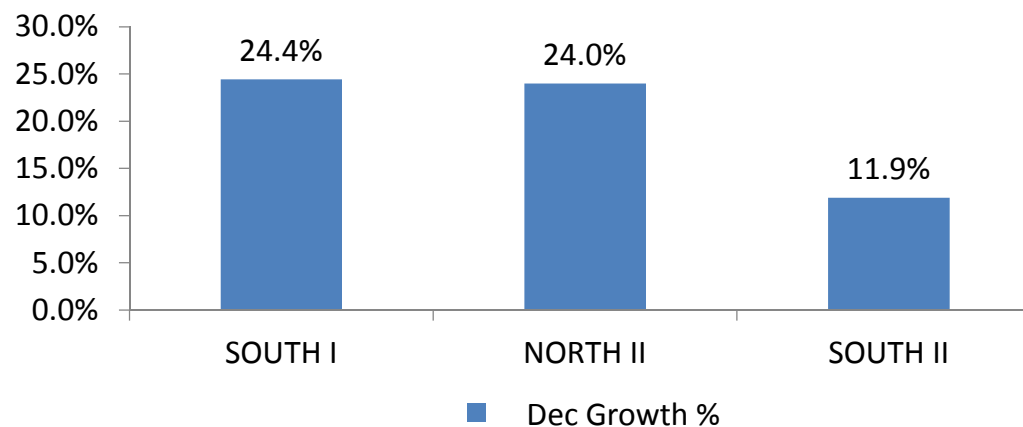
- *MT & Institutional sales opportunity maximized*



# Our Quick Response to Demonetisation Paid Off !!!

Sr. no.	Channel	Nov'16 Growth%	Dec'16 Growth%	Q3 2017 Growth%
1	All Channel	-9%	13%	3.5%
2	GRT	-17%	10%	-3%
3	MT	27%	26%	22%
4	CSD	16%	32%	27%

Zones with Positive December Growth % (Double digit)





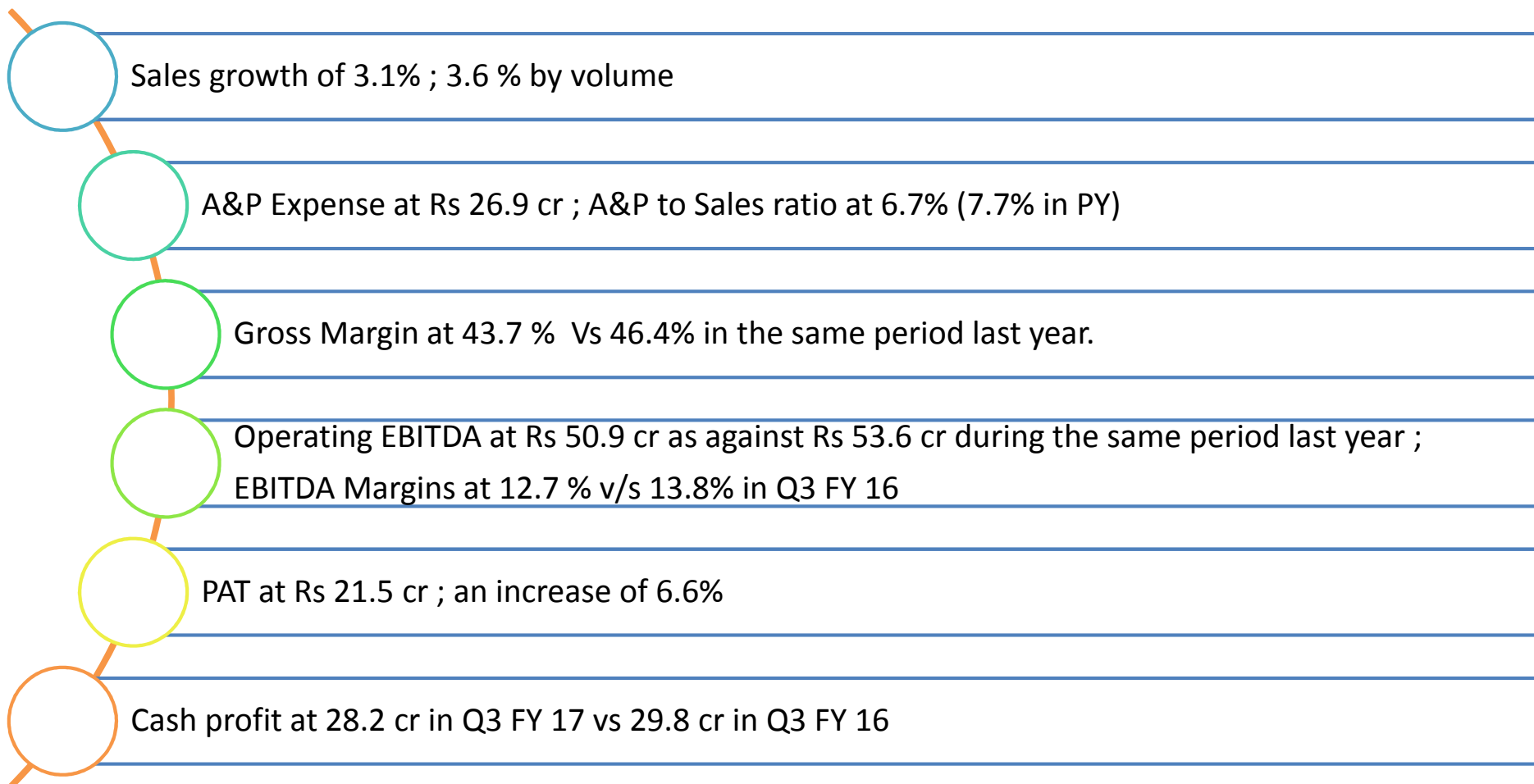
## Positive portends for FMCG Industry

- Demonetisation led Cash shortage with consumers – short term & already returning to normal
- Unorganised players will be forced to go legitimate
- GST introduction will be the final framework within which all players will have to operate – will only strengthen above
- level playing field for all



# Q3 FY 17 Snapshot

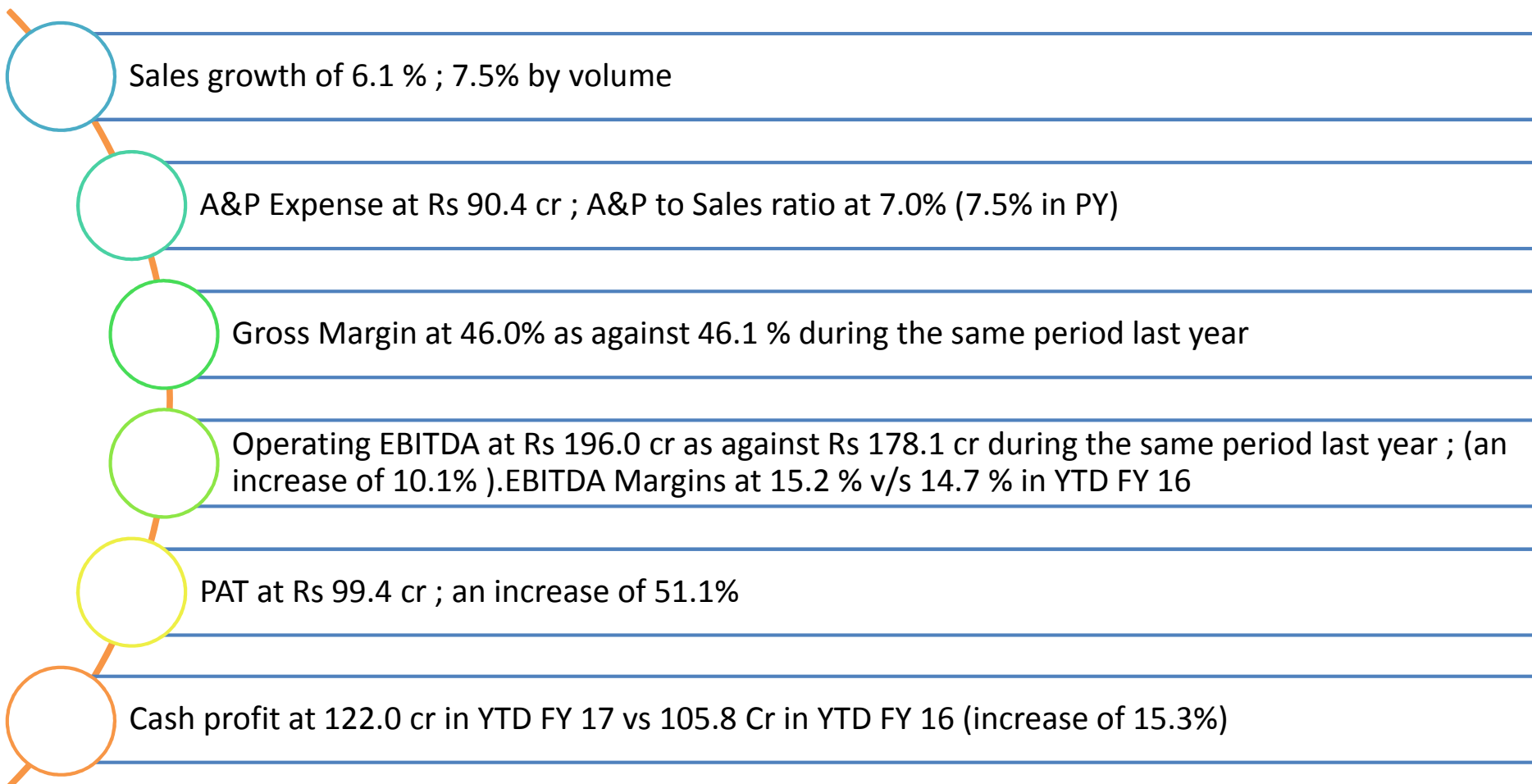
All Figures as per IND AS





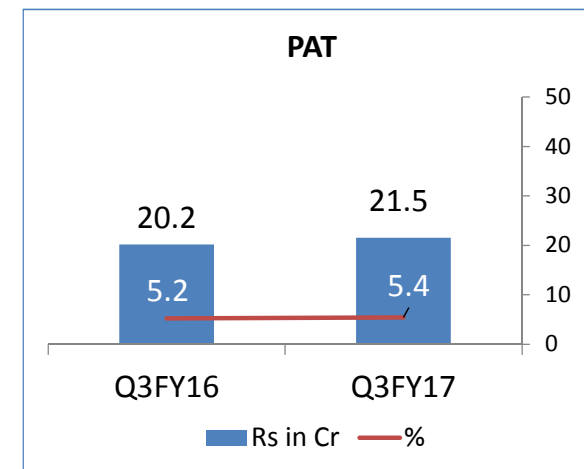
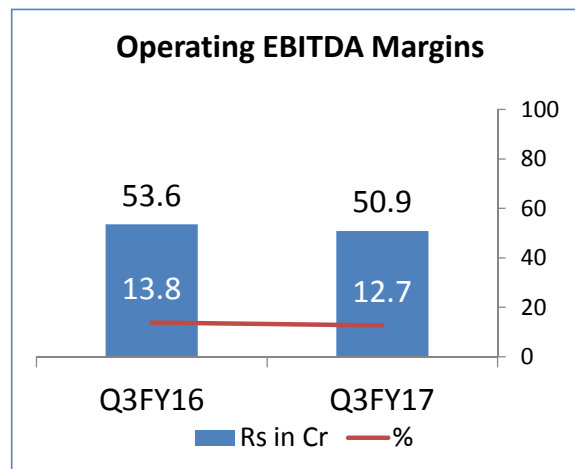
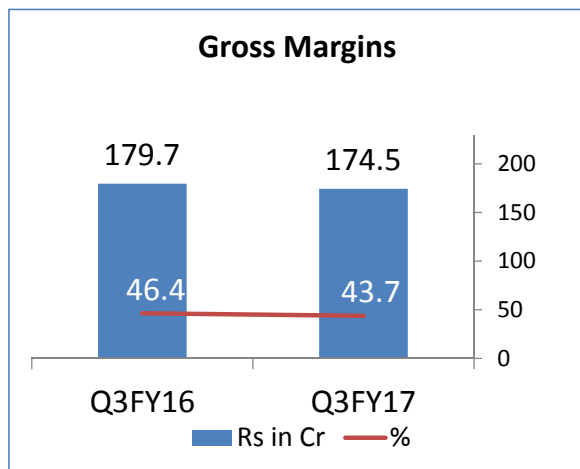
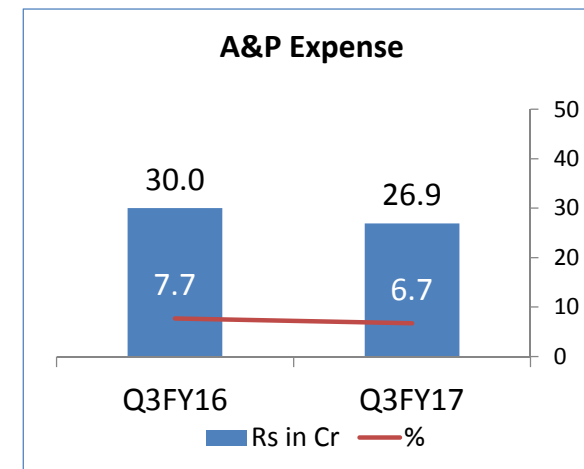
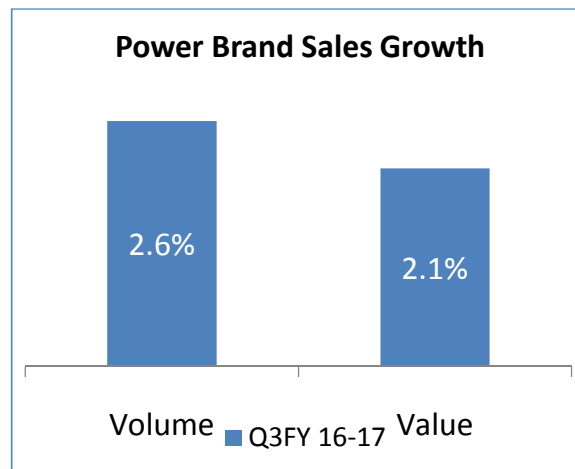
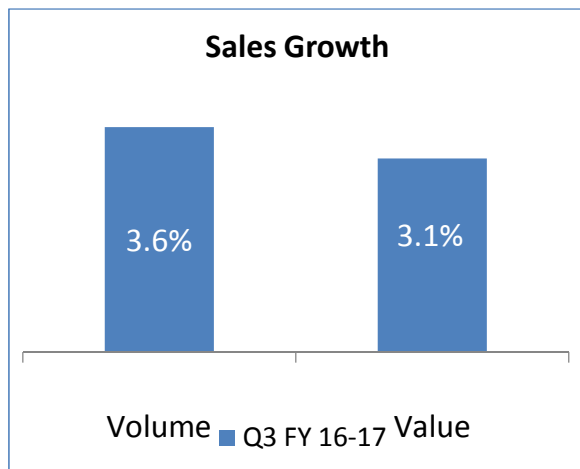
# YTD FY17 Snapshot

All Figures as per IND AS



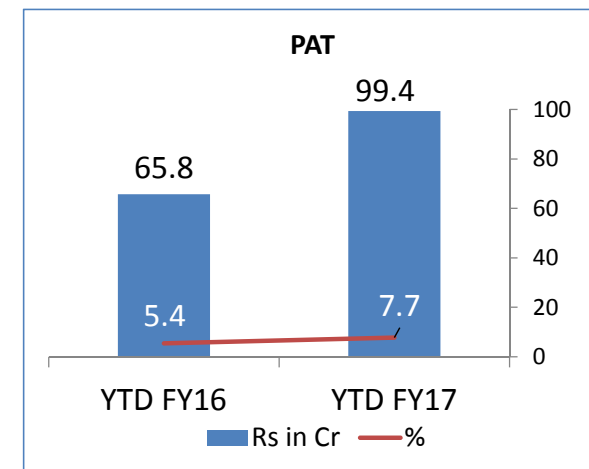
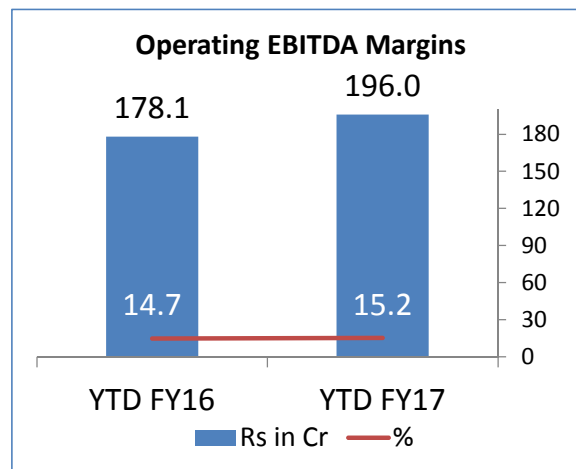
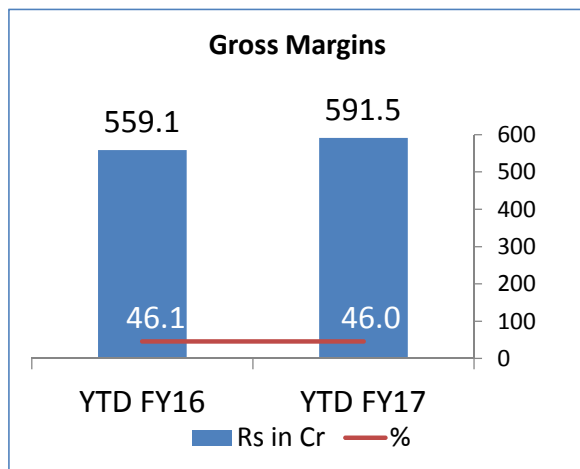
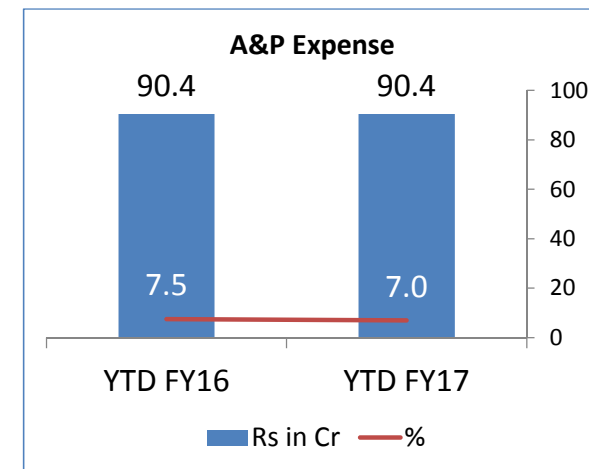
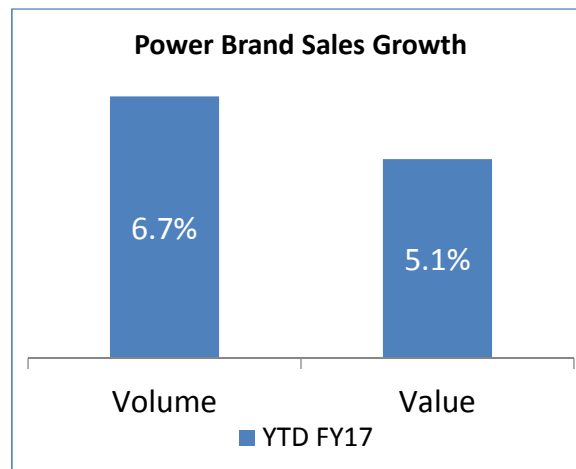
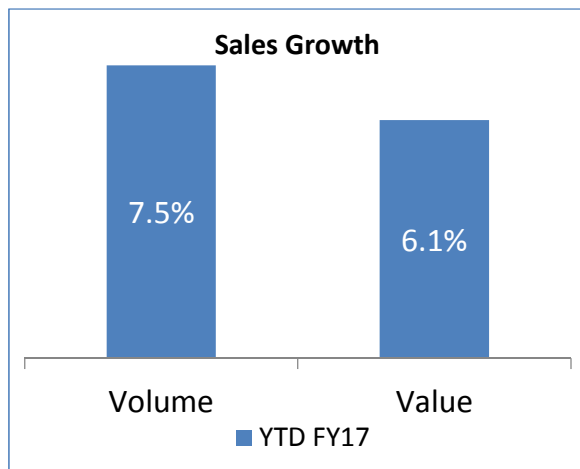
# Q3 FY 17 Snapshot

All Figures as per IND AS



# YTD FY17 Snapshot

All Figures as per IND AS



# Q3 FY 17 Highlights

## Company's Consolidated Performance

All Figures as per IND AS

### Financials

Particular/Growth	Q3 2017			YTD 2017		
	FY 17	FY 16	% Change	FY 17	FY 16	% Change
Net Sales	399.5	387.7	3.1%	1,287.0	1,213.6	6.1%
Operating EBITDA	50.9	53.6	-5.1%	196.0	178.1	10.1%
PAT	21.5	20.2	6.6%	99.4	65.8	51.1%
EPS (INR)	1.18	1.11	6.4%	5.48	3.63	50.7%

All values in INR Crore except EPS

### Ratios

Particular/Growth	Q3 2017		YTD 2017	
	FY 17	FY 16	FY 17	FY 16
Gross Margin	43.7%	46.4%	46.0%	46.1%
Operating EBITDA Margin	12.7%	13.8%	15.2%	14.7%
PAT Margin	5.4%	5.2%	7.7%	5.4%
A&P to Sales Ratio	6.7%	7.7%	7.0%	7.5%



## Advertisement & Sales Promotion Spend - Regroup

Consolidated

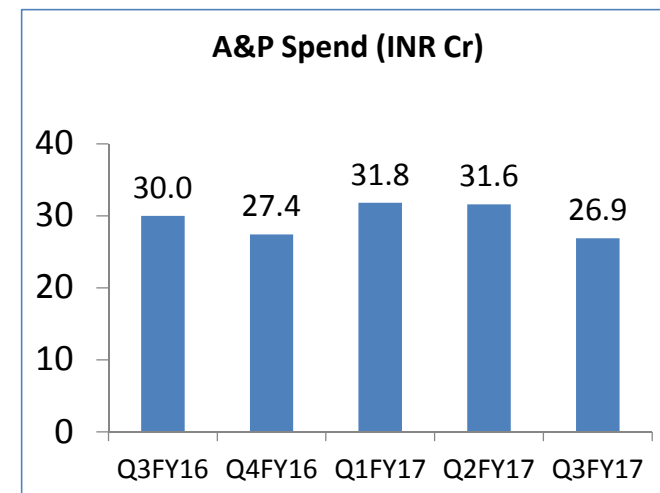
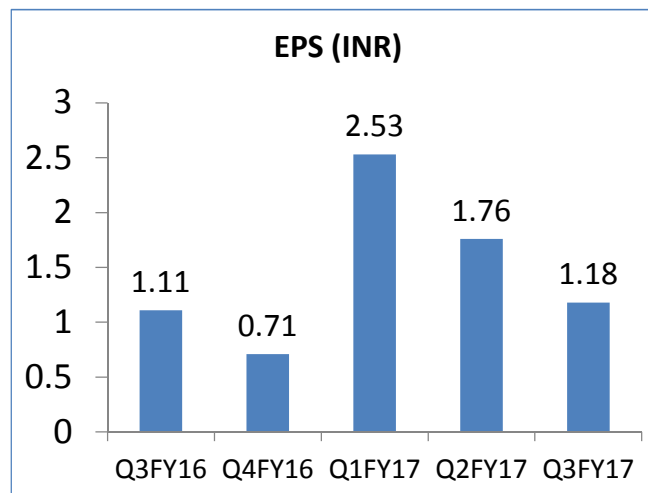
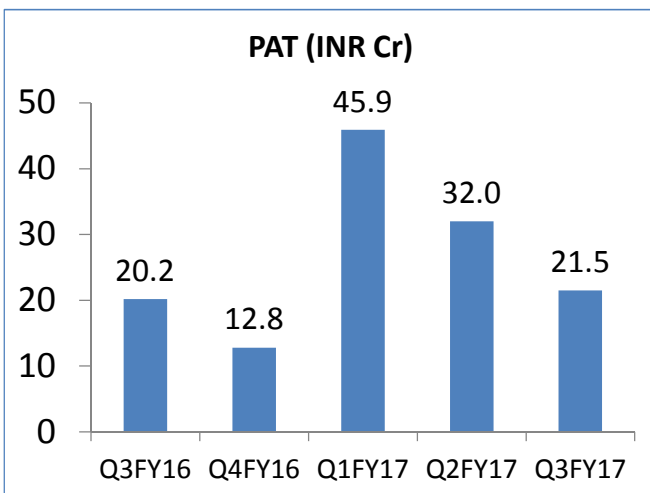
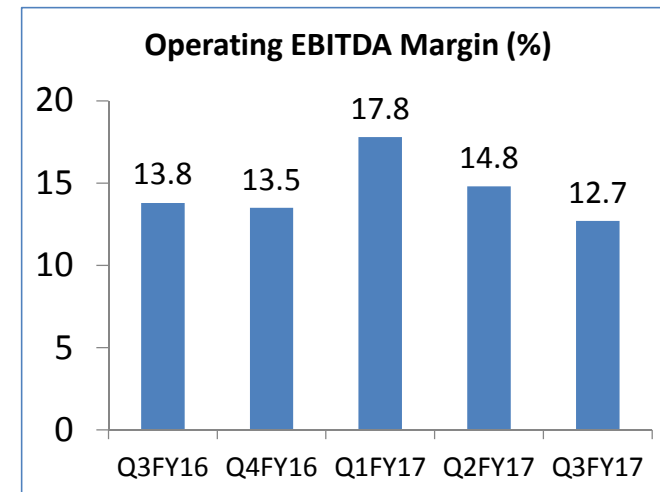
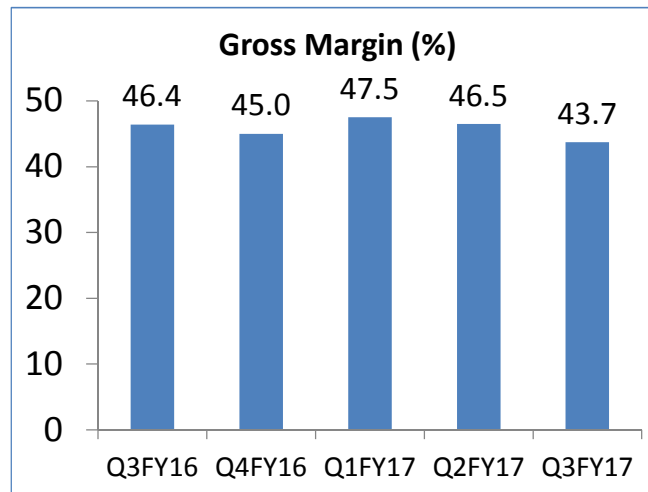
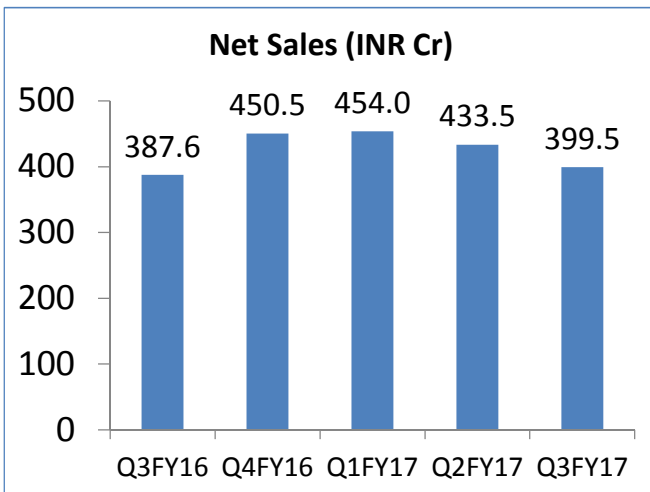
INR Lakhs

Line	Q3 FY 16-17	% of Sales	Q3 FY 15-16	% of Sales	YTD FY 16-17	% of Sales	YTD FY 15-16	% of Sales
Advertisement and Sales Promotion expense	5,635	14.1%	5,055	13.0%	18,131	14.1%	14,993	12.4%
Sales promotion regrouped to Sales	-1,908	-4.8%	-1,221	-3.1%	-5,837	-4.5%	-3,207	-2.6%
Sales promotion regrouped to Cost of goods Traded	-1,033	-2.6%	-831	-2.1%	-3,255	-2.5%	-2,745	-2.3%
Advertisement and Sales Promotion expense as per IND AS	2,694	6.7%	3,004	7.7%	9,039	7.0%	9,044	7.5%



# Performance highlights for last five quarters

All Figures as per IND AS





# Q3 FY 17 Highlights

## Category Wise Consolidated Sales

All Figures as per IND AS

Category	Consolidated					
	Q3FY17	Q3FY16	Growth %	YTDFY17	YTDFY16	Growth %
Fabric Care	172.9	156.6	10.4%	555.9	514.7	8.0%
Dishwashing	124.9	122.2	2.2%	388.1	360.6	7.6%
Household Insecticides	45.3	53.4	-15.2%	150.1	159.4	-5.8%
Personal Care	34.1	34.3	-0.8%	126.3	120.4	4.9%
Other Products	9.5	8.1	17.7%	28.6	22.1	29.6%
<b>Total</b>	<b>386.7</b>	<b>374.7</b>	<b>3.2%</b>	<b>1,249.0</b>	<b>1,177.2</b>	<b>6.1%</b>
Laundry Services	12.8	13.0	-0.7%	38.0	36.4	4.4%
<b>Grand Total</b>	<b>399.5</b>	<b>387.7</b>	<b>3.1%</b>	<b>1,287.0</b>	<b>1,213.6</b>	<b>6.1%</b>

All values in INR Crore



# Q3 FY17 Highlights

## Brand Wise Sales

All Figures as per IND AS

Brand	Consolidated					
	Q3FY17	Q3FY16	Growth %	YTD FY17	YTD FY16	Growth %
Ujala	98.3	91.4	7.5%	317.0	298.8	6.1%
Exo	94.8	92.9	2.0%	291.1	269.7	7.9%
Maxo	45.3	53.4	-15.2%	150.1	159.4	-5.8%
Henko	43.6	36.3	20.0%	137.3	121.3	13.2%
Margo	27.9	29.7	-6.0%	107.6	106.9	0.7%
Pril	30.6	29.7	2.7%	98.8	92.5	6.9%
<b>Total Power Brand</b>	<b>340.5</b>	<b>333.6</b>	<b>2.1%</b>	<b>1,101.9</b>	<b>1,048.6</b>	<b>5.1%</b>
Others	46.2	41.1	12.3%	147.1	128.6	14.4%
<b>Total</b>	<b>386.7</b>	<b>374.7</b>	<b>3.2%</b>	<b>1,249.0</b>	<b>1,177.2</b>	<b>6.1%</b>
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All values in INR Crore



# Brand Wise Performance & Initiatives



# Ujala Fabric Whitener

Post Wash

Product	Q3 FY17	% Growth	YTD FY17	Rs lakhs
				% Growth
Ujala Supreme	6,410	0.7%	20,729	2.0%

Market info	Rs lakhs
Category Size	2015
Category Growth	54,315
Market Share %	1%
	77.6%

Source : A C Nielsen

\* Market share Data is for calendar year 2015 and calendar year 2016 is awaited



# Ujala Fabric Detergent

Detergents

Product	Q3 FY17	% Growth	YTD FY17	% Growth
Ujala Detergent	2,079	25.1%	6,609	8.8%

Rs lakhs

Kerala Market	2015
Category Size	30,038
Category Growth	-1%
Market Share %	17.6%

Rs lakhs

Source : A C Nielsen

\* Market share Data for December 16 is awaited





# Ujala Fabric Stiffener

Post Wash

Product	Q3 FY17	% Growth	Rs lakhs	
			YTD FY17	% Growth
Ujala Crisp & shine	1,254	20.1%	4,092	25.7%

- *Ujala Crisp & Shine growing at a robust 15%*
- *Ujala Crisp & Shine in TN has already surpassed LY's annual numbers within 9 months.*
- *Ujala Crisp and Shine will be a 100 cr brand by 2017-2018*

**UJALA CRISP & SHINE**

**I'VE GOT THE POWER OF THE EXECUTIVE LOOK. SO CAN YOU!**

We know how important it is to get the first impression right, especially when people judge you by your clothes. That's why try an amazing product, New Ujala Crisp & Shine. Its unique Poly FX formula gives your clothes impressive crispness, superior form, brilliant shine and pleasant fragrance for the Perfect Executive Look.

Just add 1 cap of Ujala Crisp & Shine in a bucket of water and soak clothes for 5 mins. Dry and iron clothes to get the Perfect Executive Look.

Perfect Crispness & Shine    Perfect Shape    Perfect Form





# Maxo Franchise

Household Insecticides

Rs lakhs

Product	Q3 FY17	% Growth	YTD FY17	% Growth
Maxo Franchise	4,529	-15.2%	15,009	-5.8%

## Maxo Coil

Rs lakhs

	2015	Q2 FY17
Category Size	157,278	39,957
Category Growth	-0.1%	2%
Market Share %	18.4%	19.3%

## Maxo LV

Rs lakhs

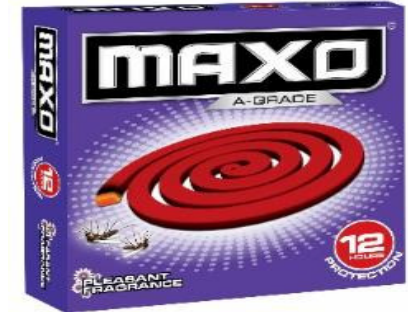
Market info	2015	Q2 FY17
Category Size	147,090	41,565
Category Growth	11%	17%
Market Share %	6.7%	7.1%

Source : A C Nielsen

\* Market share Data for December 16 is awaited



	Q 2 FY 17	% Growth
Category Size	9,208	0%
Market share	6.5%	-13%
NSV	228	54%



# Exo Franchise

Product	Q3 FY17	% Growth	YTD FY17	Rs lakhs
				% Growth
Value	7,606	1.5%	23,428	8.3%

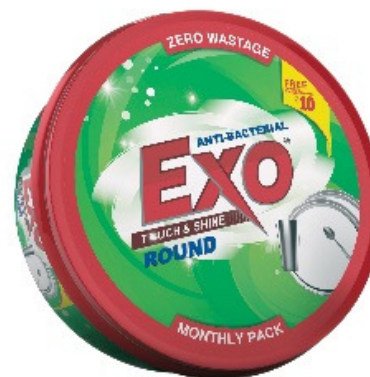
## Exo Dishwash Bar

Market Info	Rs lakhs	
	2015	Q2 FY17
Category Size	213,706	55,454
Category Growth	9%	0.4%
Market Share %	10.4%	10.8%

Source : A C Nielsen

\* Market share Data for December 16 is awaited

Dish Wash



# Pril Liquid

Product	Rs lakhs			
	Q3 FY17	% Growth	YTD FY17	% Growth
Value	2,255	0.1%	7,304	7.9%

Market Info	Rs lakhs	
	2015	Q2 FY17
Category Size	36,334	10,236
Category Growth	15%	4%
Market Share %	16.7%	17.7%

Source : A C Nielsen  
 \* Market share Data for December 16 is awaited





# Pril Bar

Dish Wash

Product	Q3 FY17	% Growth	YTD FY17	% Growth
Value	804	10.7%	2,582	4.1%

Rs lakhs

Market Info	2015	Q2 FY17
Category Size	213,706	55,454
Category Growth	9%	5%
Market Share %	0.8%	0.9%

Rs lakhs

Source : A C Nielsen

\* Market share Data for December 16 is awaited



# Margo Franchise

Personal Care

Product	Q3 FY17	% Growth	YTD FY17	Rs lakhs
				% Growth
Margo	2,791	-6.0%	10,762	0.7%



- Core re-launch : March 2017





# Henko Franchise



Rs lakhs

Product	Q3 FY17	% Growth	YTD FY17	% Growth
Value	4358	20.0%	13,728	13.2%





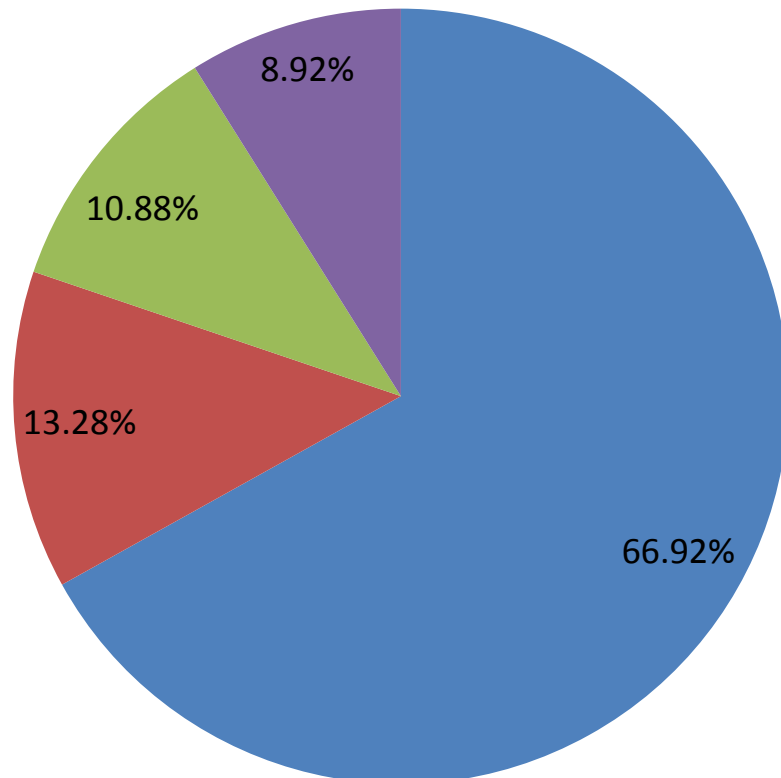
## Way Forward

- *Aggressively drive efforts to grow in Q4 17.*
  - *Coverage expansion in North and East under way.*
  - *Keep innovation activity on course.*
- *Selective Price increases in Q4 to achieve desired Gross Margin levels*
- *Ujala Fabric Whitener, Maxo Liquid & Margo Soap facilities to commence commercial production in North East by Q4 FY17 (Excise & Income tax benefit for 10 years)*
- *Continue investment behind brands*



# Shareholding Pattern

as on 31<sup>st</sup> December 2016



- Promoter & Promoter Group
- Foreign Institutional Investors (FII)
- Domestic Institutional Investors (DII)
- Public



For more information

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Thank you

