



*Jyothy* LABORATORIES LIMITED

# Jyothy Laboratories Limited

*Analyst Meet - October 28, 2010*





Company Overview

Financial Summary for Half Year 2010-11

Category-wise Analysis

Jyothy Fabricare Services Limited (JFSL) - Status Update





- A FMCG company with presence in the fabric care, household insecticide, surface cleaning, personal care and air care segments
- Promoted by Mr. M.P. Ramachandran in 1983
  - Mr. Ramachandran has over 37 years of experience in production, sales and management
- Leadership through Key Brands:
  - **Ujala:** #1 in Fabric Care: 71.1 % all-India market share by value and 57 % by volume for September 2010\*
  - **Maxo:** 23.2 % all-India market share by value and 25.3 % by volume for September 2010\*
    - 33% Rural India market share by volume for Sept 2010\* - No. 1
    - 25.3 % all-India market share by volume for Sept 2010\* - No. 2
  - **Exo:** 22.5 % South India market share by value and 20.1 % by volume for September 2010\*

# Liquid Blue Category

\*Source: A.C. Nielsen





## ■ Extensive Distribution Network

- Available in ~ 2.7 mn outlets in India as of March 31, 2010 (Source: A.C. Nielson)
- Sales staff of over 1,800 people servicing approx. 3,500 distributors
- Field staff have a direct reach of ~ 1 million outlets
- Strong presence in both rural and urban markets

## ■ Manufacturing

- 28 manufacturing facilities in 16 locations across India - some of these are tax efficient units

Offering Value-for-Money Products to the Common Man



# Financial Summary 2010-11



# Profit & Loss Account



Particulars (Rs. in lacs)	3 months ended 30, September 2010	3 months ended 30, September 2009	6 months ended 30, September 2010	6 months ended 30, September 2009	Year Ended 31, March 2010
Net sales	14,483	13,007	29,615	24,957	57,476
Other income	527	353	927	652	1,819
<b>Total Income</b>	<b>15,010</b>	<b>13,361</b>	<b>30,542</b>	<b>25,609</b>	<b>59,295</b>
Cost of Goods Sold	(7,708)	(7,412)	(15,098)	(12,758)	(31,277)
Employee Cost	(1,747)	(1,824)	(3,696)	(3,479)	(6,831)
Advertisement & Sales Promo	(1,722)	(636)	(2,682)	(1,378)	(3,686)
Other Expenses	(1,746)	(1,508)	(3,433)	(2,837)	(6,288)
<b>EBITDA</b>	<b>2,087</b>	<b>1,981</b>	<b>5,632</b>	<b>5,156</b>	<b>11,213</b>
Depreciation	(286)	(236)	(573)	(468)	(1,046)
Interest and Finance Charges	(5)	(8)	(9)	(12)	(61)
<b>Profit before tax</b>	<b>1,795</b>	<b>1,737</b>	<b>5,049</b>	<b>4,677</b>	<b>10,106</b>
Tax	(251)	(326)	(933)	(1,067)	(2,101)
<b>Profit after tax</b>	<b>1,545</b>	<b>1,411</b>	<b>4,116</b>	<b>3,609</b>	<b>8,005</b>
<b>EPS</b>	<b>2.02</b>	<b>1.94</b>	<b>5.52</b>	<b>4.97</b>	<b>11.03</b>
<b>Book Value Per Share</b>	<b>82.02</b>	<b>53.58</b>	<b>82.02</b>	<b>53.58</b>	<b>54.97</b>





Particulars (Rs. in lacs)	As On 30, Sep-10	As On 30, Sep-09
Share Capital	806	726
Reserves and Surplus	65,331	38,155
<b>Net Worth</b>	<b>66,137</b>	<b>38,881</b>
Total Loans (Sales Tax Deferral)	(17)	(17)
Fixed Assets	20,768	19,326
Investments	23,814	1,726
Cash and Bank Balances	5,043	10,556
Net Current Assets (Excluding Cash)^	16,529	7,291

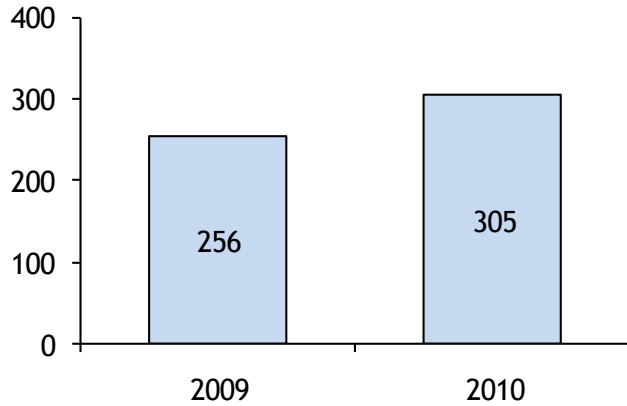
^ Net Current Assets (excl cash) defined as (Inventory+ Sundry Debtors + Other current assets sales promotion items-Current Liabilities-Provisions)



# Half Year Financials Highlights - Profit & Loss



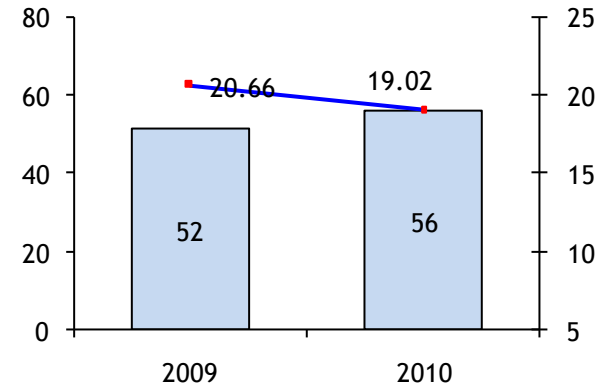
## Total Income (Rs in crores)



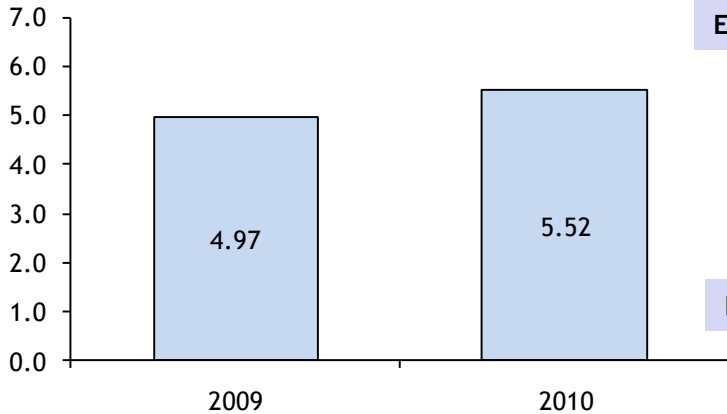
Total Income increased by 19%

EBITDA increased by 9%

## EBITDA (Rs crores) & EBITDA Margin (%)



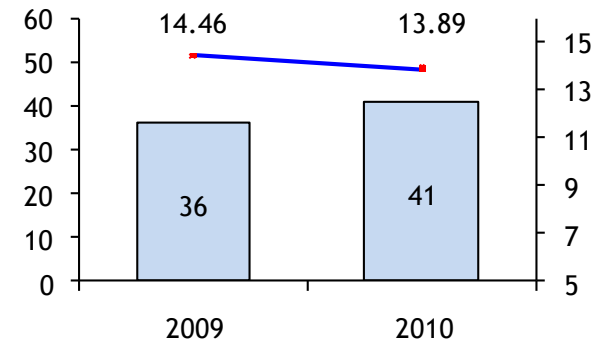
## EPS (INR)



EPS increased by 11%

PAT increased by 14%

## PAT (Rs crores & PAT Margin %)





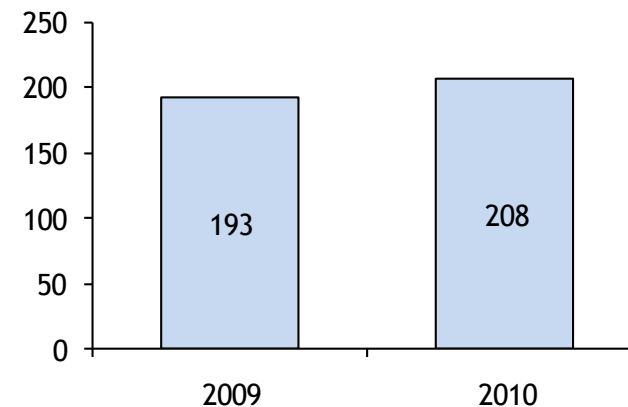
# Financials Highlights - Balance Sheet



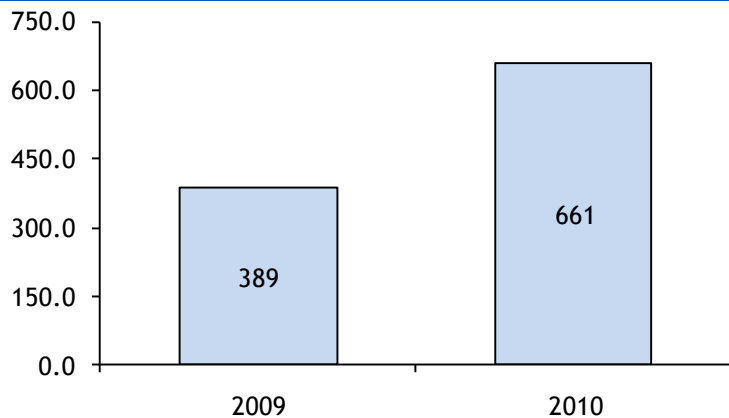
### Book Value (INR)



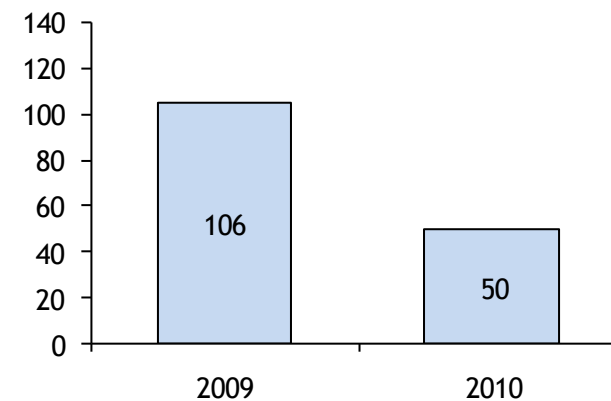
### Fixed Assets (Rs in crores)



### Net Worth (Rs in crores)



### Cash & Bank Balance (Rs in Crores)



# Quarterwise Sales & Profitability



Gross Sales	Q1	Q2	Q3	Q4
2008-09	21%	19%	26%	34%
2009-10	21%	23%	23%	33%

Net Profit	Q1	Q2	Q3	Q4
2008-09	31%	9%	23%	37%
2009-10	27%	18%	21%	34%

- 60% of the sales and profit comes from second half.
- Quarterly variation in sales and profit is due to seasonality.



# Critical RM Cost Movement



Rs. In lacs

Brand	Raw Material	Consumption Rate HY 11	Consumption Rate HY 10	Increase
Ujala	HDPE Granules	71	67	6%
Ujala	Koylene PP	77	67	15%
Maxo	Guar Gum	63	49	29%
Maxo	Tamarind Starch	28	17	65%
Exo	Acid Slurry	61	53	15%
Soaps	Soap Noodles	45	40	13%

Due to Raw Material Cost increase EBITDA margins are at 19% from 20.6% inspite of Ujala MRP increase.



# Advertisement Cost



Rs. In lacs

Brand	Apr-Sept'10	Apr-Sept'09	Variation
Ujala	1158.82	450.28	132%
Maxo	466.77	201.07	132%
Exo	376.90	382.99	-2%
Others	74.75	12.20	
Total	2077.24	1046.54	98%



# Category-wise performance





## Category-wise Revenue Mix for HY2011

### Fabric Care 52% (50%)

Net Sales : Rs. 15,251 lacs  
(Rs. 12,440 for 2010)



### Mosquito Repellent 22% (27%)

Net Sales : Rs. 6,542 lacs  
(Rs. 6,610 for 2010)



### Dishwashing Products 19% (16%)

Net Sales : Rs. 5,643 lacs  
(Rs. 4,105 for 2010)



### Other Products 7% (7%)

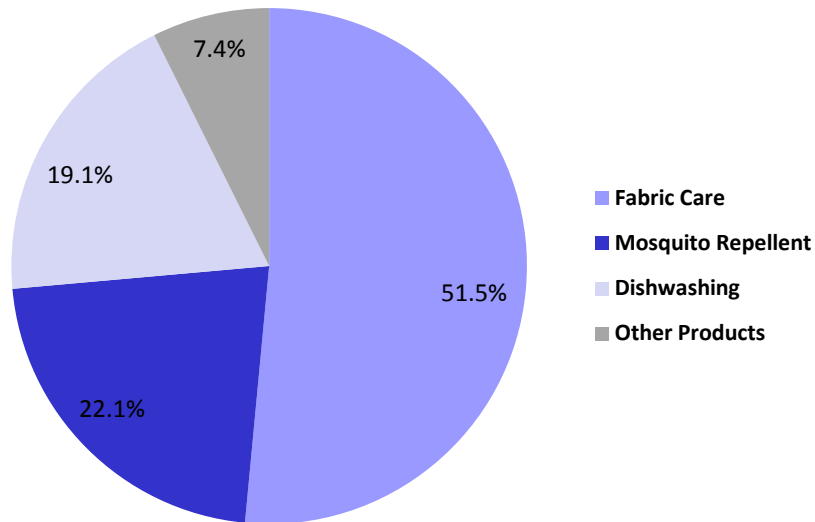
Net Sales : Rs. 2,179 lacs  
(Rs. 1,801 for 2010)



# Financial Snapshot - Sales

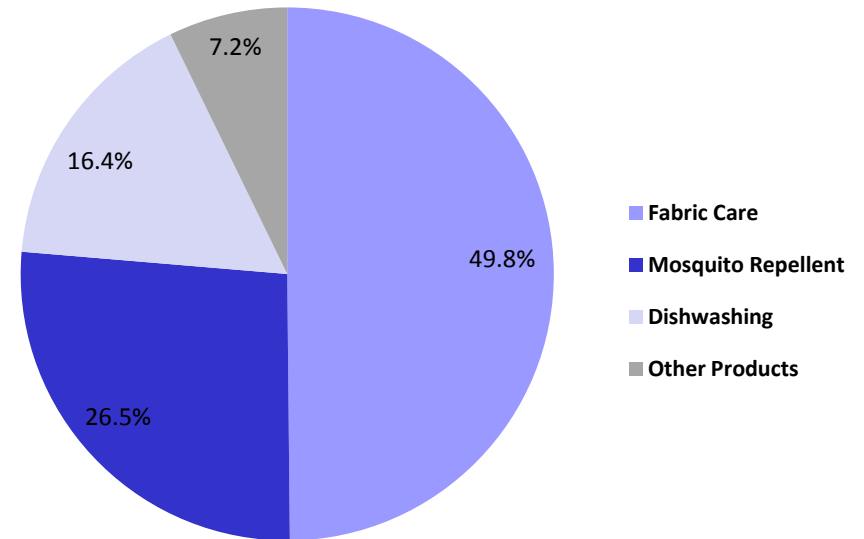


## HY2011 Category-wise Revenue Breakdown



Net Sales - 6 months ended September 2010

## HY2010 Category-wise Revenue Breakdown



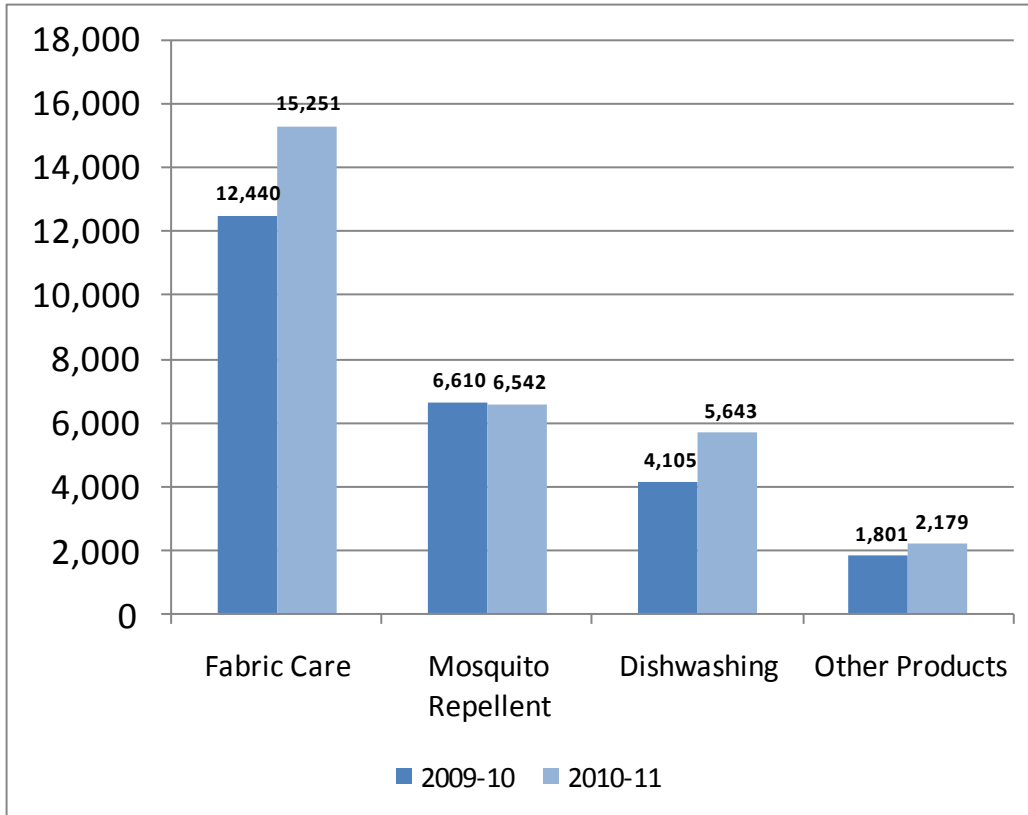
Net Sales - 6 months ended September 2009



# Financial Snapshot - Sales



## Category-wise Net Sales HY11 Compared with HY10



Category	Rs in Lacs		
	6 Months Ended March		
	2010	2009	Growth %
Fabric Care	15,251	12,440	23%
Mosquito Repellent	6,542	6,610	-1%
Dishwashing	5,643	4,105	37%
Other Products	2,179	1,801	21%
	<b>29,615</b>	<b>24,957</b>	<b>19%</b>





# Fabric Care: UJALA (Brand Size - Rs. 350 crores)



## Largest Brand in Fabric Whitener



### Brand Facts

- Launched in 1983 - A 27-year old Brand
- Largest brand in the fabric whiteners segment

### Positioning

- Positioned as a *liquid* fabric whitener that do not cause the clothes to “blue” or appear patchy

### Market Share

- #1 in Product Category: 71% all-India market share by value for September 2010\*
- Kerala - 99.99% by value for March 2010\*

### Brand Extension

- Washing Powder - Launched in 2003 in Kerala & extended to other southern states in January 2009.
- Ujala Stiff and Shine - Launched in Kerala in 2005 and nationally in March 2008

### Brand Endorsement

- SACHIN TENDULKAR - Brand Ambassador for 30 months.

### Going Forward 2010-11

- Detergent - Rollout in other states underway
- Looking for Brand Extensions
- Fabric Whitener MRP increased - July 1, 2010, Volume growth in Q2 witnessed 4%



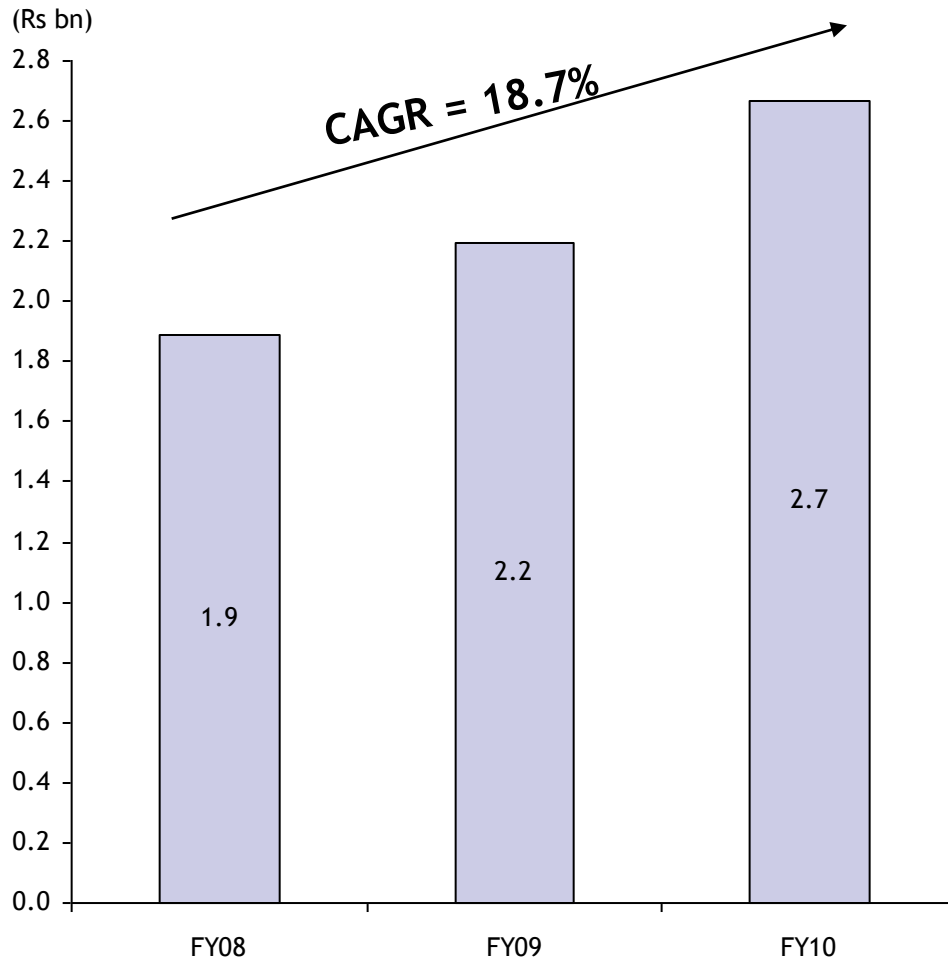
\* Source: A.C. Nielsen



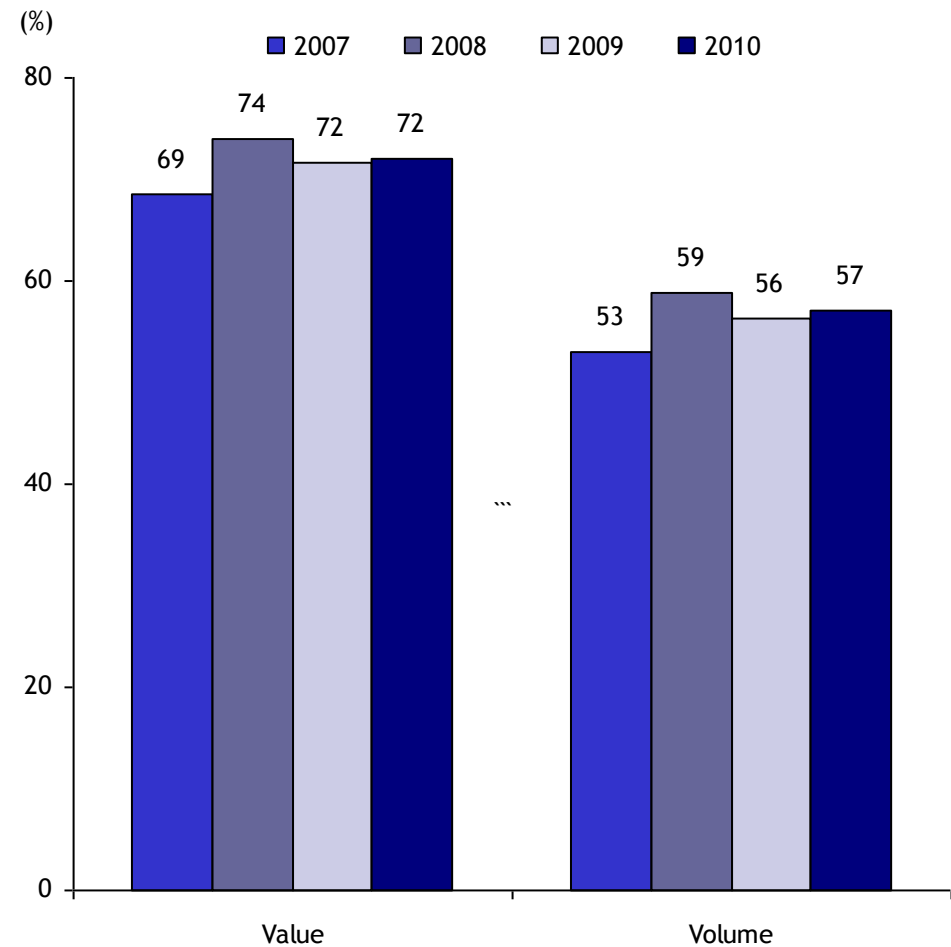
# Fabric Care: Ujala (Cont'd.)



## Ujala Brand Performance – Net Sales



## Liquid Fabric Whitener Market Shares



Source: A.C. Nielsen

<sup>1</sup> For calculating CAGR Financial Year is taken as April to March

<sup>1</sup> includes Ujala detergents and Ujala Stiff and Shine



# Mosquito Repellent: MAXO (Brand Size Rs. 260 crores)



## Largest Player in Rural Market



### Brand Facts

- One of the leading brands in the mosquito repellent segment; launched in 2000

### Positioning

- Positioned as a mosquito repellent offering “corner to corner” protection

### Market Share Position

- 33% Rural India market share by volume for Sept 2010\* - No. 1
- 25.3 % all-India market share by volume for Sept 2010\* - No. 2

### Brand Extension

- Liquids /Aerosols
- DEPA products for outdoor application

### Going Forward 2010-11

- Focus on liquid/aerosol/Depa
- Bought technology DEPA (a repellent formulation for all Blood sucking insects and Mosquitoes) from “DRDO” (Defense Research & Development Organization) Ministry of Defense, Government of India.
- Partial withdrawal of sales promotion schemes underway

\*Source: A.C. Nielsen





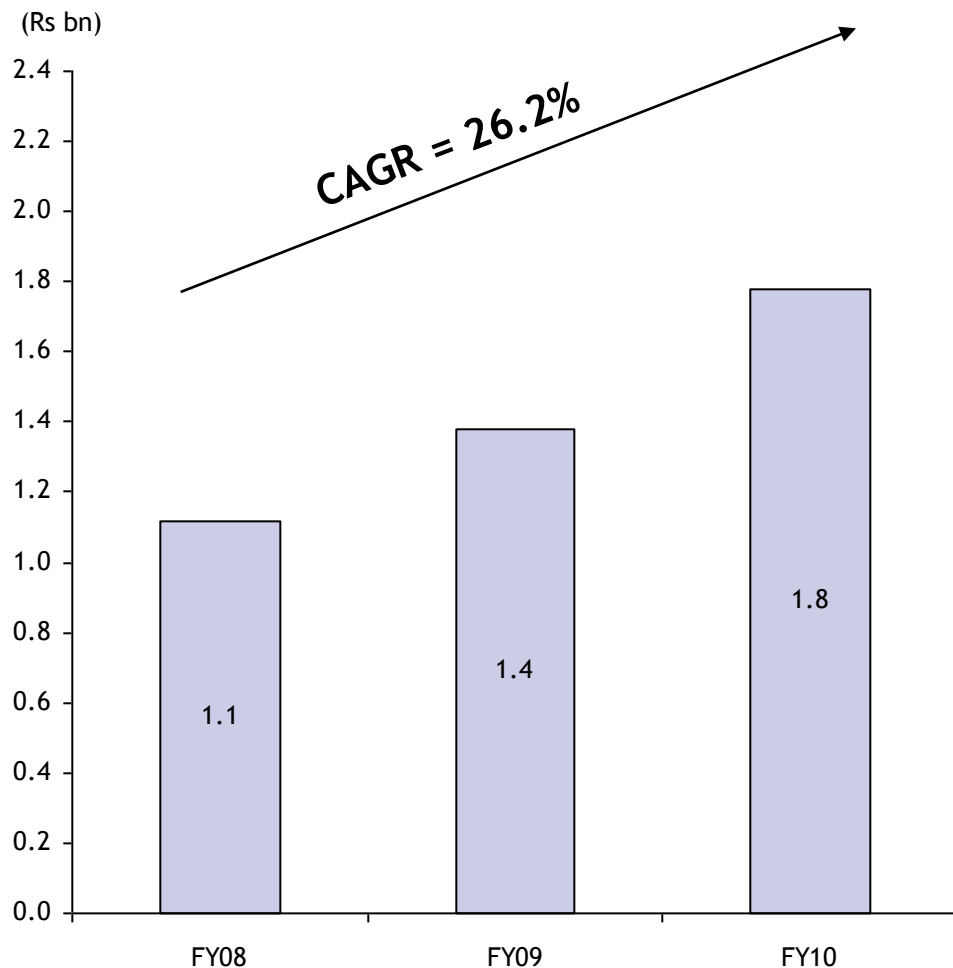
- ❑ Launched in Kerala on July 16, 2010.
- ❑ Supplied 5 lakh units to NDA for Common Wealth Games (CWG).
- ❑ National Launch of these products is scheduled for January 2011.



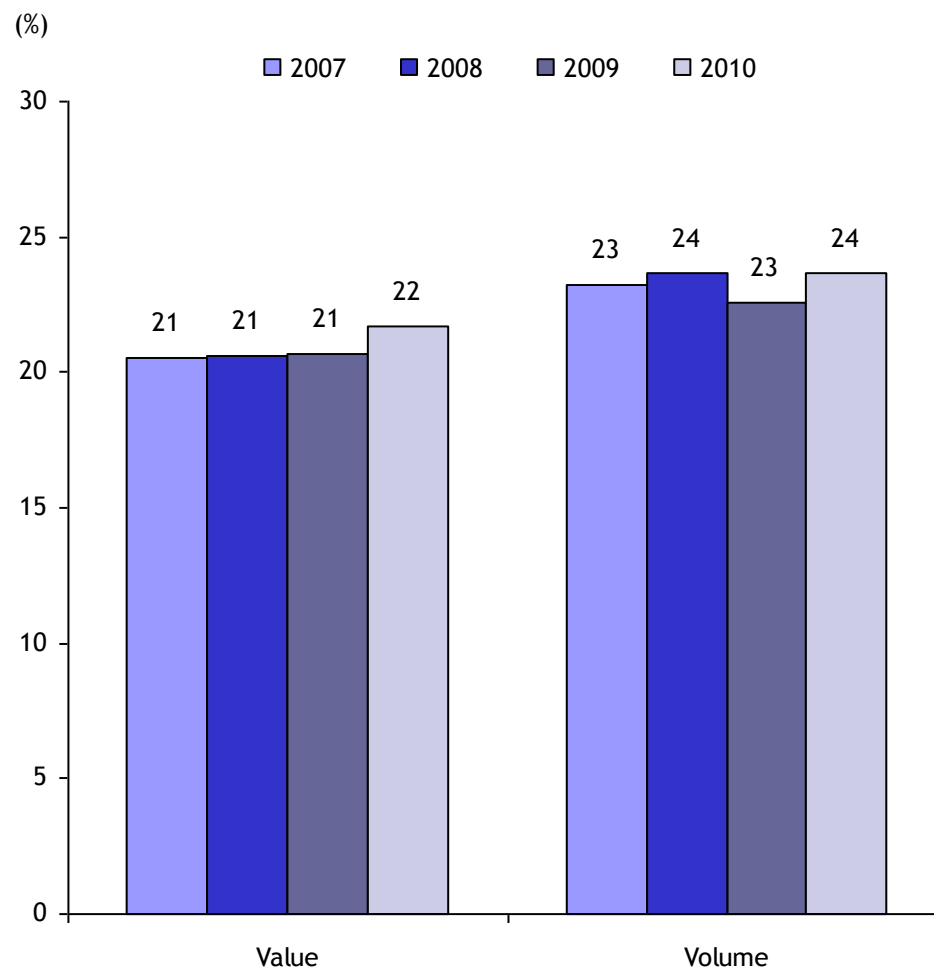
# Mosquito Repellent: Maxo



## Maxo Brand Performance – Gross Sales



## Maxo Coils Market Shares



<sup>1</sup> For calculating CAGR Financial Year is taken as April to March

Source: A.C. Nielsen



# Dishwashing Products: EXO (Brand Size Rs.175 crores)



\*Source: A.C. Nielsen

## Brand Facts

- Exo Dishwash Bar - India's first anti-bacterial dish wash launched in 2000
  - Features Cyclozan, which gives a protective cover against bacterial contamination of utensils

## Positioning

- Positioned as a brand giving consumers protection against bacterial contamination of utensils in addition to the promise of "clean and shiny" utensils - EXO Family HEALTHY Family.

## Market Share

- 22.5 % market share by value in Southern India for September 2010\*

## Brand Extension

- Dishwashing liquid - Exo Liquid
- Dishwashing scrubber - Exo Safai

## Going Forward 2010-11

- National roll out started in phased manner
- Presently available in 5 lakh retail outlets
- **Agressive National Campaign on hold**

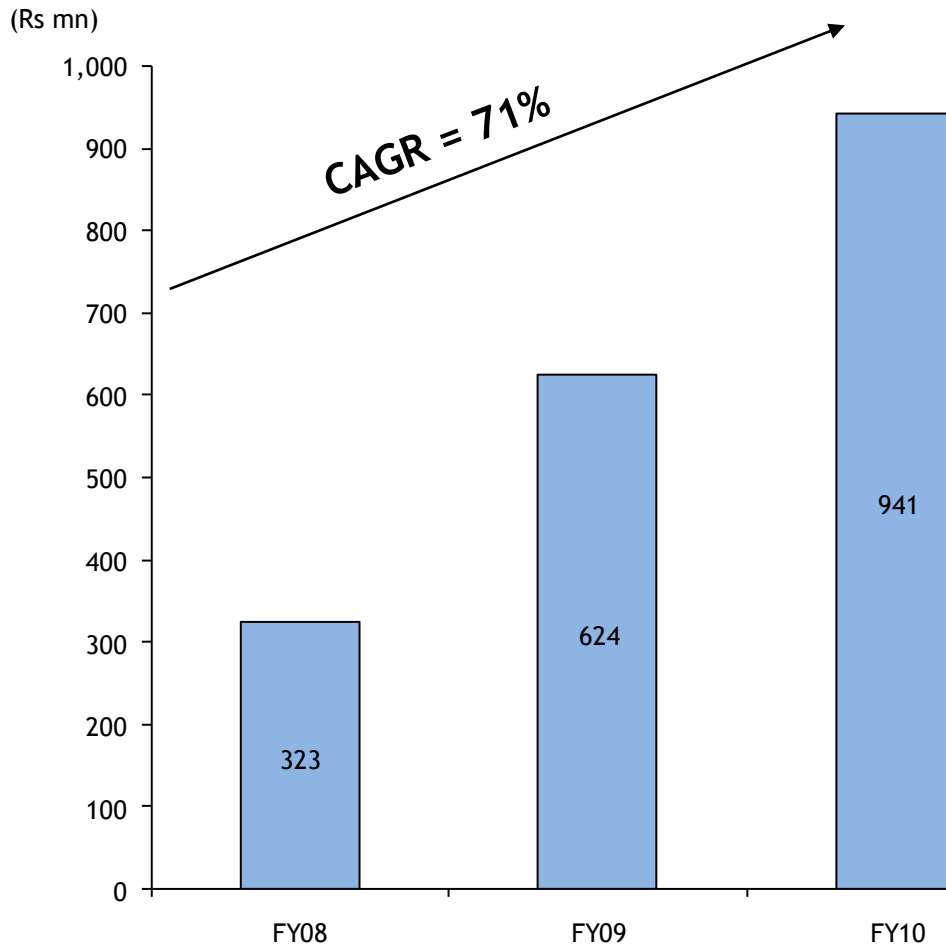
<sup>1</sup> Southern states include T.N., Karnataka, Kerala and A.P.



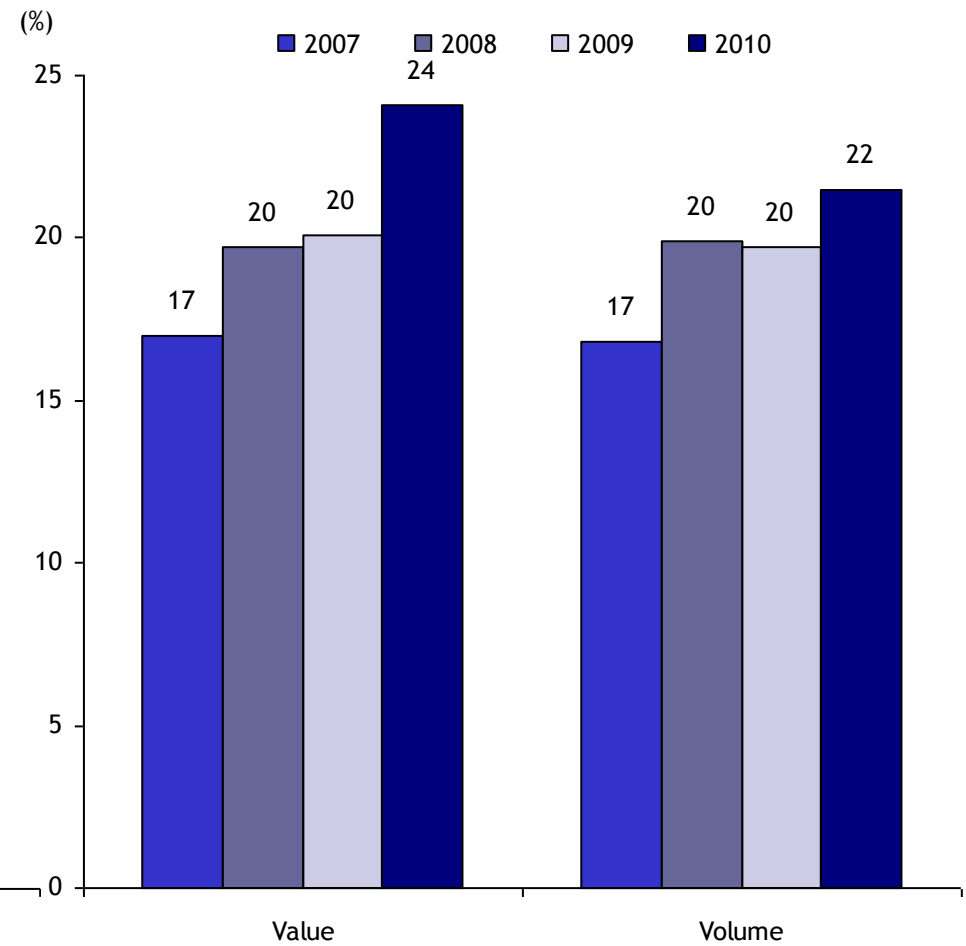
# Dishwashing Products: Exo



## Exo Brand Performance – Net Sales



## Exo Dish Wash Bar Market Shares



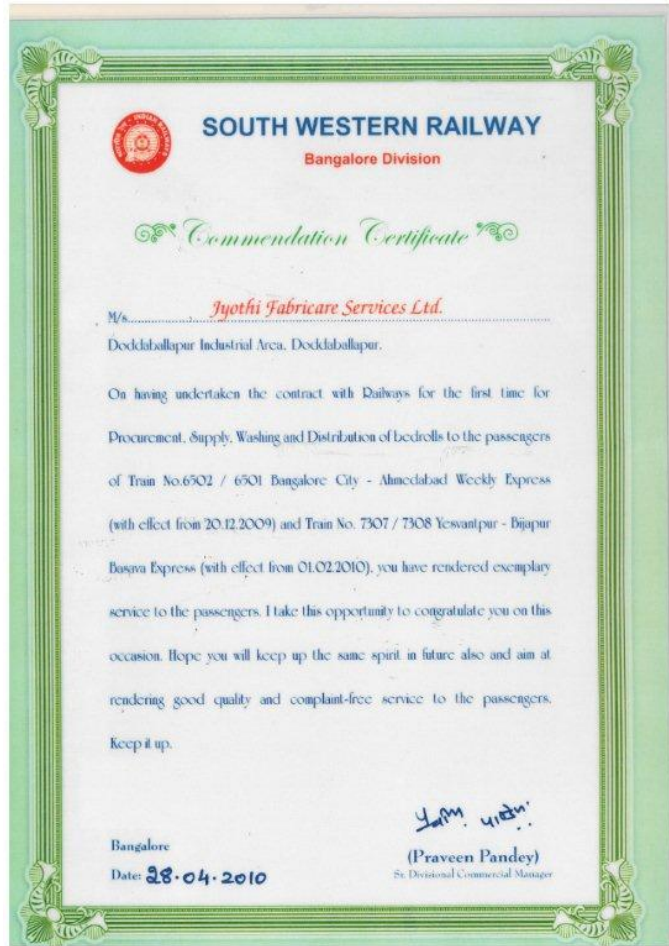
<sup>1</sup> For calculating CAGR Financial Year is taken as April to March

Source: A.C. Nielsen





Jyothy Fabricare Services Ltd.



- 26 trains bedroll for washing on trial basis - daily washing approx: 2000 bed rolls
- Got Excellence Award from South Western Railways
- Bid for BOOT - Opening of Financial Bid awaited

Railways	Wash Per Day	Tender Value
Western	12 Ton	155 crore
Southern	10 Ton	79 crores







Jyothy Fabricare Services Ltd.

- Mr M P Ramachandran
- Mr K Ullas Kamath
- Ms M R Jyothy
- Mr Vijay Rodha
- Mr Laxminarayan



# JFSL Brands & Services



Institutional



Retail Premium



Rentals



Door to Door



Retail Economy





Jyothy Fabricare Services Ltd.

- Consolidate - Bangalore Operations
- Achieve cash breakeven by 31<sup>st</sup> March 2011
- Plan to go to other cities - Chennai/Hyderabad/Pune - 2011-12





- Company has joined hands with Kallol Enterprises (JV) at Bangladesh to manufacture and market Jyothy's products.
- Ownership Structure - Jyothy - 75%, Kallol - 25%
- Total investment of Rs. 13 crores.
- Expected turnover of Rs. 100 crore by FY12.





- Raised 227.88 crores through issue of 80.63 lacs shares at Rs. 282.62 per equity share in August 2010
- Proceeds are currently invested in Fixed Maturity Plans.
- Funds will be utilised for business acquisitions expected by December 2010.





# Thank You

